



WRITTEN SUBMISSION FOR THE PRE-BUDGET CONSULTATIONS IN
ADVANCE OF THE 2024 BUDGET

By: ASSOCIATION OF ATLANTIC UNIVERSITIES (AAU)

August 3, 2023

Recommendations:

1. That any new or renewed federal funding programs which incentivize green infrastructure, such as Energy and Natural Resources Canada's (ENRCan) proposed **Green Building Strategy**, be designed in a way that provides all post-secondary institutions, including Atlantic Canada's universities, a fair chance to access funding.
2. That the Minister of Housing, Infrastructure and Communities direct the department to review and revise eligibility criteria for **green infrastructure, energy efficiency and accessibility programs**, ensuring Atlantic Canada's universities are eligible for project funding which aligns with federal government policy goals.
3. That the Minister of Housing, Infrastructure and Communities instruct the Canada Mortgage and Housing Corporation (CMHC) to revise **The National Housing Strategy** to prioritize and establish a funding program to assist universities to build affordable, accessible on-and-off campus student housing and make post-secondary institutions eligible as a primary applicant for funding from the **Housing Accelerator Fund**.

Introduction

The [Association of Atlantic Universities \(AAU\)](#) welcomes this opportunity to provide a submission to the Standing Committee on Finance as it conducts consultations in preparation for finalizing Budget 2024. At the heart of this submission is our recognition that the Government of Canada and our member institutions share common goals and values. We both recognize that one key element of addressing climate change is the development of green infrastructure on our university campuses and throughout our communities. We are also closely aligned in our shared determination to promote Clean Growth, to develop a more skilled and innovative workforce, and to attract to Atlantic Canada immigrants who will make vital cultural and economic contributions to the region.

This submission focuses on the need to entrench flexible eligibility criteria inside infrastructure programs, with the closely aligned goals of accommodating campus modernization in Atlantic Canada and meeting federal government policy objectives and, **advocating for the adoption of ENRCan’s proposed Green Buildings Strategy.**

Many of our campuses are in dire need of upgrades to provide green, high-quality, accessible, and competitive educational opportunities. In conjunction with the Atlantic Canada Opportunities Agency (ACOA), AAU member universities have identified the priority green infrastructure project on their respective campuses, focusing on improving energy efficiency and other green infrastructure deep retrofits. While our green infrastructure gap widens, the Government of Canada strives to meet its climate change policy goals. **The AAU is confident that narrowing our green infrastructure gap, with assistance provided through federal programs, will also advance the policy objectives of the Government of Canada.**

Enrolment across Atlantic Canada’s 16 universities continues to grow, especially among international students. There are now close to 12,000 international students studying at the region’s universities, an increase of 15.5 percent or 3,000 new students year-over-year.¹

Integral to fulfilment of the region’s population growth strategy, international students, along with a growing number of students from across the country, attracted to high quality post-secondary education and exceptional lifestyle advantages offered by Atlantic Canada, are facing an acute shortage of on campus housing and affordable, accessible off campus housing.

The AAU advocates that CMHC expand its National Housing Strategy and Housing Accelerator Fund to prioritize and help fund accessible and affordable student housing on-and-off campus.

¹ AAU, *2022-2023 Preliminary Survey of Enrolments*, Oct. 2022.

The Opportunity to Reduce Large-Scale Emissions

Our infrastructure projects **clearly align with the key pillars of the Government of Canada's Atlantic Growth Strategy** - that is, with the need to promote Clean Growth and Green Infrastructure, while advancing the goals of increased Immigration and fostering the creation of a more highly skilled workforce.

