

TERRY BEECH

BURNABY NORTH - SEYMOUR

TERRY BEECH

YOUR MEMBER OF PARLIAMENT FOR
BURNABY NORTH-SEYMOUR



Our Government's Work on
**CLIMATE CHANGE &
THE ENVIRONMENT**



Introduction



Attracting Investments for a Net-Zero Economy



Advancing Nuclear Energy, Nuclear Research and Environmental Remediation



Safer and Healthier Communities



Infrastructure

TABLE OF CONTENTS

TERRY BEECH

Introduction	4
Attracting Investments for a Net-Zero Economy	4
A New EV Supply Chain Investment Tax Credit	7
Delivering Major Economic Investment Tax Credit	8
Implementing the Clean Electricity Investment Tax Credit	9
Provincial and Territorial Crown Corporations	11
Implementing the Major Economic Investment Tax Credits	12
The Canada Growth Fund	12
Carbon Contracts for Difference	13
Getting Major Projects Done	14
Securing the Canadian Biofuels Industry	15
Advancing Nuclear Energy, Nuclear Research, and Environmental Remediation	16
Canada is a Global Nuclear Energy Leader	16
Canada-U.S. Energy Transformation Task Force	17
Clean Growth Hub	18
Made-in-Canada Sustainable Investment Guidelines	18
Safer and Healthier Communities	18
A Clean and Safe Environment for the Next Generations	18
Cutting Pollution with the Canada Carbon Rebate	20
The Cost of Climate Inaction Are Too High to Pass On	22
Extreme Weather Early Warning System	23
More Affordable Electric Vehicles	23
Investing in Canada's Parks	24
Protecting B.C.'s Great Bear Sea	24
Protecting Canadians and the Environment from Harmful Chemicals	25
Oceans Protection Plan	25
Support Canada's Biodiversity and Protect Species at Risk	26
British Columbia Old Growth Nature Fund	26
Defending Canada's Marine Areas	27
Protecting Our Southern Resident Killer Whales	27
Lower Energy Bills for Renters and Homeowners	28
Clean Economic Growth	28

TABLE OF CONTENTS

TERRY BEECH

Infrastructure	29
Encouraging and Investing in Green Infrastructure Development	29
Innovative Residential Construction	29
Building New Electric Charging Stations	30
The Green Municipal Fund	30
Green Bond Program	30
Working with Indigenous Communities on Green Initiatives	31
Green Federal Financing Initiatives	33
Right to Repair	33
Forest Sector Support	33
Investing in Clean Electricity	33

Introduction

Since being elected 2015 as a government, we have been firmly committed to climate action. Our government's historic first step was facilitating the Vancouver Declaration on Clean Growth and Climate Change. When First Ministers from across Canada met in Vancouver in 2016, there was an agreement to take a collaborative approach to immediately reduce greenhouse gas emissions and focus heavily on sustainable economic growth. The Pan-Canadian Framework on Clean Growth and Climate Change came out of that summit. This comprehensive framework and its guiding principles have defined our government's policies since 2015. We have been firmly focused on significantly reducing emissions and aggressively combating climate change while sustainably growing our economy. This document highlights some of the policies, programs, and investments we've made and developed from the 42nd Parliament and onwards.

To build a better future for the next generation, the communities we are building today must be places where people feel secure and want to put down roots and start a family. Communities where families are safe, entrepreneurs want to set up shop, and people want to invest in their future are crucial to unlocking the future of Canada.

Building safer, healthier communities means being good stewards of the environment and fighting climate change. From expanding parks to keeping the air, water, and soil clean, the government knows that investing in the environment today allows us to pass on the Canada we know and love, one of beautiful landscapes, clean air, and healthy ecosystems.

The government is taking action to help Canadians, businesses, and communities adapt to the effects of climate change and make life more affordable on the track to net zero. We're building a Canada-wide network of charging stations to make it more affordable to switch to zero-emission vehicles and investing in public transit, rail, and ferries to keep Canadians and communities connected as they grow.

Thriving communities need to be safe and inclusive. That's why we're investing in parks, recreation centres, local news, and street safety.

Budget 2024 takes action to protect our environment and strengthen our communities, making them safer and healthier places to live, work, and raise a family.

Attracting Investment for a Net-Zero Economy

In the 21st century, a competitive economy is a clean economy. There is no greater proof than the \$2.4 trillion investment made worldwide last year in net-zero economies. Canada is at the forefront of the global race to attract investment and seize the opportunities of the clean economy, with the government announcing a net-zero economic plan that will invest over \$160 billion. This includes an unprecedented suite of major economic investment tax credits, which will help attract investment through \$93 billion in incentives by 2034-35.

Overall, the government's investments will attract more private investment, securing Canadian leadership in clean electricity and innovation and creating economic growth and more good-paying jobs across the country.

Investors at home and worldwide are taking notice of Canada's plan. In defiance of global economic headwinds last year, public markets and private equity capital flows into Canada's net-zero economy grew—reaching \$14 billion in 2023, according to RBC. This is proof that Canada's investments are working—driving new businesses to take shape, creating good jobs, and making sure that we have clean air and clean water for our kids, grandkids, and generations to come.

Earlier this year, BloombergNEF ranked Canada's attractiveness in building electric vehicle (EV) battery supply chains first in the world, surpassing China, which has held the top spot since the ranking began. From resource workers mining the critical minerals for car batteries to union workers on auto assembly lines to the truckers that get cars to dealerships, Canada's advantage in the supply chain is creating high-skilled, good-paying jobs across the country for workers of all ages.

Figure 4.3
Canada's Net-Zero Economy Strategy

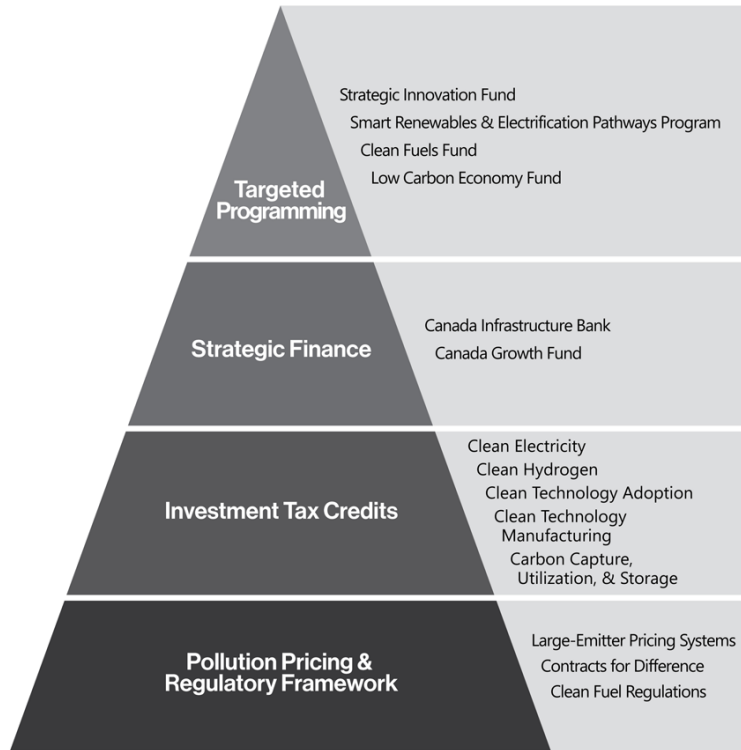
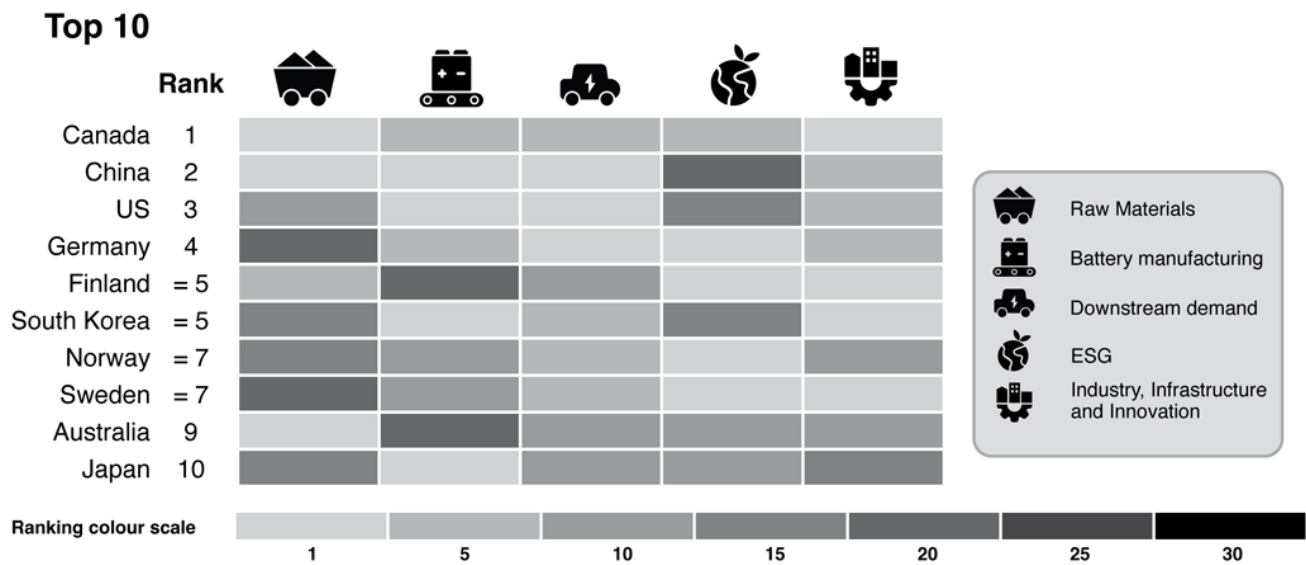


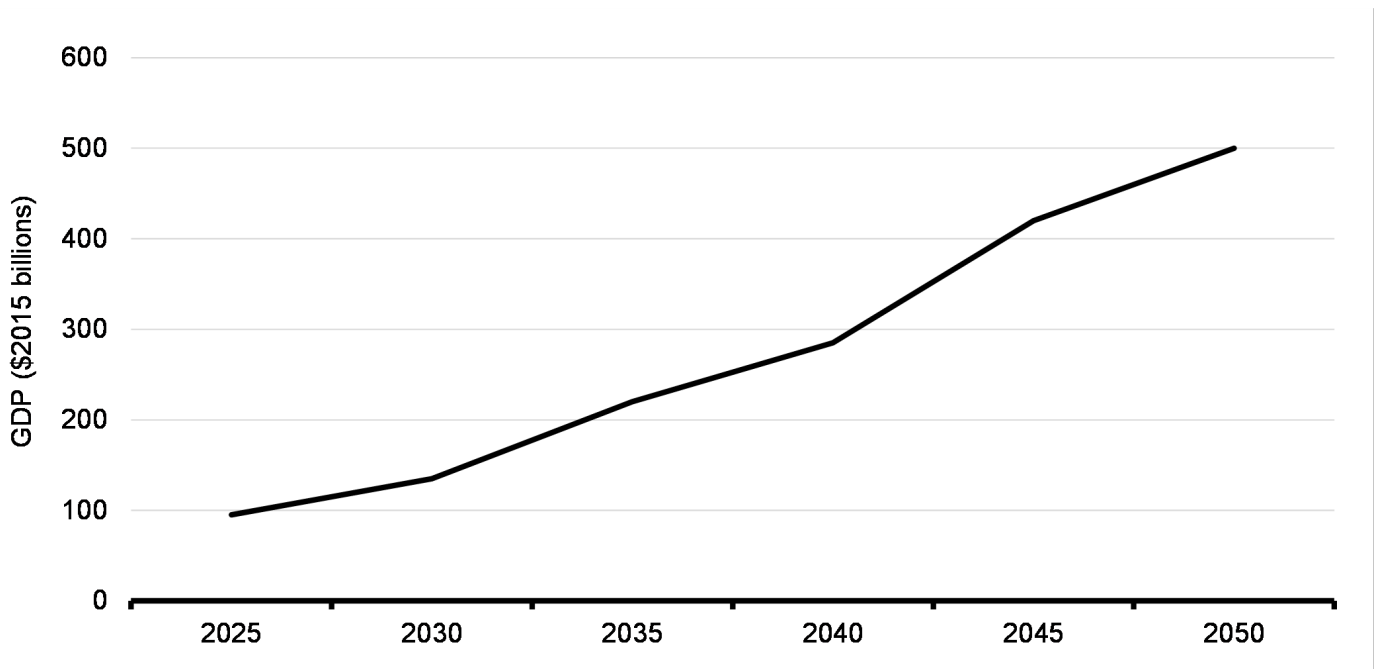
Figure 4.4
Bloomberg, Annual Ranking of Lithium-Ion Battery Supply Chains



Our abundant clean energy, high labour standards, and rigorous standards for consultation and engagement with Indigenous communities underpin this first-place ranking of Canada's EV supply chains. Canada's major economic investment tax credits are seizing Canada's full potential and doing it right.

