



# 2016 Federal Budget

## Report Card

The Green Economy Network (GEN) appreciates the priority the new federal government has placed in its 2016 Federal Budget on initiating new public investments in the economy to both stimulate job creation and combat climate change. However, the 2016 Federal Budget would be considerably strengthened if it placed greater emphasis on making strategic links between public investments to reduce unemployment and poverty and those to reduce climate change.

(See: GEN's One Million Climate Jobs Challenge, <http://greeneconomynet.ca/>)

This Report Card is divided into two sections as follows:

SECTION 1: provides grade marks, commentary, and proposed next steps pertaining to those program items in the 2016 Federal Budget that specifically relate to work of the Green Economy Network (GEN) and its platform for creating 'One Million Climate Jobs' in Canada.

SECTION 2: provides a set of grade marks and commentary plus identifies shortfalls on other budget items concerning social equity and job development that directly or indirectly impact constituencies, issues, and priorities addressed by GEN in its work.

## SECTION 1

	<b>Green Economy Network Ask</b>	<b>Federal Budget 2016</b>	<b>Grade</b>	<b>Next Steps</b>
<b>Public Transit</b>	<ul style="list-style-type: none"> <li>• \$1.76 billion annually for fed. gov't assuming 50-40-10 split between fed/prov/and municipal gov'ts.</li> <li>• total public funding of \$17.6 billion over five years (or \$3.52 billion per year)</li> <li>• consistent, stable long-term funding</li> </ul>	<ul style="list-style-type: none"> <li>• \$3.4 billion over three years to upgrade and improve public transit systems across Canada through the new Public Transit Infrastructure Fund</li> <li>• election platform promised \$1.675 billion in the first year, only \$0.852 billion in the budget for the first year</li> </ul>	<b>B+</b>	<ul style="list-style-type: none"> <li>• develop a National Public Transportation Strategy ensuring apprenticeships, skills training, and job creation over the next five years</li> <li>• increase investment in public transportation infrastructure with a focus on electrification from renewable energy sources over the next five years</li> <li>• incorporate targets for job creation and GHG emission reductions</li> </ul>
<b>Commitment to HSR (High Speed Rail)</b>	<ul style="list-style-type: none"> <li>• \$1.0 billion annually based on fed/prov/mun 50-40-10 formula</li> <li>• total public funding of \$10.0 billion over five years (or \$2.0 billion per year)</li> <li>• commitment to build three HSR corridors</li> </ul>	<ul style="list-style-type: none"> <li>• commitment to reducing congestion and delivering fast, efficient trade corridors</li> <li>• no financial commitment HSR</li> <li>• VIA Rail carried 3.8 million passengers in 2015. The vast majority of passengers (over 90 per cent) travelled within the high-density Windsor-Quebec City corridor</li> </ul>	<b>D+</b>	<ul style="list-style-type: none"> <li>• lay the groundwork for higher speed rail between cities in urban corridors commencing with the highest-density corridor, Windsor-Quebec City</li> <li>• including concrete financial commitments in next year's budget</li> <li>• incorporate targets for job creation and GHG emission reductions</li> </ul>
<b>Renewable Energy (Solar, Wind, and Geothermal)</b>	<ul style="list-style-type: none"> <li>• \$2.33 billion annually based on fed/prov/mun 50-40-10 formula</li> <li>• total public funding of \$23.3 billion over five years (or \$4.66 billion per year)</li> <li>• consistent, stable long-term</li> </ul>	<ul style="list-style-type: none"> <li>• \$0.13 billion over five years to support energy efficiency and renewable energy development</li> <li>• \$1.0 billion over four years, starting in 2017-18 to support clean technology, including renewable energy</li> <li>• Green Bonds<sup>†</sup></li> </ul>	<b>C-</b>	<ul style="list-style-type: none"> <li>• build upon this base and develop a Renewable Energy Development Strategy (solar, wind, geothermal) with a focus on areas of high unemployment</li> <li>• rather than lumping natural resource development under Clean Technology, create</li> </ul>