The AAU's Green Energy Efficiency Project list will help reach net-zero in the buildings sector of the **Green Buildings Strategy** and help achieve the strategy's potential outcomes to:

- "Build net-zero and climate-resilient from the start.
- Increase the rate of deep, climate-resilient building retrofits. We need to retrofit nearly all the existing buildings in this country, and take advantage of joint opportunities for resiliency upgrades. *The deep retrofit rate would need to reach 3% to 5% of buildings annually by 2025 and applicable codes, standards and guidelines for climate-resilient retrofits would need to be referenced in building retrofit programs at all levels as soon as possible (including retroactively wherever possible).*
- Transform space and water heating."²

Existing Federal Infrastructure Programs

A major challenge facing universities in Atlantic Canada is meeting the narrow eligibility criteria for many of the federal government's infrastructure programs, particularly those designed to support green infrastructure. **The AAU, in conjunction with Universities Canada, has prepared this summary of existing government infrastructure programs to illustrate how inaccessible federal infrastructure funding is for our institutions:**

Canada Infrastructure Bank

[The Canada Infrastructure Bank \(CIB\)](#) aims to leverage public funds to attract private investment in Canadian infrastructure. **While post-secondary institutions are eligible recipients for the Canada Infrastructure Bank, the CIB's focus on large-scale, commercially viable projects that have a strong ROI is not suited to address the infrastructure needs and projects being undertaken at Canadian universities.**

One Canadian university received funding through the Canada Infrastructure Bank for an energy retrofit project, but the funding remains out of reach and scope for nearly all other Canadian universities and the CIB is not a viable avenue for our institutions to seek funding. The project scope intention of the CIB will disadvantage smaller institutions, such as those who tend to serve rural and Indigenous communities.

² Canada, Natural Resources Canada. *The Canada Green Buildings Strategy*. Discussion Paper. July 2022, pp. 6.

Canada Mortgage and Housing Corporation

Within the National Housing Strategy, Canadian post-secondary institutions have been limited to areas related to research and developing housing best practices, such as the [Demonstrations Initiative](#) and [Solutions Lab](#), providing small grants for research-related projects.

The [Housing Accelerator Fund](#) was recently announced by the federal government and is aimed at encouraging initiatives that increase housing supply and promote the development of affordable, inclusive and diverse communities that are low-carbon and climate-resilient. **Canadian post-secondary institutions are not eligible primary applicants for funding through the fund. However, they are being encouraged to work with their local municipality.**

Housing, Infrastructure and Communities Canada

[Investing in Canada Infrastructure Program](#)

In Budget 2023, the government confirmed that it would commit remaining funds through the Investing in Canada Infrastructure Program by March 31, 2023, with uncommitted funds being reallocated to other priorities.

[Disaster Mitigation and Adaptation Fund](#)

In 2018, the Government of Canada launched the Disaster Mitigation and Adaptation Fund (DMAF), committing \$2 billion over 10 years to invest in structural and natural infrastructure projects to increase the resilience of communities that are impacted by natural disasters triggered by climate change. **Postsecondary institutions are eligible, but only if they partner with a province, territory, municipality, or eligible Indigenous entity.**

[Canada Community Building Fund](#)

Formerly the Gas Tax Fund, this is an annual \$2 billion fund provided to provinces, who allocate the funds to municipalities to support local infrastructure projects across a variety of categories. **This would be a useful program to explore expanded eligibility to include projects led by post-secondary institutions, but the current eligibility guidelines do not include postsecondary institutions.**

Environment and Climate Change Canada

[Low Carbon Economy Challenge](#)

The most recent intake of the Low Carbon Economy Challenge has now closed, and more details on the next intake and who can apply is expected later in 2023. The Low Carbon Economy Challenge is part of the Low Carbon Economy Fund (LCEF). It leverages Canadian ingenuity to reduce greenhouse gas (GHG) emissions and generate clean growth in support of Canada's clean growth and climate action plans by providing approximately \$500 million to a wide range of recipients.

Energy and Natural Resources Canada

[Climate Change Adaptation Program](#)

ENRCan's Climate Change Adaptation Program helps to position Canada's regions and sectors to adapt to a changing climate. The Program aims to support decision-makers in identifying and implementing adaptation actions, enhance adaptation knowledge and skills among Canada's workforce, and increase access to climate change adaptation tools and resources.