By 2050, clean energy GDP could grow fivefold—up to \$500 billion, while keeping Canada on track to reach net zero by 2050. Once again, proof that good climate policy is good economic policy is needed.

Clean Energy GDP Growth, 2025-2050



Helping innovative Canadian firms scale up is essential to increasing the pace of economic growth in Canada. The Cleantech Group's 2023 list of the 100 most innovative global clean technology companies featured 12 Canadian companies, the second highest number of any country, behind only the U.S. The government invests in clean technology companies to unlock their full capabilities.

Budget 2024 announces the next steps in the government's plan to attract even more investment to Canada, creating good-paying jobs and accelerating the development and deployment of clean energy and clean technology.

Key Ongoing Actions

- Delivering the new major economic investment tax credits by the end of 2024 to create jobs and keep Canada on track to reduce pollution and reach net zero by 2050:
 - Carbon Capture, Utilization, and Storage investment tax credit; Clean Technology investment tax credit;
 - Clean Hydrogen investment tax credit;
 - Clean Technology Manufacturing investment tax credit; and
 - Clean Electricity investment tax credit.
- Catalyzing private investment in low-carbon projects, technologies, businesses, and supply chains through the

Canada Growth Fund, a \$15 billion, arm's length investment fund led by a world-leading team of public sector pension investment professionals.

- Since the federal government launched the Canada Growth Fund last year, \$1.34 billion of capital has been committed to a world-leading geothermal energy technology company, the world's first-of-its-kind carbon contract for difference, and to cleantech entrepreneurs and innovators through a leading Canadian-based climate fund.
- Working with industry, provinces, and Indigenous partners to build an end-to-end electric vehicle battery supply chain, including by securing major investments in 2023.
- Building major clean electricity and clean growth infrastructure projects with investments of at least \$20 billion from the Canada Infrastructure Bank.
- \$3.8 billion for Canada's Critical Minerals Strategy to secure our position as the world's supplier of choice for critical minerals and the clean technologies they enable.
- \$3 billion to recapitalize the Smart Renewables and Electrification Pathways Program, which builds more clean, affordable, and reliable power, and to support innovation in electricity grids and spur more investments in Canadian offshore wind.

A New EV Supply Chain Investment Tax Credit

The automotive industry is undergoing a major transformation. As more and more electric vehicles are being produced worldwide, Canada's automotive industry must have the support it needs to retool its assembly lines and build new factories to seize the opportunities of the global switch to electric vehicles. With our world-class natural resource base, talented workforce, and attractive investment climate, Canada will be an electric vehicle supply chain hub for all steps along the manufacturing process. This is an opportunity for Canada to secure its position at the forefront of this growing global supply chain and secure high-quality jobs for Canadian workers for a generation to come.

Businesses that manufacture electric vehicles and their precursors could already claim the 30 percent Clean Technology Manufacturing investment tax credit on the cost of their investments in new machinery and equipment, as announced in Budget 2023. Providing additional support to these businesses so they choose Canada for more than one stage in the manufacturing process would secure more jobs for Canadians and help cement Canada's position as a leader in this sector.

Budget 2024 announces the government's intention to introduce a new 10 percent Electric Vehicle Supply Chain investment tax credit on the cost of buildings used in key segments of the electric vehicle supply chain for businesses that invest in Canada across three supply chain segments:

- Electric vehicle assembly
- Electric vehicle battery production
- Cathode active material production

For a taxpayer's building costs in any of the specified segments to qualify for the tax credit, the taxpayer (or a member of a group of related taxpayers) must claim the Clean Technology Manufacturing investment tax credit in all three of the specified segments or two of the three specified segments and hold at least a qualifying minority interest in an unrelated corporation that claims the Clean Technology Manufacturing tax credit in the third segment. The building costs of the unrelated corporation would also qualify for the new investment tax credit.

The EV Supply Chain investment tax credit would apply to property acquired and made available for use on or after January 1, 2024. The credit would be reduced to 5 percent for 2033 and 2034 and would no longer be in effect after 2034.

The EV Supply Chain investment tax credit is expected to cost \$80 million over five years, starting in 2024-25, and an additional \$1.02 billion from 2029-30 to 2034-35.

The 2024 Fall Economic Statement will provide the design and implementation details of the EV Supply Chain investment tax credit, which would incorporate elements of the Clean Technology Manufacturing investment tax credit, where applicable.

Delivering Major Economic Investment Tax Credits

To seize the investment opportunities of the global clean economy, we are delivering our six major economic investment tax credits. These will give businesses and other investors the certainty they need to invest and build in Canada. And they are already attracting major, job-creating projects, ensuring we remain globally competitive.

From new clean electricity projects that will provide clean and affordable energy to Canadian homes and businesses to carbon capture projects that will decarbonize heavy industry, our major economic investment tax credits are moving Canada forward on its track to achieve a net-zero economy by 2050.

In November 2023, the government introduced Bill C-59 to deliver the first two investment tax credits and give businesses the certainty they need to make investment decisions in Canada today. Bill C-59 also includes labour requirements to ensure workers are paid prevailing union wages and apprentices have opportunities to gain experience and succeed in the workforce. With the support and collaboration of Parliamentarians, the government anticipates Bill C-59 receiving Royal Assent before June 1, 2024.

- Carbon Capture, Utilization, and Storage investment tax credit: would be available as of January 1, 2022
- Clean Technology investment tax credit: would be available as of March 28, 2023
- Labour Requirements: effective as of November 28, 2023, which must be met to receive the maximum tax credit rate for the following investment tax credits:
 - Carbon Capture, Utilization, and Storage investment tax credit
 - Clean Technology investment tax credit
 - Clean Hydrogen investment tax credit
 - Clean Electricity investment tax credit

The government will soon introduce legislation to deliver the next two investment tax credits:

- **Clean Hydrogen investment tax credit:** available as of March 28, 2023; and,
- **Clean Technology Manufacturing investment tax credit:** available as of January 1, 2024.

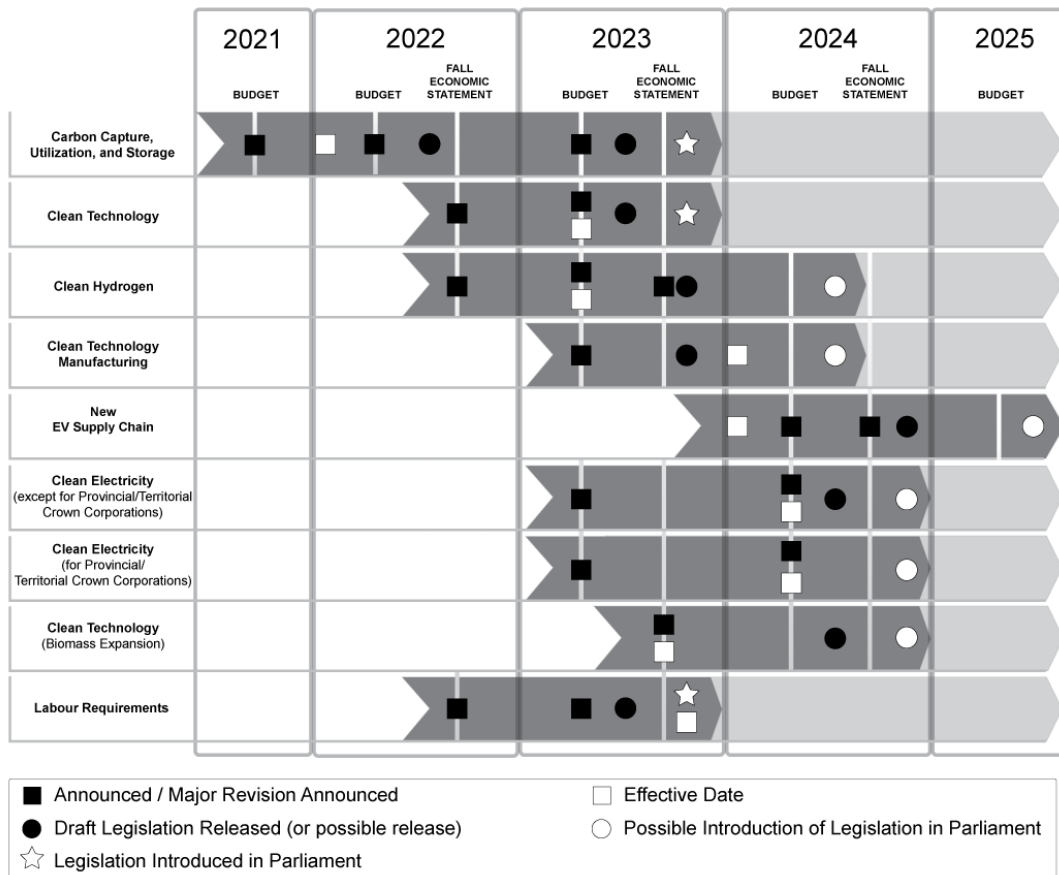
As a priority, the government will work on introducing legislation for the remaining investment tax credits, including the new EV Supply Chain investment tax credit, as well as proposed expansions and enhancements:

- **Clean Electricity investment tax credit:** would be available as of the day of Budget 2024 for projects that did not begin construction before March 28, 2023;
- Expanding Eligibility for the Clean Technology and Clean Electricity investment tax credits to support using waste biomass to generate heat and electricity:
 - The expansion of the Clean Technology investment tax credit would be available as of November 21, 2023;

- The Clean Electricity investment tax credit expansion would be available from the day of Budget 2024 for projects that did not begin construction before March 28, 2023.
- **Clean Technology Manufacturing investment tax credit** enhancements will provide new clarity and improve access to critical minerals projects. Draft legislation will be released for consultation in the summer of 2024, and the government targets introducing legislation in the fall of 2024.
- **The EV Supply Chain investment tax credit** will be available on January 1, 2024.

Given that the significant economic investment tax credits will be available, including retroactively, from their respective coming into force dates, businesses are already taking action to break ground on projects that will reduce emissions, create jobs, and grow the economy. Passing the major economic investment tax credits into law will secure Canadians a cleaner, more prosperous future today and tomorrow.

Delivery Timeline for Major Economic Investment Tax Credits



Implementing the Clean Electricity Investment Tax Credit

As the economy grows, Canada’s electricity demand is expected to double by 2050 (Chart 4.7). To meet this increased demand with a clean, reliable, and affordable grid, our electricity capacity must increase by 1.7 to 2.2 times compared to current levels (Chart 4.8). Investing in clean electricity today will reduce Canadians’ monthly energy costs by 12 percent (Chart 4.9) and create approximately 250,000 good jobs by 2050 (Chart 4.10).