	<p>funding</p>	<ul style="list-style-type: none"> <li>•\$2.0 billion over two years to establish the Low Carbon Economy Fund to support provincial and territorial projects*</li> </ul>		<p>separate significant targeted investments over the next five years for renewable energy development and infrastructure</p> <ul style="list-style-type: none"> <li>• incorporate targets for job creation and GHG emission reductions</li> </ul>
<p><b>Green Homes and Buildings</b></p> <p>Note: most of the revenue for Green Homes and Building Retrofits can be raised through innovative 'pay-as-you-save' financing, loans based on the municipal tax base and repaid through savings on energy bills.</p>	<ul style="list-style-type: none"> <li>• \$3.0 billion annually based on fed/prov/mun 50-40-10 formula</li> <li>• total public funding of \$30.0 billion over five years (or \$6.0 billion per year)</li> <li>• working strategically across all levels of government</li> </ul>	<ul style="list-style-type: none"> <li>•Commitment to develop a National Housing Strategy</li> <li>•\$0.57 billion over two years for renovations and efficiency retrofits for existing social housing</li> <li>•\$2.0 billion over three years for a new Post-Secondary Institutions Strategic Investment Fund – eligible projects include building retrofits and energy efficiency<sup>†</sup></li> <li>•\$2.1 billion over five years for repairs and retrofits of public properties and buildings, as well as greening of government operations</li> <li>• \$0.04 billion over five years to integrate climate resilience into building design guides and codes. The funding will support revised national building codes by 2020 for residential, institutional, commercial, and industrial facilities. Guides integrating climate resiliency into</li> </ul>	<p><b>B-</b></p>	<ul style="list-style-type: none"> <li>• expand the National Housing Strategy to include a Green Homes Program</li> <li>• develop a Green Buildings Strategy including ambitious technical and operational efficiency targets</li> <li>• use retrofits as an opportunity for workers to finish apprenticeships, gain skills, and improve housing stock in areas suffering rapidly rising unemployment</li> <li>• facilitate and fund innovative financing arrangements including pay-as-you-save</li> <li>• position the federal government as a leader by making federal government buildings as efficient as possible</li> <li>• consistently increase efficiency through revision of national building codes by 2020</li> <li>• include mandatory building energy labeling in the revision of national building codes by 2020</li> <li>• require all new buildings to be net zero by 2025</li> <li>• incorporate targets for job creation and GHG</li> </ul>

		the design and rehabilitation of public infrastructure will also be ready for adoption by 2020.		emission reductions
<b>GHG Emission Reductions</b>	<ul style="list-style-type: none"> <li>ensure that Canada meets its international obligations to reduce emissions by one-third in ten years</li> <li>finalize the pan-Canadian framework to address climate change</li> <li>pricing carbon emissions</li> <li>phase out fossil fuel subsidies</li> </ul>	<ul style="list-style-type: none"> <li>\$2.9 billion over five years to address environmental concerns including climate change and air pollution</li> <li>\$0.109 billion over five years to Environment and Climate Change Canada for domestic climate change objectives</li> <li>\$0.075 billion to be delivered by the Federation of Canadian Municipalities to support municipality-led projects for GHG reduction</li> <li>\$0.125 billion over two years to the FCM to enhance the Green Municipal Fund</li> </ul>	<b>C+</b>	<ul style="list-style-type: none"> <li>finalize the pan-Canadian Framework on Clean Growth and Climate Change</li> <li>develop a Carbon Pricing Initiative with a floor price of \$30/tonne, rising predictably over time, and reinvest that revenue in the transition to a green economy, as outlined in GEN's 'One Million Climate Jobs' plan</li> <li>phase out direct fossil fuel subsidies (including LNG) immediately and begin phasing out indirect fossil fuel subsidies over the next five years</li> </ul>

+ In December 2015, Export Development Canada, a federal crown corporation, issued a green bond of US \$300 million. These proceeds are used to support eligible transactions, including renewable energy

\* \$2.0 billion Low Carbon Economy Fund, commencing in 2017-18, is part of the \$2.9 billion over five years to address environmental concerns including climate change and air pollution in the 'GHG Emission Reductions' evaluation category

† Building retrofits and energy efficiency upgrades are not the only types of eligible projects under the new Fund. Other eligible projects enhance and modernize facilities but do not contribute to GHG emission reductions