The Program is soliciting proposals for cost-shared projects that will make important contributions to advancing adaptation progress in Canada. Up to \$15 million in funding may be awarded through this Call for Proposals. **Post-secondary institutions are eligible recipients.**

[Energy Innovation Program - Carbon capture, utilization and storage RD&D – Storage & Transportation Focus Area](#)

The Storage & Transportation Focus Area aims to characterize and develop safe, permanent sub-surface CO₂ storage, and technologies that support safe and efficient transportation of CO₂ and storage opportunities across Canada.

Eligible activities include research & development and related science activities and demonstration, with a full list [here](#). **Canadian post-secondary institutions are eligible.**

[Zero Emission Vehicle Infrastructure Program](#)

Launched in 2019, the Zero Emission Vehicle Infrastructure Program (ZEVIP) is a \$680 million program that addresses a key barrier to the adoption of zero-emission vehicles (ZEV)—the lack of charging and refuelling stations in Canada— by increasing the availability of localized charging and hydrogen refuelling opportunities where Canadians live, work, and play. **The next annual RFP that academic institutions are eligible for is planned for Fall 2023.**

Employment and Social Development Canada

[Enabling Accessibility Fund \(EAF\)](#)

ESDC administers a fund to support projects that make Canadian communities and workplaces more accessible for persons with disabilities. EAF aims to create more opportunities for persons with disabilities to take part in community activities, programs and services, or to access employment. Grants are available for youth innovation projects (up to \$10,000), small projects (up to \$100,000) and mid-sized projects (up to \$3 million). **Postsecondary institutions are eligible.**

Innovation, Science, and Economic Development Canada

[Global Innovation Clusters](#)

The program is a Canadian approach to generating clusters of intense business activity made up of companies, academic institutions and not-for-profit organizations that boost innovation and growth in a particular industry. Five clusters have been given approximately \$2 billion in federal government funding, matched by industry. **Academic institutions are eligible for funding under certain superclusters, but only as a member of a consortium with industry partners, and infrastructure costs may not be eligible.**

Heritage Canada

[Cultural Spaces Fund](#)

The objectives of the Canada Cultural Spaces Fund (CCSF) are to contribute to improved physical conditions for professional arts and heritage-related collaboration, creation, presentation, preservation, and exhibition, and increased and improved access for Canadians to arts and culture.

The program is responsible for determining the eligibility of each applicant, its project, and project-related expenses. Funding is focused on not-for-profit organizations. For the purposes of this fund, an arts organization is in part defined as a national arts training institution that has a significant impact upon training for a professional career in the above-noted artistic disciplines which is not funded as a provincial post-secondary education activity. **Universities should work directly with the Cultural Spaces Fund to determine eligibility of projects – opportunities may exist to work with organizations offering programs to develop cultural spaces on campus, particularly pertaining to Indigenous cultural spaces.**

Conclusion

Atlantic Canada's universities have earned a global reputation for educational excellence that has attracted students from across the region, the nation, and the globe. Our ability to attract top students in turn augments our ability to tackle climate change issues through infrastructure improvements on all AAU campuses.

While our goals on green infrastructure clearly align with those of the Government of Canada, our institutions are hamstrung to a degree by the qualifying criteria for federal infrastructure funding. Designing criteria that give AAU member institutions a fair opportunity to qualify for funding is a win-win proposition.

We strongly believe expanding eligibility criteria for climate-focused and other PSI infrastructure projects will help Atlantic Canada unlock its potential to meet Canada's goals on climate change, while making our campus buildings more climate-resilient and energy efficient.

Thank you in advance for your consideration of our submission. We look forward to presenting to the committee this upcoming fall. If you have any questions about this submission, or require more information, please contact me at any time.

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[About the AAU](#)