Chart 4.7
Electricity Generation Requirements
2022-2050

Generation Relative to 2022

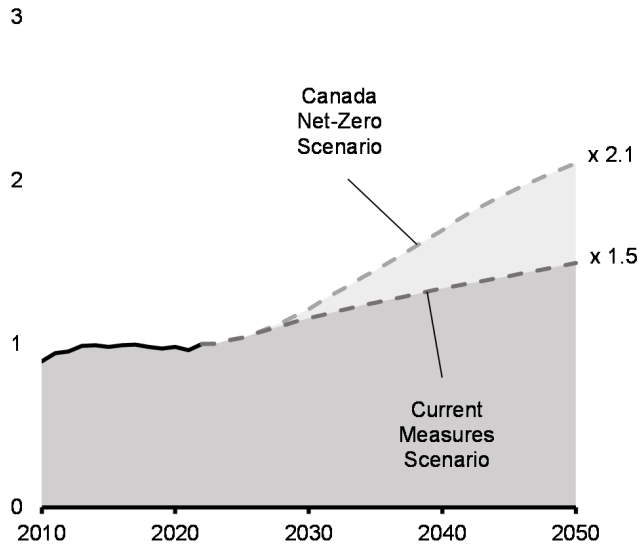


Chart 4.8
Electricity Capacity Requirements
2022-2050

Capacity Relative to 2022

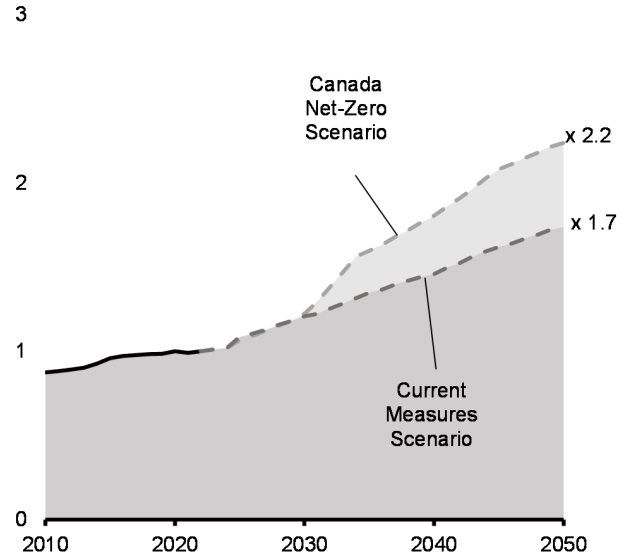


Chart 4.9
Average Annual Household Energy Spending
2020 and 2050

Total Annual Cost of Energy (CAD 2020)

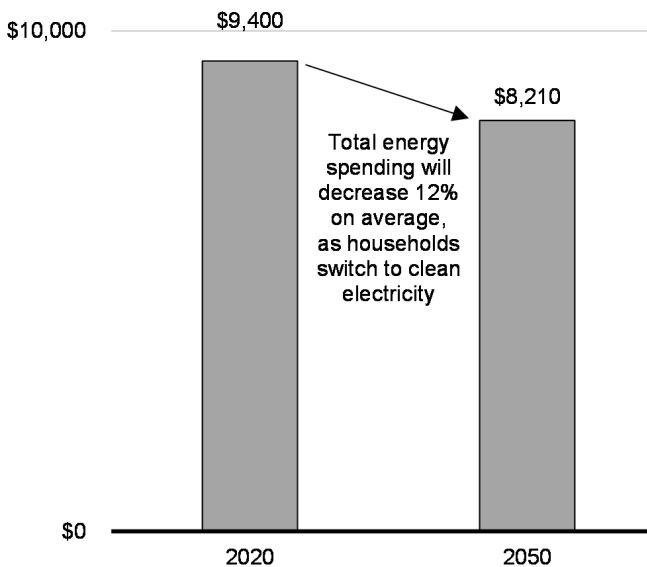
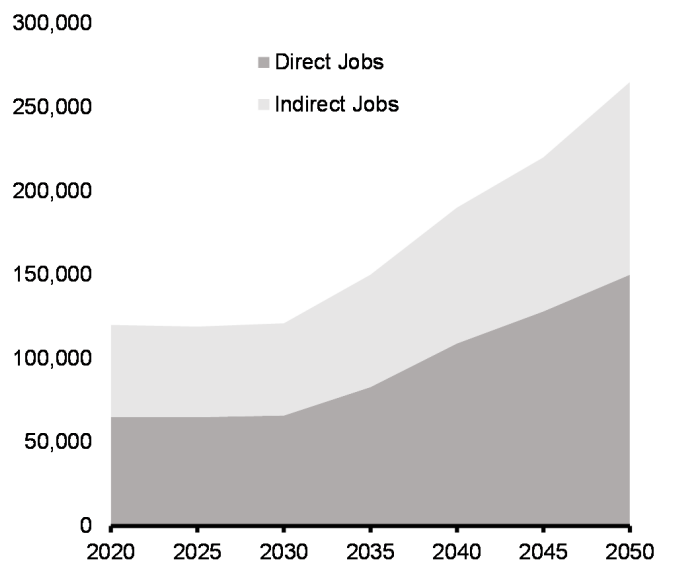


Chart 4.10
Job Creation in Clean Electricity
2022-2050

Number of Jobs (Average of 3 Investment Scenarios)



Canada already has one of the cleanest electricity grids in the world, with 84 percent of electricity produced by non-emitting sources of generation. Quebec, British Columbia, Manitoba, Newfoundland, Labrador, and Yukon are already clean electricity leaders and generate nearly all of their electricity from non-emitting hydropower—and have more untapped clean electricity potential. Other regions of Canada will require major investments to ensure clean, reliable electricity grids, and the federal government is stepping up to support provinces and territories with these investments.

In Budget 2023, the government announced the new Clean Electricity investment tax credit to deliver broad-based support to implement clean electricity technologies and accelerate progress towards a Canada-wide net-zero electricity grid.

- Budget 2024 announces the design and implementation details of the Clean Electricity investment tax credit with the following design features:
 - A 15% refundable tax credit rate for eligible investments in new equipment or refurbishments related to:
 - Low-emitting electricity generation systems using energy from wind, solar, water, geothermal, waste biomass, nuclear, or natural gas with carbon capture and storage.
 - Stationary electricity storage systems that do not use fossil fuels in operation, such as batteries and pumped hydroelectric storage.
 - Transmission of electricity between provinces and territories.
 - The Clean Electricity investment tax credit would be available to certain taxable and non-taxable corporations, including corporations owned by municipalities or Indigenous communities and pension investment corporations.
 - Provided that a provincial and territorial government satisfies the additional conditions outlined below, the tax credit would also be available to provincial and territorial Crown corporations investing in that province or territory.
 - Robust labour requirements to pay prevailing union wages and create apprenticeship opportunities will need to be met to receive the full 15 percent tax credit.

The Clean Electricity investment tax credit is expected to cost \$7.2 billion over five years, starting in 2024-25 and an additional \$25 billion from 2029-30 to 2034-35.

The Clean Electricity investment tax credit would apply to acquired property and become available for use on or after the day of Budget 2024 for projects that did not begin construction before March 28, 2023. The credit would no longer be in effect after 2034. Similar rules would apply for provincial and territorial Crown corporations, with modifications outlined below.

Provincial and Territorial Crown Corporations

The federal government is proposing that, for provincial and territorial Crown corporations to access the Clean Electricity investment tax credit within a jurisdiction, the government of that province or territory would need to publicly commit to:

- Work towards a net-zero electricity grid by 2035.
- Provincial and territorial Crown corporations pass the Clean Electricity investment tax credit value to electricity ratepayers in their province or territory to reduce ratepayers' bills.

Direct provincial and territorial Crown corporations claiming the credit to publicly report, on an annual basis, how the tax credit has improved ratepayers' bills.

If a provincial or territorial government satisfies all the conditions by March 31, 2025, then provincial or territorial Crown corporations investing in that jurisdiction would be able to access the Clean Electricity investment tax credit for property that is acquired and becomes available for use on or after the day of Budget 2024 for projects that did not begin construction before March 28, 2023.

If a provincial or territorial government does not satisfy all the conditions by March 31, 2025, then provincial or territorial Crown corporations investing in that jurisdiction cannot access the Clean Electricity investment tax credit until all the conditions are satisfied. In this case, the Clean Electricity investment tax credit would apply to acquired property and become available for use when the conditions are deemed to have been satisfied for projects that did not begin construction before March 28, 2023.

The Department of Finance Canada will consult with provinces and territories on the details of these conditions before legislation is introduced this fall.

Additional design and implementation details for the tax credit can be found in the Budget Tax Measures Supplementary Information under "Clean Electricity investment tax credit."

Implementing the Major Economic Investment Tax Credit

The government's suite of major economic investment incentives is unprecedented in Canadian history. The government is delivering these supports on a priority basis to attract investment, create good-paying jobs, and grow the economy while continuing to progress in the fight against climate change.

To deliver the major economic investment tax credits without delay, the government is boosting resources to the Canada Revenue Agency, Natural Resources Canada, and the Department of Finance Canada, each of which has a role in delivering these support measures. To this end:

- Budget 2024 proposes to provide the Canada Revenue Agency up to \$90.9 million over 11 years, starting in 2024-25, to administer the new major economic investment tax credits.
- Budget 2024 proposes to provide Natural Resources Canada \$7.4 million over five years, starting in 2024-25, to provide expert technical advice on engineering and scientific matters related to the major economic investment tax credits and to support the administration of certain investment tax credits with the Canada Revenue Agency.
- Budget 2024 proposes to provide the Department of Finance Canada \$21.4 million over 11 years, starting in 2024-25, to complete the implementation, including legislation, of the major economic investment tax credits, ensure ongoing evaluation and response to emerging issues, and propose appropriate legislative amendments to the Income Tax Act and Income Tax Regulations.

The Canada Growth Fund

The Canada Growth Fund is a \$15 billion arm's length public investment vehicle launched by the federal government to attract private capital and invest in Canadian projects and businesses, led by Canada's world-leading public sector pension professionals. The Canada Growth Fund investments in clean energy and clean technology are already building Canada's robust and clean economy and creating good-paying jobs across the country:

On October 25, 2023, the Canada Growth Fund made its first investment—a \$90 million investment in Calgary's Eavor Technologies Inc., a groundbreaking geothermal energy company that is creating meaningful employment opportunities for Albertans and securing the Canadian future of a company at the leading edge of the global economy.

The Canada Growth Fund's second investment was announced on December 20, 2023—a \$200 million direct investment, plus a complementary carbon contract offtake agreement, in a world-leading carbon capture and sequestration company, Calgary's Entropy Inc. to support the reduction of up to one million tonnes of carbon per year. This major investment will support 1,200 good jobs for Albertans and grow the company's Canadian-based activities.

Carbon Contracts for Difference

A price on pollution is the foundation of Canada's plan to build a prosperous net-zero economy. It is a fair system that promotes market-driven solutions. The government recognizes the substantial demand from industry and other stakeholders for carbon contracts for difference (CCFDs) to accelerate investment in decarbonization and clean growth technologies by providing certainty around carbon pricing.

The 2023 Fall Economic Statement announced that the Canada Growth Fund will be the principal federal entity to issue CCFDs, including allocating, on a priority basis, up to \$7 billion to issue all forms of contracts for difference and offtake agreements. The Canada Growth Fund is fulfilling this important role as a federal issuer of CCFDs. Building on its initial success, the Canada Growth Fund is assessing the opportunity to expand its carbon contract offerings and is developing approaches that can best serve the different carbon credit markets across Canada:

- Budget 2024 announces that the Canada Growth Fund is developing an expanded range of CCFD offerings tailored to different markets and their unique risks and opportunities. The Canada Growth Fund will continue offering bespoke CCFDs and carbon offtake agreements, focusing on provinces contributing significantly to greenhouse gas emissions reductions.
- Building on the insights gained from these transactions, Budget 2024 announces the Canada Growth Fund will explore ways to broaden its approach, for example, by developing off-the-shelf contracts for certain jurisdictions and ways to offer these contracts on a competitive basis for a set amount of emissions reductions.
- The Canada Growth Fund has around \$6 billion remaining to continue issuing, on a priority basis, all forms of CCFDs and carbon offtake agreements. Budget 2024 announces the government will ensure that the Canada Growth Fund continues to have the resources it needs to fulfill its role as a federal issuer of CCFDs. The government is also evaluating options to enhance the Canada Growth Fund's capacity to offer CCFDs, including exploring the possibility of a government backstop of certain CCFD liabilities of the Canada Growth Fund.

CCFDs can help develop robust carbon credit markets, and the federal government has taken action to ensure their success. For example, in 2022, Environment and Climate Change Canada worked with Alberta to ensure that their TIER market was sufficiently stringent so that the projected demand for carbon credits exceeded the projected supply, ensuring robust credit demand even as more major decarbonization projects get built, and more credits are generated.

Credit markets are largely the responsibility of provinces, and there are opportunities to improve how these markets function. For example, commitments to maintain their industrial carbon pricing systems over the long term tighten the stringency of systems as necessary to avoid an oversupply of credits, publishing the price of carbon credits, and recommitting to maintain a price signal of \$170 per tonne by 2030 could help improve carbon price expectations for investors. Increased credit price transparency would greatly improve market functioning and provide greater investment certainty, unlocking more decarbonization projects. It would also facilitate the Canada Growth Fund's efforts to develop off-the-shelf CCFDs and deliver more deals faster across provincial carbon markets.

- Budget 2024 announces that Environment and Climate Change Canada will work with provinces and territories to improve the functioning of carbon credit markets, which will help unlock additional decarbonization projects throughout Canada.

