

On April 7, 2022, the Government of Canada released Budget 2022. The following analysis highlights key aspects and considers the impact of this budget on Calgary's construction industry.

**On achieving the national net-zero emissions goals through greener buildings, homes, and building standards:**

- \$150 million over five years, starting 2022-23, to Natural Resources Canada to develop the Canada Green Buildings Strategy. The strategy will include initiatives to further drive building code reform; accelerate the adoption and implementation of performance-based national building codes; promote the use of lower-carbon construction materials; and increase the climate resilience of existing buildings.
- \$200 million over five years, starting in 2022-23, to Natural Resources Canada to create the Deep Retrofit Accelerator Initiative, which will provide support for retrofit audits and project management for large projects to accelerate the pace of deep retrofits in Canada, including a focus on low-income affordable housing.
- \$183.2 million over seven years, starting in 2022-23, with \$8.5 million in remaining amortization, and \$7.1 million ongoing to the National Research Council to conduct research and development on innovative construction materials and to revitalize national housing and building standards to encourage low-carbon construction solutions.

***Analysis***

Budget 2022 is an extension of the Government of Canada's commitment to green initiatives and reducing emissions. The goal of the Government of Canada remains to reach net-zero emissions by 2050. To achieve this, the role of the construction industry will be paramount when considering both constructing new projects and retrofitting existing buildings.

Our belief remains that the environmental retrofitting of older buildings could create new jobs and opportunities for the local construction industry. As highlighted in the budget, we anticipate that the creation of new, sustainable building standards could trickle down and encourage the use of new material standards for the industry to build with.

### **Funding for the trades:**

- Budget 2022 proposes to introduce a Labour Mobility Deduction, which would provide tax recognition on up to \$4,000 per year in eligible travel and temporary relocation expenses to eligible tradespersons and apprentices. This measure would apply to the 2022 and subsequent taxation years.
- Budget 2022 proposes to provide \$84.2 million over four years to double funding for the Union Training and Innovation Program, which would each year help 3,500 apprentices from underrepresented groups. This initiative would help underrepresented groups begin and succeed in careers in skilled trades through mentorship, career services and job-matching.

### ***Analysis***

The looming skill shortage is one of the biggest challenges facing the construction industry and its effects are being felt already. Baby Boomers with 40 years or more of work experience are retiring, and Generation X and Millennials are seeking to step up in their roles. Greater emphasis needs to be made on attracting and retaining skilled workers to fill the looming labour gaps in the local industry. We look forward to continued engagement with the City of Calgary, Calgary Economic Development, and the Province of Alberta to address this major challenge.

### **For more information, contact:**

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