



## 2022 Federal Budget Highlights Real Property

On April 7, 2022, the Honourable Chrystia Freeland, P.C., M.P. Deputy Prime Minister and Minister of Finance, tabled Budget 2022 - A Plan to Grow Our Economy and Make Life More Affordable.

### Chapter 1: Making Housing More Affordable

#### 1.1 Building Affordable Homes - Using Infrastructure Funding to Encourage More Home Construction

- A **coordinated approach**, involving all orders of government, is required to ensure public spending is working to build more of the homes Canadians need. To this end, Budget 2022 signals the government's intention to create flexibility **within federal infrastructure programs to tie access to infrastructure funding** to actions by provinces, territories, and municipalities to increase housing supply where it makes sense to do so. This flexibility would be included within the Canada Community-Building Fund, when its current administrative agreements with provinces and territories are renewed; and other future infrastructure programs.

#### 1.1 Building Affordable Homes - Greener Buildings and Homes

- Budget 2022 proposes to provide \$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**; to accelerate the adoption and implementation of performance-based national building codes; to promote the use of **lower carbon construction materials**; and to increase the **climate resilience of existing buildings**.

#### 1.1 Building Affordable Homes - Greener Construction in Housing and Building

- Budget 2022 proposes to provide \$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**.

### Chapter 2: A Strong, Growing, and Resilient Economy

#### 2.3 Investing in Intellectual Property and Research - Funding the Canadian High Arctic Research Station

- Budget 2022 proposes to provide \$14.5 million over five years, starting in 2022-23, with \$8.4 million in remaining amortization and \$2.5 million ongoing, to support the completion and operations of the **Canadian High Arctic Research Station**.

### Chapter 3: Clean Air and a Strong Economy

#### 3.1 Reducing Pollution to Fight Climate Change -Building a National Network of Electric Vehicle Charging Stations

- 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**.

#### 3.1 Reducing Pollution to Fight Climate Change -Building Capacity to Support Green Procurement

- In Budget 2022, the federal government is announcing that Public Services and Procurement Canada (PSPC) will **develop new tools, guidelines, and targets** to support the adoption of green procurement across the federal government. Additional details will be announced by PSPC in the months ahead.

## Chapter 4: Creating Good Middle Class Jobs

### 4.3 A Workforce for the 21<sup>st</sup> Century Economy - Doubling the Union Training and Innovation Program

- Budget 2022 proposes to provide \$84.2 million over four years to double funding for the Union Training and Innovation Program. Each year, the new funding would help 3,500 apprentices from underrepresented groups begin and succeed in careers in the **skilled trades through mentorship, career services, and job-matching**.

### 4.4 Connecting Workers to Good Jobs - Labour Mobility Deduction for Tradespeople

- 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.

## Chapter 7: Moving Forward on Reconciliation

### 7.2 Supporting Strong and Healthy Communities - Clean Drinking Water and Better Infrastructure for First Nations Communities

- Budget 2022 proposes to provide \$398 million over two years, starting in 2022-23, to Indigenous Services Canada to **support community infrastructure** on reserve, of which at least \$247 million will be directed toward **water and wastewater infrastructure**.

### 7.2 Supporting Strong and Healthy Communities - Investing in Housing for Indigenous Communities

- Budget 2022 proposes to provide a further \$4 billion over seven years, starting in 2022-23, to Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada to accelerate work in **closing Indigenous housing gaps** as follows:
  - \$2.4 billion over five years to support First Nations housing on reserves;
  - \$565 million over five years to support housing in First Nations Self-Governing and Modern Treaty Holders communities;
  - \$845 million over seven years to support housing in Inuit communities; and
  - \$190 million over seven years for housing in Métis communities.

### 7.3 Advancing Self-Determination and Prosperity - Implementing the *United Nations Declaration on the Rights of Indigenous Peoples Act*

- Budget 2022 also proposes \$9.5 million over five years, starting in 2022-23, to the **Department of National Defence to align its operations and engagement** with Indigenous peoples with the United Nations Declaration on the Rights of Indigenous Peoples Act.

### 7.3 Advancing Self-Determination and Prosperity - Legislative Changes to Support Self-Determination

- Budget 2022 announces the government's intention to replace the First Nations Land Management Act—which empowers First Nations to opt out of Indian Act provisions related to land management and replace them with their own laws—with the **Framework Agreement on First Nation Land Management Act**. This shorter, simpler legislation will continue to advance the First Nations Land Management Regime by giving force of law to the nation-to-nation Framework Agreement on First Nation Land Management.

## Chapter 8: Safe and Inclusive Communities

### 8.1 A Diverse and Inclusive Canada- Fighting Systemic Racism, Discrimination, and Hate

- Budget 2022 proposes to provide \$20 million in 2022-23 to the Department of Canadian Heritage to support the **construction of the new Holocaust Museum in Montréal**; and an investment of \$2.5 million for the Sarah and Chaim Neuberger Holocaust Education Centre, as has been approved through the Canada Cultural Spaces Fund and Museum Assistance Program.

## Chapter 9: Tax Fairness and Effective Government

### 9.2 Effective Government - Reducing Planned Spending in the Context of a Stronger Recovery

- Supporting Canadians and businesses through the COVID-19 pandemic required extraordinary, time-limited government supports and programs. The government remains committed to unwinding COVID-related special measures and normalizing the overall level of program spending. In this context, the government will launch a process to re-examine previously announced spending plans to ensure government programs are fit to changing circumstances, including a stronger than anticipated economic recovery.
- In this context, Budget 2022 announces the government's intention to review previously announced spending plans with a view to reducing the pace and scale of spending that has yet to occur by up to \$3 billion over the next four years. An update on the progress of this initiative will be outlined in the 2022 fall economic and fiscal update.

### 9.2 Effective Government - Strategic Policy Review

- The government remains focused on managing public finances in a prudent and responsible manner. This requires ongoing review to ensure Canadians' tax dollars are being used effectively and to ensure that government programs are delivering the intended results. To support these efforts, Budget 2022 announces the **launch of a comprehensive Strategic Policy Review**. Led by the President of the Treasury Board, the review will include two streams:
  - Stream 1 will assess **program effectiveness** in meeting the government's key priorities of strengthening economic growth, inclusiveness, and fighting climate change.
  - Stream 2 will identify opportunities to save and reallocate resources to adapt government programs and operations to a new post-pandemic reality. Further areas of focus could include **real property, travel**, and increased digital service delivery, based in part on key lessons taken from how the government adapted during the pandemic, such as through increased **virtual or remote work** arrangements.
- These efforts would target savings of \$6 billion over five years, and \$3 billion annually by 2026-27. Budget 2023 will provide an update on the review's progress