Getting Major Projects Done

Putting Canada on a path to net zero requires significant and sustained private sector investment in clean electricity, critical minerals, and other major projects. For these investments to be made, Canada's regulatory system must be efficient and quicker—it shouldn't take over a decade to open a new mine and secure our critical minerals supply chains.

To that end, Budget 2023 announced an intention to develop a plan to improve the efficiency of the impact assessment and permitting processes for major projects. The Ministerial Working Group on Regulatory Efficiency for Clean Growth

Projects was launched to coordinate this work and drive positive, pro-growth culture change throughout the government to ensure major project approvals come quicker. New major projects create thousands of new, good-paying jobs for Canadians, and the government is focused on getting more done.

Budget 2024 announces measures to help clarify and reduce timelines for major projects so they can get built faster:

- **Provide \$9 million over three years, starting in 2024-25, to the Privy Council Office's Clean Growth Office** to implement the recommendations of the Ministerial Working Group and reduce interdepartmental inefficiencies, including preventing fixation on well-studied and low-risk impacts, ensuring new permitting timelines are upheld throughout departments, and improving data sharing between departments to reduce redundant studies.
- **Launch work to establish a new Federal Permitting Coordinator** within the Privy Council Office's Clean Growth Office.
- **Set a target of five years or less to complete federal impact assessment and permitting processes** for federally designated projects and a target of two years or less for permitting of non- federally designated projects.
- **Issue a Cabinet Directive to drive culture change**, achieve new targets, and set out clear federal roles and responsibilities within and across departments to get clean growth projects built in a timely and predictable manner.
- **Build a Federal Permitting Dashboard that reports on the status of large projects** which require permits to improve predictability for project proponents and increase the federal government's transparency and accountability to Canadians.
- **Set a three-year target for nuclear project reviews** by working with the Canadian Nuclear Safety Commission and Impact Assessment Agency of Canada, and consider how the process can be better streamlined and duplications reduced between the two agencies.

To advance the principle of "one project, one review," Budget 2024 proposes to:

- **Amend the Impact Assessment Act** to respond to the October 2023 Supreme Court of Canada decision that ruled that elements of the Act are unconstitutional. The proposed amendments will ensure the Act is constitutionally sound, facilitating efficient project reviews while advancing Canada's clean growth and protecting the environment. An amended Act will provide certainty for businesses and investors through measures that include increasing flexibility in the substitution of assessments to allow for collaboration and avoid inter-jurisdictional duplication, clarifying when joint federal-provincial review panels are possible, and allowing for earlier Agency screening decisions as to whether a full impact assessment is required after the Planning phase. The amended Act will remain consistent with the United Nations Declaration on the Rights of Indigenous Peoples Act;
- **Enhance coordination across orders of government** using the tools available under the Impact Assessment Act and permitting coordination mechanisms to reduce duplication and minimize the burden of regulatory processes on project proponents and Indigenous groups; and,
- **Engage Northern Premiers, Indigenous communities, industry, and other partners** to discuss transformative changes to their unique project review frameworks to ensure the North is prepared to assess and build clean growth projects.
- To improve engagement and partnerships, including with Indigenous partners, Budget 2024 also announces the government will:
 - **Advance Indigenous participation in major projects** through the Indigenous Loan Guarantee Program detailed in Chapter 6, which will provide more opportunities for Indigenous communities to benefit from the significant number of natural resource and energy projects proposed to take place in their territories.

- **Work to establish a Crown Consultation Coordinator** to ensure efficient and meaningful Crown consultation with Indigenous peoples on issuing federal regulatory permits to projects that do not undergo federal impact assessments. The government will consult First Nations, Inuit, Metis, Modern Treaty and Self-Governing Indigenous partners on the design of the Crown Consultation Coordinator. The Impact Assessment Agency of Canada will continue to be the Crown consultation body for all federal decisions related to projects that undergo federal impact assessments.
- **Improve Indigenous capacity for consultation** by advancing the co-development and implementation of consultation protocol agreements and resource centres led by Crown-Indigenous Relations and Northern Affairs Canada.

More details on the Ministerial Working Group's recommendations will be published in an Action Plan in spring 2024. Additionally, further analysis of opportunities for improving the efficiency of the impact assessment process will be undertaken as part of the five-year review of the Impact Assessment Act's designated project list, which will occur later this year following the coming into force of the amended Act. This review will be undertaken in consultation with the public and Indigenous partners.

Getting major projects built means more jobs in more regions across Canada and more opportunities for the next generation of workers.

Securing the Canadian Biofuels Industry

Biofuels and biogas are renewable energy sources sustainably made from plants or biowaste, such as canola crops and landfill emissions. Not only do they generate fewer greenhouse gas emissions compared to fossil fuels, but they also represent a unique opportunity for the Canadian economy. The industry supports agriculture and forestry jobs and can help decarbonize key sectors like marine, aviation, rail, and heavy industry. Canada's Clean Fuel Regulations, which have been in place since 2022, are helping drive the production and adoption of specific biofuels in Canada.

The government is proposing new measures to support biofuel production in Canada, focusing on renewable diesel, sustainable aviation fuel, and renewable natural gas, aiming to capitalize on the increasing demand for these fuels and strengthen Canada's position in the market. Budget 2024 announces:

- The government intends to disburse up to \$500 million per year from Clean Fuel Regulations compliance payment revenues to support biofuel production in Canada, subject to sufficient compliance payments being made to the federal government. More details will be announced in the 2024 Fall Economic Statement.
- The government will also retool the Clean Fuels Fund to deliver funding faster and extend the Fund for an additional four years, until 2029-30. To support clean fuel projects, \$776.3 million will be available from 2024-25 to 2029-30. The program will shift to a continuous intake process, and streamlined negotiations and decision-making processes will expedite delivery. By the end of this year, Natural Resources Canada will launch another call for proposals under the extended Clean Fuels Fund.
- The Canada Infrastructure Bank will invest at least \$500 million in biofuel production under its green infrastructure investment stream.

Advancing Nuclear Energy, Nuclear Research, and Environmental Remediation

Non-emitting nuclear energy is one key tool in helping the world reach net-zero emissions by 2050. Canada stands out as one of the few countries developing and deploying its nuclear technology, the CANDU. The robust Canadian supply chains built around CANDU generate highly skilled jobs, foster research and development, and create affordable and clean electricity. Canada’s nuclear sector also produces medical isotopes essential for radiation therapy and diagnosing heart disease.

Canada is a Global Nuclear Energy Leader	
Over the last few years, the government has announced significant investments and actions to advance nuclear energy:	
Large Reactors	<ul style="list-style-type: none"> • Canada has committed up to \$3 billion in export financing to Romania to support the construction of two new CANDU reactors. This will reduce Romania's reliance on Russian energy, boost Romania's energy security, benefit Romanians and their neighbours, and support Canadian jobs. Canadian supply chains will participate in constructing and maintaining these reactors over their multi-decade operating life. • The government announced \$50 million in funding to support Bruce Power’s large nuclear expansion.
Small Modular Reactors (SMRs)	<ul style="list-style-type: none"> • The Canada Infrastructure Bank announced a \$970 million investment to support Ontario Power Generation in building the first grid-scale SMR among G7 nations at Darlington. • The Strategic Innovation Fund has committed \$94.7 million to accelerate the development of three different next-generation SMR designs. • The government announced \$74 million in funding to support SaskPower’s SMR development. • The government announced \$120.6 million to enable the deployment of SMRs through various activities, such as building regulatory capacity.
Major Economic Investment Tax Credits:	<ul style="list-style-type: none"> • The Clean Electricity and Clean Technology Manufacturing investment tax credits announced in Budget 2023 would support investments in nuclear electricity generation, nuclear power supply chains, and nuclear fuel production, which are part of the solution for a clean economy transition.
Sustainable Finance:	<ul style="list-style-type: none"> • The government updated its Green Bond Framework to make certain nuclear energy expenditures eligible.

Canadian Nuclear Laboratories conducts nuclear science research that helps advance clean energy and medical technologies, environmental remediation, and waste management at historic nuclear sites. This work is overseen by Atomic Energy of Canada Limited, a Crown corporation responsible for enabling nuclear science and technology and ensuring environmental protection at nuclear sites.

- Budget 2024 proposes to provide Atomic Energy of Canada Limited with \$3.1 billion over 11 years, starting in 2025-26, with \$1.5 billion in remaining amortization, to support Canadian Nuclear Laboratories' ongoing nuclear science research, environmental protection, and site remediation work.

Canada-U.S. Energy Transformation Task Force

Prime Minister Trudeau and President Biden launched the Canada-U.S. Energy Transformation Task Force on March 24, 2023, as a one-year joint initiative to support our collective energy security and economic growth as we transition to a clean energy future. Canada is pleased to announce the renewal of the Energy Transformation Task Force for another year.

Since its creation, the Energy Transformation Task Force has driven significant progress towards more secure and resilient Canada-U.S. supply chains for critical minerals, nuclear fuels, and green steel and aluminum.

Canada is a global leader in the supply of responsibly sourced critical minerals. The government is investing \$3.8 billion through the Canadian Critical Minerals Strategy to develop further Canadian value chains for critical minerals needed for our green and digital economy, including the new Critical Mineral Exploration Tax Credit. Enhancements to the Clean Technology Manufacturing Investment Tax Credit and Canada's new Electric Vehicle Supply Chain Investment Tax Credit will further increase the effectiveness of the strategy.

Canada is building on our strong partnership with the U.S. on critical minerals, underpinned by the Canada-U.S. Joint Action Plan on Critical Minerals Collaboration. Under the Energy Transformation Task Force, we have redoubled efforts to address issues of mutual concern, such as bolstering supply security for critical minerals. Our government will continue collaborating closely with industry partners and our allies to support cross-border priority critical mineral projects that advance our shared interests.

Nuclear energy will play a key role in achieving net-zero greenhouse gas emissions. Canada is a Tier-1 nuclear nation with over 70 years of technological leadership, including our national reactor technology and a strong domestic supply chain with the world's largest deposit of high-grade natural uranium. Our government is taking action to support the growth of nuclear energy through the Clean Electricity Investment Tax Credit, the Clean Technology Manufacturing Investment Tax Credit, the Strategic Innovation Fund, the Canada Infrastructure Bank, and an updated Green Bond Framework that includes certain nuclear expenditures.

At COP28, the government and like-minded partners reaffirmed their commitment to triple nuclear energy capacity and promote public-private investment to strengthen supply chains and reduce reliance on non-allied countries for nuclear fuel needed for advanced and conventional nuclear energy. Through the Energy Transformation Task Force, Canada will continue to engage industry and international partners to announce concrete measures later this spring to bolster North American nuclear fuel supply chains.

Canadian steel and aluminum—among the greenest in the world—are important pillars of integrated North American manufacturing supply chains and key products to support the net-zero transition. We have invested significantly in decarbonizing our steel and aluminum sectors further and maintaining their competitiveness in the green economy. As well earlier this year, our government announced actions to increase the transparency of steel import data that will help provide more details on the origins of imported steel and align our practice with the U.S. We will continue to collaborate with the U.S. to promote common approaches for trade in low emissions green steel and aluminum goods.

Canada will continue to advance its work in partnership with the U.S. to reduce our shared exposure to production and supply chains controlled by non-likeminded countries, including by attracting investment in EV supply chains, solar, and more.

Clean Growth Hub

The Clean Growth Hub is the federal government's main source of information and advice on federal funding and other supports for clean technology projects in Canada. It supports up to 1,100 companies and organizations annually, from emerging small businesses to Canada's world-leading cleantech companies.

Together, Innovation, Science and Economic Development Canada and Natural Resources Canada partner with 16 other departments and agencies to offer this one-stop shop to help businesses seeking to invest in Canada and create net-zero growth navigate the federal government's numerous clean economy programs and incentives—unlocking new investment and creating good jobs for Canadian workers.

- To continue supporting clean technology stakeholders to identify and access relevant support and advice, Budget 2024 proposes to provide \$6.1 million over two years, starting in 2024-25, for the Clean Growth Hub.

Made-in-Canada Sustainable Investment Guidelines

The government recognizes the importance of promoting credible climate investment and combating greenwashing to protect the integrity and fairness of the clean economy. This is critical for fostering investor confidence and mobilizing Canada's private investment to help achieve a net-zero economy by 2050.