## SECTION 2

	Green Economy Network Ask	Federal Budget 2016	Grade	Shortfalls
<b>Employment Insurance</b>	<ul style="list-style-type: none"> <li>access to EI is an essential component of a Just Transition strategy toward a green economy</li> </ul>	<ul style="list-style-type: none"> <li>eliminating 910-hour eligibility hurdle</li> <li>reducing waiting period from two weeks to one</li> <li>\$73 million over two years to improve access to EI Call Centres</li> <li>\$19 million to enable Service Canada to meet increased EI demand</li> </ul>	<b>B</b>	<ul style="list-style-type: none"> <li>\$1.2 billion raided from EI in 2016 and put into general revenues</li> <li>although there is a surplus, this money must remain in the EI program as an essential component of a Just Transition strategy toward a green economy</li> <li>extension of benefits too narrowly targeted</li> </ul>
<b>Skills and Training</b>	<ul style="list-style-type: none"> <li>investing in retraining and skills upgrades for workers to transition from the fossil fuels industry to the green economy</li> <li>investing in apprenticeships for the skilled trades workforce</li> </ul>	<ul style="list-style-type: none"> <li>\$85.4 million over five years to develop a new framework for union apprenticeship training</li> <li>\$175 million for enhancing investments in training for unemployed and underemployed Canadians</li> </ul>	<b>B+</b>	<ul style="list-style-type: none"> <li>election platform promised \$25 million a year for union apprenticeship training</li> <li>of \$85.4 million for apprenticeship training, first investment of \$10 million comes in 2017-18</li> <li>election platform promised \$300 million a year for jobs and innovation and \$200 million a year for new training investment</li> <li>\$175 million for training in 2016-17, no promises for future years</li> </ul>
<b>Youth</b>	<ul style="list-style-type: none"> <li>invest in young Canadians</li> <li>make post-secondary education more affordable</li> <li>create more co-op placements</li> <li>develop and expand Pre-</li> </ul>	<ul style="list-style-type: none"> <li>increase Canada Student Grant amounts by 50 per cent</li> <li>increase loan repayment threshold to at least \$25,000 per year income</li> <li>\$339 million over three years to create up to 35,000 additional jobs under the Canada Summer</li> </ul>	<b>B</b>	<ul style="list-style-type: none"> <li>the budget does not commit to lifting the two per cent funding cap on the Post-Secondary Student Support Program for Indigenous students</li> <li>election platform promised 40,000 good youth jobs, including</li> </ul>

	<p>Apprenticeship Training Programs</p>	<p>Jobs program</p> <ul style="list-style-type: none"> <li>• \$165.4 million in the Youth Employment Strategy</li> <li>• \$73 million over four years for the Post-Secondary Industry Partnership and Co-Operative Placement Initiative</li> <li>• establish a Prime Minister's Youth Advisory Council</li> <li>• establish an Expert Panel on Youth Employment</li> </ul>		<p>5,000 youth green jobs</p> <ul style="list-style-type: none"> <li>• election platform promised \$40 million each year to create more co-op placements</li> <li>• election platform promised up to \$10 million each year to develop or expand Pre-Apprenticeship Training Programs</li> </ul>
<p><b>Northern Canadians and Indigenous Peoples:</b></p> <p><b>Green Infrastructure and Job Creation</b></p>	<ul style="list-style-type: none"> <li>• investments in green infrastructure (building retrofits, microgrid solutions away from diesel)</li> <li>• investments in climate change preparedness</li> <li>• investments in economic diversification in the North, including renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>• \$137.7 million over two years provided to CMHC to support renovation and retrofit of existing housing on reserve</li> <li>• \$10.7 million over two years to Indigenous and Northern Affairs Canada to implement renewable energy projects in off-grid Indigenous and northern communities</li> <li>• \$40 million over two years to renew the Strategic Investments in Northern Economic Development Program, including renewable energy</li> <li>• \$15 million over two years in the Aboriginal Skills and Employment Training Strategy to support jobs, including jobs in housing construction</li> </ul>	<p><b>A-</b></p>	<ul style="list-style-type: none"> <li>• election platform promised \$50 million a year for Aboriginal skills and employment training, only \$15 million promised over two years in the budget</li> </ul>