As announced in the 2023 Fall Economic Statement, the Department of Finance Canada is working with Environment and Climate Change Canada and Natural Resources Canada to undertake the next steps, in consultation with regulatory agencies, the financial sector, industry, and independent experts, to develop a taxonomy that is aligned with reaching net-zero by 2050.

This work is being informed by the Sustainable Finance Action Council's Taxonomy Roadmap Report, which provided the government with recommendations on designing a taxonomy to identify economic activities that the financial sector could label as "green" or "transition." The government will provide an update on the development of a Canadian taxonomy later this year.

Safer and Healthier Communities

A Clean and Safe Environment for the Next Generation

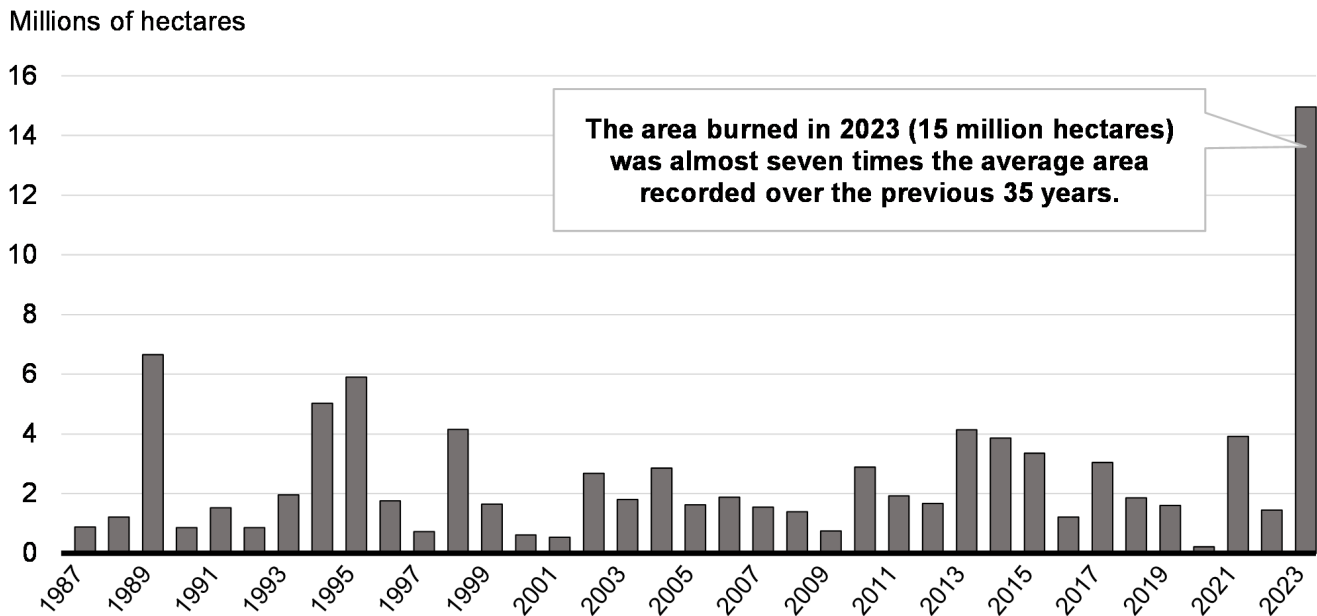
Last year, Canadians faced an unprecedented season of wildfires across the country. Climate change is real, and it must be taken seriously. That's why the government plans to reach net-zero emissions by 2050, using the most cost-effective means possible, such as carbon pricing.

The government takes seriously its responsibility to fight climate change and protect the environment and Canadians. This is about ensuring communities have clean air and water today and tomorrow. It's also about doing all we can to prevent climate change from accelerating. And, it's about building an economy that puts us on track to net-zero emissions by 2050, that will be competitive for generations, with plentiful good-paying jobs and investment opportunities.

To compensate for past decades of insufficient action, the government has taken significant steps to fight climate change. The government has put a price on carbon pollution that puts more money back in the pockets of eight out of ten families living in provinces where the federal fuel charge applies through the Canada Carbon Rebate while making sure big polluters pay.

Carbon pricing is working. According to Environment and Climate Change Canada, carbon pricing alone will account for about one-third of all projected emissions reductions by 2030, while recent third-party modelling of eight major federal policies by the Canadian Climate Institute suggests that carbon pricing could account for as much as 62 percent of projected emissions reductions post-2025.

Wildfires Are Causing Unprecedented Destruction

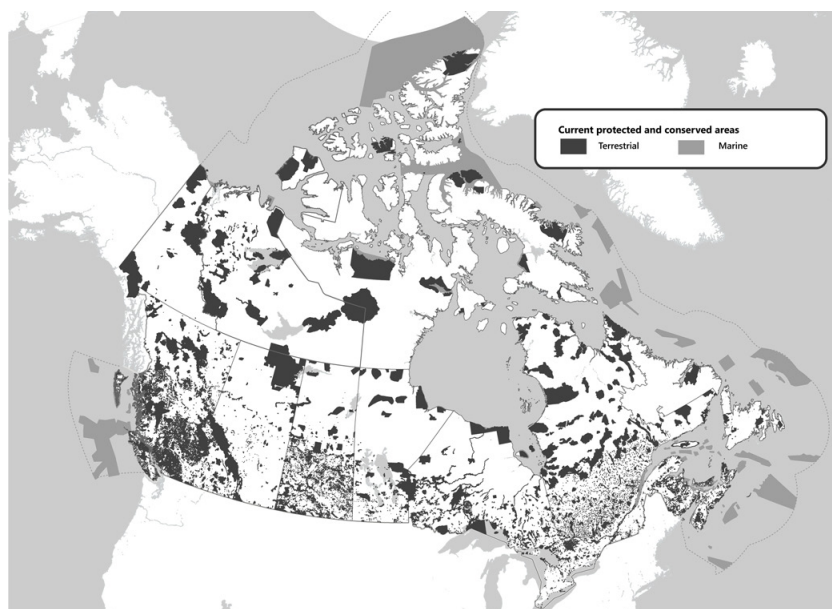


Source: Data provided by Natural Resources Canada.

Because of policies implemented since 2015, Canada is expected to exceed its interim climate target in 2026 with a 20 percent reduction in emissions relative to 2005 levels—for the first time in history.

The government has also made great progress in protecting and conserving nature and is continuing its work to protect 25 percent of land and water by 2025 and 30 percent by 2030.

Canada's Protected and Conserved Lands and Waters



Note: The lines on this map represent approximate boundaries for illustrative purposes.

Source: Environment and Climate Change Canada, Fisheries and Oceans Canada, and Parks Canada based on the Canadian Protected and Conserved Areas Database.

Since 2015, the federal government has committed over \$160 billion to build Canada's clean economy and reduce emissions and has invested significant additional resources to protect the environment and conserve nature. Building on these actions, Budget 2024 announces new measures to ensure a safer, healthier, and more prosperous future.

Key Ongoing Actions

- Providing more than \$3.6 billion to protect nature and species at risk and more than \$1 billion to protect marine and coastal areas.
- Keeping people and communities safe from the impacts of climate change, with more than \$1.6 billion to support Canada's National Adaptation Strategy.
- Committing \$800 million to support Indigenous-led conservation within Canada, showcasing to the world at COP15—which Canada hosted—best practices for implementing traditional Indigenous knowledge to protect the environment.
- We are banning the manufacturing of harmful single-use plastics and working with provinces and territories toward a goal of zero plastic waste by 2030.
- The new Electric Vehicle Availability Standard will improve the availability of new electric vehicles across the country.
- Providing more than \$2.1 billion to make zero-emission vehicles more affordable and more than \$1 billion to build more charging stations across Canada.
- Ending cosmetic testing on animals and prohibiting the sale of cosmetics that rely on animal testing data to establish safety.
- Developing and releasing an implementation plan to phase out public financing of the fossil fuel sector, including by federal Crown corporations, by Fall 2024.
- Putting a price on carbon pollution to make big polluters pay while ensuring eight out of ten families in provinces where the federal fuel charge applies get more money back through the Canada Carbon Rebate than they pay, with lower-income households benefitting most.

Cutting Pollution with the Canada Carbon Rebate

A price on pollution is the most cost-effective way to reduce carbon emissions. Canada's pricing system includes a federal backstop system for provinces and territories that don't put their system in place. It's a system designed to be fair and affordable. Eight out of ten families get more back than they pay in provinces where the federal backstop applies. Importantly, lower- and middle-income families benefit the most—and independent experts have verified this. The price of pollution is revenue neutral; no direct proceeds go into general government revenue. Money is returned directly to Canadians, small- and medium-sized businesses, and Indigenous governments, while big industrial polluters pay their fair share.

As Canadians living in small and rural communities often have longer travel distances, limited access to alternative transportation options, and other increased energy needs, we've always ensured they get a fair top-up. The government is proposing, through legislative amendments in Bill C-59, to make the rural top-up even more generous by doubling it from 10 percent to 20 percent starting this year.

The government is also working to expand rural top-up eligibility to more Canadians who need this support and will announce a proposal on better defining rural areas later this year.

The government proposes to directly return proceeds to approximately 600,000 small- and medium-sized businesses in provinces where the federal pollution pricing fuel charge applies. Recognizing farmers' essential role in our food security, the government also returns fuel charge proceeds from on-farm natural gas and propane back to farmers through a refundable tax credit. Additionally, in recognition of the impacts of climate change on Indigenous communities, the government has doubled the share of pollution pricing returns to Indigenous governments from 1 percent to 2 percent.

Table 5.1
Annual Canada Carbon Rebate Amounts, 2024-25*

	AB	SK	MB	ON	NB	NS	PEI**	NL
Family of Four	\$1,800	\$1,504	\$1,200	\$1,120	\$760	\$824	\$880	\$1,192
Rural	\$2,160	\$1,805	\$1,440	\$1,344	\$912	\$989	\$880	\$1,430

*As British Columbia, the Northwest Territories, and Quebec maintain their own carbon pollution pricing systems, the Canada Carbon Rebate does not apply in those jurisdictions. As Yukon and Nunavut have voluntarily adopted the federal system, direct proceeds are returned to the governments of these territories.

** As all residents of Prince Edward Island are considered to be living in rural areas, the rural top-up is reflected in base Canada Carbon Rebate amounts for PEI.

Table 5.2
Average Canada Carbon Rebate Net Benefit per Household, 2024-25

	AB	SK	MB	ON	NB	NS	PEI	NL
Average cost impact per household of the federal system	\$1,056	\$1,156	\$828	\$869	\$536	\$609	\$628	\$859
Average Canada Carbon Rebate per household	\$1,779	\$1,505	\$1,193	\$1,124	\$719	\$766	\$801	\$1,162
Average net benefit	\$723	\$349	\$365	\$255	\$183	\$157	\$173	\$303

Source: Department of Finance Canada calculations using inputs from Environment and Climate Change Canada, the Canada Revenue Agency, and Statistics Canada.

Notes:

(1) The estimated average impact per household reflects the impact on household spending costs, accounting for direct impacts (reflecting consumption of fuels to which the federal carbon pollution pricing system applies) and indirect impacts (reflecting consumption of goods and services with federal carbon pollution pricing embedded in them). These impacts are inclusive of carbon pollution pricing embedded in imports that households purchase from other provinces and territories on which a federal carbon pollution price is applied. They do not include the costs associated with other carbon pricing systems; accordingly, they do not include the costs associated with the provincial systems for large industrial facilities. Estimates also assume full pass-through from businesses to consumers.

(2) The 2024-25 Canada Carbon Rebate amounts include prior-year adjustments made with respect to proceeds generated in previous years in Alberta, Saskatchewan, Manitoba, and Ontario. As a result, the average payment amount per household in these provinces also reflects this adjustment. The Canada Carbon Rebate amounts also reflect the proposed doubling of the rural top-up rate from 10 per cent to 20 per cent.

The Costs of Climate Inaction Are Too High to Pass On

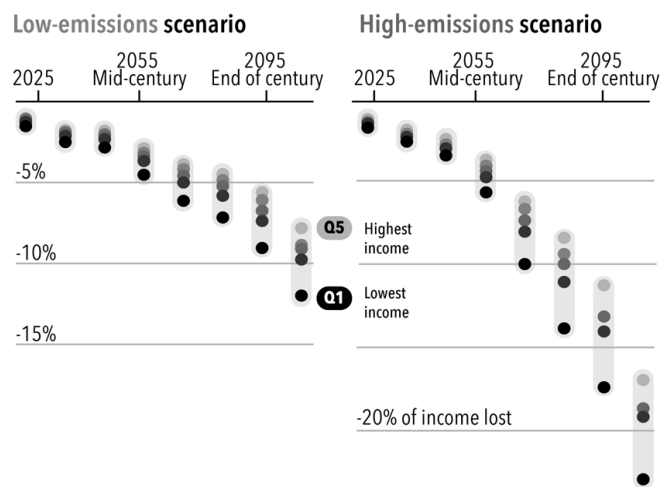
The Canadian Climate Institute estimates that the health costs of climate change could be \$87 billion per year by mid-century before reaching \$246 billion annually by the end of this century. Over a period of ten years, the Canadian Climate Institute projects that ozone exposure could be associated with over 270,000 hospitalizations and premature deaths. Reducing emissions to fight climate change is imperative to protecting the health and well-being of Canadians today and for generations ahead.

In their report, *Damage Control: Reducing the Costs of Climate Impacts in Canada*, the Canadian Climate Institute modelled the long-term physical impacts of climate change on infrastructure, populations, and economic activity across Canada, using as a basis for comparing scenarios of future global greenhouse gas emissions by the end of the century:

- a low emissions scenario resulting in an estimated 2.5 degrees Celsius of global warming above pre-industrial levels (4 degrees of warming in Canada) and
- a high emissions scenario resulting in an estimated 4 degrees Celsius of global warming above pre-industrial levels (7.5 degrees of warming in Canada).

The report estimates that by mid-century, Canada could experience annual losses to real GDP of between \$78 billion and \$101 billion under low and high emissions scenarios, respectively, and \$391 billion and \$865 billion, respectively, by the end of the century, relative to projections that assume no further negative impacts from climate change going forward.

Figure 5.2
 Estimates From the Canadian Climate Institute: Per Cent Change in Household Income Lost From Global Warming Relative to a Stable Climate



Notes:

- (1) The dots in each bar represent income quintiles of Canadian households. "Q5" represents the highest household income quintile, while "Q1" represents the lowest household income quintile.
- (2) As the authors note, economic modelling of climate change involves inherent uncertainty and is sensitive to assumptions about the future. The income loss illustrated in the two scenarios reflects impacts resulting from a warming climate and is unrelated to government emissions reduction policies.

Source: Canadian Climate Institute, *Damage Control: Reducing the cost of climate impacts in Canada*, September 2022. Findings from the report were based on the modified use of a general equilibrium economic model from Navius Research inc.

Extreme Weather Early Warning System

Climate change is causing frequent extreme weather and natural disasters, particularly floods and storms, wreaking havoc on communities nationwide. According to the Insurance Bureau of Canada, over the past 40 years, the costs of weather-related damage have risen from hundreds of millions of dollars to billions of dollars annually—from 2011 to 2020, insured losses were \$2.3 billion per year on average, more than five times the average annual losses of \$440 million between 1983 and 2000.

Since 1876, the Meteorological Service of Canada has provided early weather warnings that have been vital for helping keep Canadians safe. As extreme weather increases in frequency and intensity due to climate change, the early warning system must continue to accurately forecast and notify Canadians of natural disasters, including floods and storm surges.

- Budget 2024 proposes to provide \$6.9 million over five years, starting in 2024-25, with \$1.4 million ongoing for the Meteorological Service of Canada's early warning system for extreme weather events, focusing on floods and storm surges.

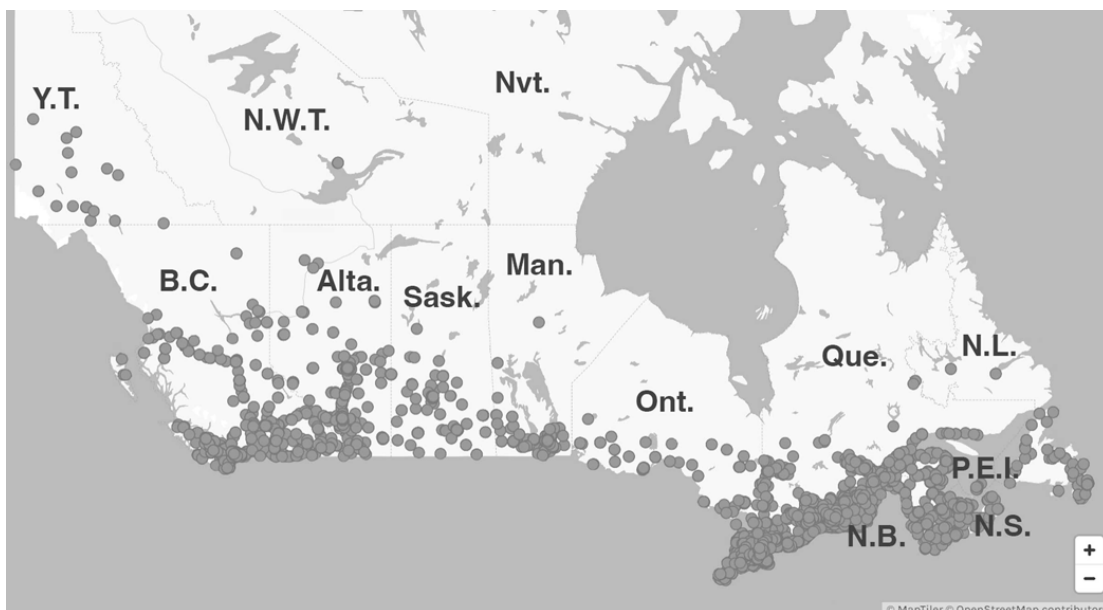
More Affordable Electric Vehicles

As Canada builds its electric vehicle supply chain, leading the world and creating more good-paying jobs, the government is helping Canadians shift to cleaner, zero-emission vehicles. To connect electric vehicle drivers from coast to coast to coast, the federal government has committed more than \$1 billion to build charging stations through Natural Resources Canada's Zero Emission Vehicle Infrastructure program and financing through the Canada Infrastructure Bank.

Since the Incentives for Zero-Emission Vehicles program launched in 2019, zero-emission vehicles have grown as a share of all new vehicle sales from 3 percent to 11 percent in 2023, supported by the program's rebate of up to \$5,000. From 2019 to September 2023, Canadians purchased or leased over 450,000 zero-emission vehicles—and the government is helping more Canadians join them.

- Budget 2024 proposes to provide Transport Canada with \$607.9 million over two years, starting in 2024-25, to top up the Incentives for Zero-Emission Vehicles program.

Figure 5.3
Canada's Charging Network



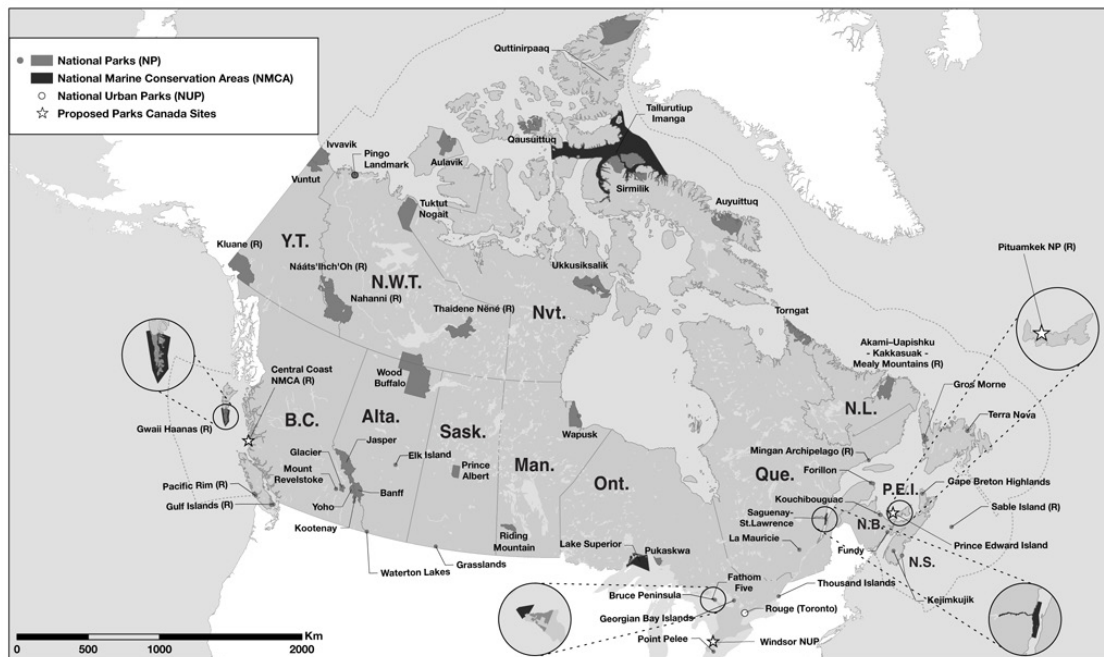
Note: There are 11,223 networked public charging and hydrogen fueling stations in Canada. A total of 27,612 electric charging ports are present at those stations.

Investing in Canada's Parks

Canadians take great pride in the natural wonders that our country has to offer. From the oceans to the mountains, tundra, lakes, grasslands, and deserts in between, Parks Canada protects and conserves some of the most iconic places in Canada for the enjoyment of Canadians—and visitors from around the world. Canada has over 200 world-renowned national parks, national marine conservation areas, national urban parks, and national historic sites. These parks support good jobs in our tourism industry and preserve and protect Canada's natural and historical legacy. We must ensure they continue to be there for generations to come.

- Budget 2024 proposes to provide the Parks Canada Agency with \$156.7 million over five years, starting in 2024-25, with \$388.5 million remaining amortization for capital investments in Canada's national parks, national marine conservation areas, and historic sites.

Figure 5.4
Current and Proposed Parks Canada Network



Note: The map reflects all national parks, national marine conservation areas, and national urban parks, but excludes any national historic sites. The lines on this map represent approximate boundaries for illustrative purposes. (R) denotes a National Park Reserve or a National Marine Conservation Area Reserve.

Source: Parks Canada

Protecting B.C.'s Great Bear Sea

Parks Canada protects and conserves over 120,000 square kilometres of all of Canada's marine and freshwater ecosystems through its national marine conservation areas. Conserving this marine area protects diverse and abundant marine species and some of the largest kelp beds in British Columbia. The government is committed to expanding our national parks and marine conservation area network to ensure Canadians and visitors can enjoy our natural heritage today and for generations.

Parks Canada has partnered with the Wuikinuxv, Heiltsuk, Nuxalk, Kitasoo Xai'xais, Gitga'at, and Gitxaala Nations, as well as the province of British Columbia, to advance a new marine conversation area reserve, nestled within the Great Bear Sea, also known as the Northern Shelf Bioregion. This is one of the richest marine environments in the world, home to extraordinary marine mammals, such as orcas and sea otters, as well as ecological features, such as coral and sponge reefs, kelp forests, and eelgrass beds.

- Budget 2024 announces that the government is establishing the new Central Coast National Marine Conservation Area Reserve in British Columbia and proposes to provide \$109.6 million over 11 years, starting in 2025-26, with \$57.9 million in remaining amortization and \$10.7 million per year ongoing, for its creation and operation.

Established through a process guided by Indigenous knowledge and world-class science, this new national marine conservation area will protect the health of this unique ecosystem and the traditional practices and well-being of local communities.

Protecting Canadians and the Environment from Harmful Chemicals

Chemicals are everywhere—in consumer products, industrial processes, hospitals, laboratories, and the natural environment. The safe and effective management of harmful substances is essential to protecting people and the environment from the risks of exposure, such as higher cancer rates.

The federal government is ensuring that the industry does not cut corners when providing products and services to consumers. This will protect the health and safety of Canadians and our environment—today and for the next generation.

- Budget 2024 proposes to provide \$190.9 million over five years, starting in 2024-25, with \$0.1 million in remaining amortization, to Health Canada and Environment and Climate Change Canada to reduce human and environmental exposure to harmful chemicals through its Chemicals Management Plan, which protects Canadians from being exposed to some 30,000 chemicals, including by advancing scientific research to phase out animal toxicity testing.
- Budget 2024 also announces the government will begin work this year to enhance the Chemical Management Plan's existing cost recovery framework, ensuring big industry pays its fair share to protect Canadians and the environment.

Our \$3.5 Billion Oceans Protection Plan

- A state-of-the-art Marine Safety System which includes 24/7 spill response capacity.
- \$75 million Coastal Restoration Fund to support marine habitat restoration priorities and address threats to aquatic species on Canada's coasts and waterways.
- Includes increased funding for the Salmonid Enhancement Program. I know from personal experience that this program educates young members of our community about the importance of Wild Pacific Salmon conservation and habitat preservation. The continuation of this fantastic program results from members of our community getting engaged and working in a positive way to set the right priorities for our kids and our province.
- Investing \$50 million to build the Coastal Environmental Baseline Program. This program will conduct a multi-year study of the highest activity ports in Canada to determine the impact of human activity.
- Assisting projects that retrieve ghost gear, dispose of fishing-related plastic waste, test new and more sustainable fishing technology, and support international efforts to decrease ocean waste that threatens marine life by providing \$10 million.
- Providing \$647.1 million to stabilize and conserve wild Pacific salmon populations, including through investment in research, new hatchery facilities, habitat restoration, and improving commercial and recreational fisheries management.
- \$25.6 million over the next five years to Environment and Climate Change Canada to create a census of the environment to help monitor environmental trends and better inform decision-making.
- \$20 million over the next two years to Fisheries and Oceans Canada to expand engagement with the Province of British Columbia, Indigenous communities, industry, scientists, and other stakeholders. This consultation will inform the development of a responsible plan to transition from open net-pen salmon farming in coastal British Columbia waters by 2025.

- \$3 million over the next two years to pilot area-based management approaches to planning, management, and monitoring of aquaculture activities in priority areas on the British Columbia coast—leading the way in developing aquaculture practices that are economically, environmentally, and socially sustainable.
- Proposed amendments to the Canada Shipping Act and other acts, including enabling the proactive management of marine emergencies and handling more types of pollution.
- \$183.1 million over five years, starting in 2022-23, to Environment and Climate Change Canada to better understand the effects of microplastics on human health, monitor plastic contaminants in the North, inform ship plastic waste management, and monitor plastic pollution in water systems.
- \$85 million over five years to establish the Canada Water Agency and \$650 million over ten years to support the monitoring, assessment and restoration of Canada's freshwater bodies.
- Environment and Climate Change Canada will contribute \$19.6 million in 2022-23 to sustain the Freshwater Action Plan, which supports clean-up efforts in the Great Lakes, the St. Lawrence River, Lake Winnipeg, Lake of the Woods, the Fraser River, the Saint John River, the Mackenzie River, and Lake Simcoe.
- \$151 million over three years to protect endangered whales and their habitats.
- \$165 million over seven years for the Green Shipping Corridor Program.
- \$184 million over four years to species at risk.

These efforts will help us reach our goal of conserving 35 percent of lands and waters by 2025 and 30 percent by 2030. Canada's Oceans Protection Plan is the largest investment ever to keep our coasts and waterways safe and clean for future generations.

\$1.3 Billion Over Five Years to Support Canada's Biodiversity and Protect Species at Risk

This investment will contribute \$500 million from the federal government to create a new \$1 billion Nature Fund in partnership with corporate, not-for-profit, provincial, territorial, and other partners. The remainder of the fund will:

- Increase the federal capacity to protect species at risk.
- Expand national wildlife areas and migratory bird sanctuaries.
- Increase the federal capacity to manage protected areas, including national parks.
- Continue implementing the Species at Risk Act by supporting assessment, listing, recovery planning, and action planning activities.
- Establish a coordinated network of conservation areas working with provincial, territorial, and Indigenous partners.

British Columbia Old Growth Nature Fund

British Columbia's iconic old-growth forests have deep-rooted cultural significance to Indigenous communities and are important to all British Columbians. They are critical habitats for many at-risk species and crucial natural carbon stores. To conserve and protect these forests, we've proposed \$55.1 million to establish an Old Growth Nature Fund over three years in collaboration with the Province of British Columbia, non-governmental organizations, and Indigenous and local communities.

Defending Canada's Marine Areas

We are on track to reach our goal of conserving 25 percent of our lands and oceans by 2025 and 30 percent by 2030 by creating new Marine Protected Areas (MPAs). Additionally, through Budget 2021, we are providing \$976.8 million over the next five years to help Canada reach our 25 percent goal by 2025. The Federal Government's establishment

of MPAs protects the health of our oceans, commercial fishing stocks, and Canadians' quality of life, especially in coastal communities, and creates thousands of jobs in nature conservation and management.

Some of our additional ocean protection measures include:

- A moratorium on tanker traffic on the north coast. This moratorium will prevent the transport of products that could harm our sensitive ecosystems, such as partially upgraded bitumen, synthetic crude oil, pitch, slack wax, and bunker C fuel oil.
- More than \$197 million in ocean and freshwater science over five years. This allows the hiring 135 scientists at the Department of Fisheries and Oceans (DFO).
- \$1.3 million invested towards implementing the Pacific Salmon Treaty will help monitor stock assessment and catch monitoring.
- Strengthening the Coast Guard's search and rescue capacity with a new Emergency Response Vessel stationed at the Kitsilano Coast Guard Bas. We protect Wild Salmon by acting immediately on the Cohen Commission's recommendations. We have so far satisfied 64 out of the 75 recommendations.
- Introduction of an Abandoned Boats Program that will ensure the cleanup of abandoned or wrecked boats from small craft harbours.
- We have developed stronger environmental assessment regulations to protect our environment, rebuild public trust in federal assessment and regulatory processes, and provide predictability for businesses by investing \$1 billion over five years.
- We're working with provinces and territories toward zero plastic waste by 2030, including eliminating certain single-use plastics by the start of this year. Our shorelines and oceans are no place for single-use plastics, and our plan to ban them will build on our existing ban on microplastics.

Protecting Our Southern Resident Killer Whales

We have taken comprehensive action and introduced new measures to address some of the significant risks to Southern Resident Killer Whales, including:

- \$167.4 million for research to better understand the factors affecting the health of endangered whales, as well as actions that we can take immediately to address the impacts of human activities.
- \$9.1 million in science funding to develop and test technologies able to detect the presence of whales.
- \$3.1 million for four projects to study the impacts of underwater noise and reduced prey availability on marine mammals, including the Southern Resident Killer Whale.
- Prey availability and accessibility, including protecting access to Chinook salmon with minimal disturbance in key foraging areas.
- Reducing acoustic and physical disturbance, including vessel speed reductions, by encouraging vessels to turn off echo sounders and fish finders when not being used and having them turn engines to neutral idle if a whale is within 400 metres.
- Reducing contaminants affecting Southern Resident Killer Whales and their prey. To closely examine the impact of pollutants on fish, marine mammals, and other aquatic species, we are providing \$2.7 million in funding, plus an additional \$1.3 million for a partnership between DFO and the Vancouver Aquarium to research the impacts of microplastics. We've also banned all microbead sales, effective July 1, 2018.
- The University of British Columbia received \$1.1 million to examine how changes in the food web in areas inhabited by the Southern Resident Killer Whale affect the abundance and quality of Chinook Salmon, the whale's primary food source.

- Ocean Wise received over \$942,000 for a comprehensive health and condition assessment of Southern and Northern Resident Killer Whale populations to better understand the impact of environmental stressors, particularly noise and prey limitation.
- The University of Victoria received over \$935,000 to better understand the behaviour and vulnerabilities of Southern Resident Killer Whales and their prey.
- The Vancouver Fraser Port Authority received \$200,000 to continue operating the underwater listening station in the Strait of Georgia. The station measures and monitors noise levels from commercial vessels and the presence of Southern Resident Killer Whales in the Salish Sea.

Lower Energy Bills for Renters and Homeowners

The government will launch a Canada Green Buildings Strategy to address the twin challenges of energy affordability and climate change. The strategy will support energy-efficient retrofits to help lower home energy bills and reduce building emissions. This represents an essential next step in meeting Canada's climate targets and assisting Canadians in saving money on their energy bills.

Budget 2024 proposes to provide \$903.5 million over six years, starting in 2024-25, to Natural Resources Canada as follows:

- \$800 million over five years, beginning in 2025-26, to launch a new Canada Greener Homes Affordability Program that will support the direct installation of energy efficiency retrofits for Canadian households with low-to median incomes. This program represents the next phase of the Canada Greener Homes Initiative and will be co-delivered with provincial and territorial partners. It will also be complemented by CMHC's Greener Homes Loan program, which provides interest-free loans of up to \$40,000 for energy-efficiency home retrofits.
- \$73.5 million over five years, starting in 2024-25, to renew and modernize existing energy efficiency programs that offer tools to building owners like the ISO 50001 Energy Management Systems Standard and the ENERGY STAR Portfolio Manager. This funding will also spur the development of better, more ambitious building codes to further reduce emissions and lower energy bills. The federal government will encourage provinces and territories to adopt these top-tier building codes.
- \$30 million over five years, starting in 2024-25, to continue developing a national approach to home energy labelling, which will empower prospective home buyers with information about the energy efficiency of their new home, with the support of energy auditors.

Clean Economic Growth

In 2017, we began providing \$21.9 billion over 11 years for investments in green infrastructure, including initiatives that will support the implementation of the Pan-Canadian Framework on Clean Growth and Climate Change. Of this \$21.9 billion, \$9.2 billion has been allocated to provinces and territories in bilateral agreements. This will support priority projects, including those that reduce greenhouse gas emissions, deliver clean water, safely manage wastewater, help communities prepare for challenges that result from climate change, and help build cleaner, better-connected electricity systems.

We are also investing \$2.1 billion in repairs, retrofits, modernization of a wide range of government buildings, and greening of government operations. All government operations will see emissions reductions of 40% by 2030 and 80% by 2050.

Provinces and territories must meet these goals, so we are investing \$2 billion over five years to develop a Low Carbon Economy Fund. This fund will fund projects that reduce carbon pollution and help provinces and territories meet climate targets.

To help Canadians make their homes greener and more affordable, our government has provisioned \$4.4 billion to help homeowners complete deep home green retrofits. This will allow us to:

- Provide interest-free loans of up to \$40,000 to help homeowners go green.
- Create 700,000 grants of up to \$5000 each.

Infrastructure

Encouraging and Investing in Green Infrastructure Development

Transforming our cities to be resilient, sustainable, and eco-friendly is a huge priority for our government and a necessary step in the fight against climate change. Our cities account for a considerable portion of our emissions – it is our responsibility as a government to make it easier and more attractive to build infrastructure sustainably and increase incentives to use renewable transportation. This includes expanding our \$25 billion investment to upgrade our public transit systems.

We've added \$14.9 billion over eight years, with \$3 billion per year in permanent funding starting in 2026-27, announced in 2021 for public transit projects across Canada. This funding will support new subway lines, light-rail transit, street cars, electric buses, active transportation infrastructure, and improved rural transit, creating affordable commuting options and reducing Canada's emissions. It will also provide local governments with the predictable transit funding they need to plan so Canada can build more sustainable and livable communities. In BC, particularly the Lower Mainland, we can expect a new extension to the Millennium Line along Broadway and Light Rapid Transit in Surrey. In our community, we've seen the recent approval of the \$210 million gondola to SFU. We've already seen considerable increases in SeaBus service and expanded bus and SkyTrain Service – this will continue under the next phase of the plan. In Spring 2021, as a part of the Investing in the Canada Infrastructure Program, \$6,160,000 is budgeted for the Brentwood Town Centre Station Upgrade in Seymour, North Vancouver. This program will help Burnaby North-Seymour reduce air and water pollution, provide clean water, increase resilience to climate change and create a clean-growth economy.

Innovative Residential Construction

Strengthening innovation and increasing productivity in the residential construction sector is critical to building more homes, faster. In addition to new measures in Budget 2024, the federal government is supporting homebuilders who use new, innovative ways to build more homes, faster.

Existing support to advance innovative construction includes:

- Over \$600 million through the Affordable Housing Innovation Fund to support innovative solutions for the next generation of housing in Canada.
- \$300 million through the Housing Supply Challenge to develop solutions to remove barriers that hinder housing supply.
- \$38 million through the Green Construction through Wood program to encourage using innovative wood-based building technologies in construction projects.
- Over \$458 million for the new Greener Affordable Housing stream of the Canada Greener Homes Loan program to provide low-interest loans and grants for energy-efficient affordable housing retrofits, reducing operational costs for non-profit housing providers.
- \$182 Million to Develop and Implement New Building Codes to retrofit existing buildings and build new net-zero energy-consumption buildings. When our buildings use less energy, people save more money. We've also extended tax support for businesses that upgrade to energy-efficient equipment.

Building New Electric Charging Stations

Since 2016, we've invested \$376.4 million and initiated work to build nearly 6,000 electric vehicle charging and refuelling stations with partners nationwide. This funding is helping build electric vehicle infrastructure that will link towns and cities with charging stations so that cars can drive across the country on clean power. Since Budget 2019, we've made zero-emission vehicles (ZEV) a realistic option for more Canadians by making them up to \$5,000 cheaper, building the infrastructure to support them, and encouraging new investments in ZEV manufacturing here in Canada. In 2022, we're providing \$1.7 billion to Transport Canada to extend the ZEV incentives program until March 2025. Eligibility under the program will also be broadened to support purchasing more vehicle models, including more vans, trucks, and SUVs, which will help make ZEVs more affordable. We are making it easier for Canadians to switch to electric vehicles through additional funding of \$400 million for ZEV charging stations to add 50,000 ZEV chargers to Canada's network. In addition, the Canada Infrastructure Bank will invest \$500 million in ZEV charging and refuelling infrastructure.

The government will also put in place a sales mandate to ensure at least 20 percent of new light-duty vehicle sales will be zero-emission vehicles by 2026, at least 60 percent by 2030, and 100 percent by 2035. To reduce emissions from medium- and heavy-duty vehicles (MHDVs), the Government of Canada will aim to achieve 35 percent of total MHDV sales being ZEVs by 2030. In addition, the government will develop an MHDV ZEV regulation to require 100 percent of MHDV sales to be ZEVs by 2040 for a subset of vehicle types based on feasibility, with interim 2030 regulated sales requirements that would vary for different vehicle categories based on feasibility, and explore interim targets for the mid-2020s.

Budget 2022 proposes to provide \$2.2 million over five years, starting in 2022-23, to Natural Resources Canada to renew the Greening Government Operations Fleet Program, which will continue to conduct readiness assessments of federal buildings required to facilitate the transition of the federal vehicle fleet to ZEVs.

We are also investing:

- \$75 million in new funding to the Federation of Canadian Municipalities to help local governments reduce emissions and build climate resiliency at the municipal level.
- \$40 million to integrate climate resilience into building design guides and codes over five years.

The Green Municipal Fund

This program provides funding for cities across Canada that take the initiative to develop green projects. It invests **\$72 million** in 48 projects across Canada, which will reduce GHG emissions by over 310,000 tonnes of CO₂ equivalent.

A few examples of the initiatives being supported by the fund include:

- A multi-material recycling centre in the Regional County Municipality (RCM) of Manicouagan in Quebec.
- Electric vehicle charging stations for Canada's largest net-zero energy neighbourhood in London, Ontario.
- A waste-to-energy transformation system in Southern Alberta.
- A pilot project developing and testing electric motorcycles for the police in Longueuil, Quebec.
- A feasibility study for a micro-sewer energy recovery system in Richmond, British Columbia.

In 2019, 13 Canadian companies were ranked on the Global Cleantech 100 list. The recent Global Cleantech Innovation Index ranked Canada 4th globally as a clean technology innovator – up from 7th place in 2014.

We're moving quickly, carving out a massive piece of this trillion-dollar industry and leading in renewable energy development. A few examples of companies that have received funding include:

- Carbon Cure has created a technology that captures carbon pollution from industry and then injects that gas into concrete. This helps reduce GHG emissions for one of the largest polluting industries in the world.
- Inventys, which has received funding to develop the next generation of CO2 adsorbents.
- Burnaby's General Fusion is a group developing technology to create the fastest, most practical, and lowest cost path to commercial fusion energy. This process will produce clean energy with no emissions other than helium.
- Foresight Cleantech Accelerator Centre: a Foresight Growth Accelerator Program developer for growth-oriented clean technology companies in Western Canada.
- Lighthouse Sustainable Building Centre Society delivered the first Canadian National Industrial Symbiosis pilot program (NISP) in Western Canada. The NISP model facilitates a circular economy by identifying industrial waste from one organization as a needed resource for another.
- Geoscience BC, which demonstrates novel greenhouse gas emissions measurement technology.

Green Bond Program

The federal green bond program was launched in March 2022 to support Canada's sustainable finance market growth.

On February 27, 2024, the Government of Canada successfully issued a 10-year, \$4 billion green bond – Canada's second green bond and the first under the updated Green Bond Framework, which includes certain nuclear energy expenditures. Canada is the first sovereign borrower to issue a green bond, including certain nuclear expenditures, demonstrating Canada's commitment to being a global nuclear leader.

Canada's second green bond offering saw robust demand from environmentally and socially responsible investors, representing most buyers (66 percent) and international investors, who made up over 33 percent of the investor base. The final order book stood at over \$7.4 billion.

Canada's green bond program supports the growth of the sustainable finance market in Canada and around the world. It advances Canada's investments in clean growth, renewable energy, climate action, and environmental protection. The government remains committed to regular green bond issuances.

Working with Indigenous Communities on Green Initiatives

Working alongside Indigenous communities across Canada is essential to producing clean energy with only helium emissions. Traditional knowledge is vital to understanding climate impacts and adaptation measures and is important for Indigenous infrastructure development. Some of the investments we've made and initiatives we've taken on with Indigenous communities and leaders regarding climate change include:

- Supporting a broad range of infrastructure projects to meet rural and Northern communities' unique needs, focusing on sustainability, by providing \$2 billion in funding.

- Helping to integrate Indigenous knowledge into community resilience and infrastructure planning by allocating \$83 million in funding.
- \$25 million to launch a pilot Indigenous Guardians Program in 2020, empowering communities to manage ancestral lands according to traditional laws and values. In 2021, we expanded this program with \$173 million in new funding to support Indigenous-led conservation and stewardship.
- Supporting the deployment of renewable energy projects in Indigenous and Northern communities that rely on diesel for electricity and heating through a \$21.4 million investment.
- \$18 million for First Nation and Inuit communities' climate change and health adaptation programs.
- \$5.4 million from Indigenous and Northern Affairs Canada's Strategic Partnerships Initiative for projects that will help unlock economic opportunities for First Nations communities in BC's clean energy and natural resource sectors. This will help First Nations communities reduce their dependence on conventional diesel power generation through the increasing use of hydro, solar, wind, and tidal power.
- Implementing Indigenous programs, including salmon habitat restoration, resource management, and commercial fishing business development to manage aquaculture activities in priority areas of British Columbia.

Additionally, modernizing federal procurement and creating opportunities for specific communities by diversifying the federal supplier base through \$87 million in funding. This will partly support efforts to meet Canada's target of 5 percent of federal contracts being awarded to businesses managed and led by Indigenous people.

Since 2015, the government has invested \$5.3 billion to build and repair water and wastewater infrastructure and support water systems' effective management and maintenance. With the support of these investments, since 2015, First Nations communities have lifted 143 long-term drinking water advisories on public systems on reserves as of Dec 20, 2023, and initiatives are underway to resolve the remaining 29. To continue to build upon these successes, we have:

- Invested \$29.6 million to Crown-Indigenous Relations and Northern Affairs Canada to support the co-development of an Indigenous Climate Leadership Agenda to support self-determined action in addressing Indigenous peoples' climate priorities. The funding will also help the phased implementation of distinctions-based climate strategies.

Budget 2022 proposes to provide \$131.3 million over five years, starting in 2022-23, including:

- \$103.4 million over five years to Natural Resources Canada to develop a National Benefit-Sharing Framework and expand the Indigenous Partnership Office and the Indigenous Natural Resource Partnerships program. These investments will provide opportunities for Indigenous communities to benefit from all types of natural resource projects, including critical minerals, and support their participation in the critical minerals strategy.
- \$27.9 million over two years, starting in 2022-23, to Natural Resources Canada for Line 3 and the Trans Mountain Expansion Project Pipelines' Indigenous Advisory and Monitoring Committees to enable Indigenous communities to identify shared priorities and provide informed advice on these projects.

In Budget 2023, we expanded these investments with:

- \$19.4 million to increase Indigenous participation in northern environmental decision-making through Crown-Indigenous Relations and Northern Affairs Canada.
- \$8.7 million to support the National Benefits-Sharing Framework through Natural Resources Canada.
- Allowing the Canada Infrastructure Bank to provide loans to Indigenous communities to support them in purchasing equity stakes in infrastructure projects.
- \$30 million to enhance the Reserve Land and Environment Management Program.
- \$35 million to develop a new First Nations-led National Land Registry.

Green Federal Financing Initiatives

Budget 2023 has introduced three tiers of federal financial incentives while building on our government's existing pollution pricing and regulatory framework as a foundation to encourage more companies to go green. This includes investments in:

- \$26.2 billion (\$16.9 billion of new investments in Budget 2023) in transparent and predictable investment tax credits (ITCs) to boost clean economy investments in the five areas of clean electricity, clean hydrogen, clean technology adoption, clean technology manufacturing, and carbon capture utilization and storage.
- \$15 billion to Canada Growth Fund to encourage private investment by absorbing associated risks.
- \$35 billion to the Canada Infrastructure Bank as our primary financing tool for supporting clean electricity projects, targeted investments and programming.

Additionally, we are investing \$3 billion in Natural Resources Canada for the Smart Renewables & Electrification Pathways Program. These investments will be supported by Canada's pollution pricing systems and large-emitter credit markets, which will incentivize businesses to reduce their emissions and become leaders in the global clean economy, creating new middle-class jobs for Canadians.

Right to Repair

Farming is a vital part of our economy and society, and we want to ensure we are helping them save costs. That is why we are working to create a Right to Repair and interoperability of farming equipment framework to be introduced in 2024. Our goal is to reduce waste created by abandoned or inoperable farming equipment and extend the lifetimes of farming equipment across Canada to save farmers time and money.

Forest Sector Support

Our government has made historic investments to support the forestry sector during the COVID-19 pandemic. To ensure that the forest sector remains strong, we are investing \$368 million over three years for Natural Resources Canada to update forest sector support.

Investing in Clean Electricity

We are working to make Canada's electric grid more reliable. Canada's electricity demand is expected to double by 2050, and to meet this increased demand with a sustainable, secure, and affordable grid; our electricity capacity must increase by 2.2 to 3.4 times compared to current levels. As part of these efforts, we have:

- Significant investments must be made today in clean hydrogen, green steel, and aluminum to leverage Canada's competition and meet industries and the public's rising electricity demand. These investments will make life more affordable for Canadians in the coming years and reach net-zero emissions by 2050.
- Budget 2023 plan: includes investment tax credits, low-cost financing, and targeted programs to ensure critical projects get built, aimed at reducing emissions to net zero by 2035.
- 6.3 billion over four years in ITCs refundable for up to 15% of capital costs
- The Canada Infrastructure Bank was previously allocated \$35 billion to invest in infrastructure. Budget 2023 directs \$10 billion towards its Clean Power priority area and \$10 billion towards its Green Infrastructure Priority area, which previously had \$5 billion allocated to each.
- Budget 2023 also includes \$3 billion over 13 years to Natural Resources Canada for targeted federal programs to support individual projects in electricity, including Indigenous-led projects, critical regional priorities, and transmission projects, and support science and innovation

- Clean technology manufacturing (4.5 billion over four years in ITC refundable up to 30% of investments in new machinery and equipment to manufacture or process key clean technologies and extract process or recycle key critical minerals).
- This is on top of the 3.8 billion for Canada's critical minerals strategy released last year.
- Clean Hydrogen (5.6 billion over four years in ITCs with 15%-40% refundable ITCs, green hydrogen receiving the most, and blue hydrogen receiving the most. Hydrogen is essential, especially for industrial processes that require heat and cannot be electrified. It is also valuable as an export.
- Carbon Capture Utilisation and Storage (CCUS) (500 million additional on top of the 2.6 billion from budget 2022 for up to 60% refundable). Only eligible uses, such as storage underground or in concrete (validated by a third party), can receive the ITCs, not enhanced oil recovery, which is a process that uses CCUS to increase oil production.
- Clean tech adoption (6.7 billion over five years from FES2022 in ITCs refundable up to 30% of capital costs; eligibility expanded slightly in Budget 2023 to include geothermal energy). This is to help non-clean tech-focused businesses and institutions install clean tech on their buildings, such as solar panels on their roofs.
- Improving the efficiency of impact assessments is a priority.
- \$11.4 million allocated to engage with Indigenous communities and outlines a plan to improve the efficiency of the impact assessment process by the end of 2023, building on the \$1.3 billion previously announced.