

Written Submission for Pre-Budget Consultations

Submitted on 25 February, 2022

via Government of Canada website by:

National Trust for Canada

Canadian Association of Heritage Professionals

ICOMOS Canada

Indigenous Heritage Circle



National Trust for Canada  Fiducie nationale du Canada

Recommendations:

Encourage Building Reuse to address Climate Change

Recommendation 1: Recognize the material value of older buildings and help consumers weigh the climate impact of building reuse versus new construction, by integrating embodied energy/carbon measurement tools into the Canada's Carbon Pollution Pricing System, federal funding programs, and space procurement.¹

Recommendation 2: Contribute significantly to Canada's decarbonization goals by correcting biases in the federal tax system that promote needless demolition, resource extraction and new construction, and introduce incentives to attract investment to building reuse. Possible actions include:

- addressing terminal loss provisions that make demolition attractive;
- introducing a new rehabilitation tax incentive modelled on the US Federal Historic Preservation Tax Incentive; and
- Tax benefits comparable to the Eco-Gifts Program.

Recommendation 3: Promote building reuse and heritage-led development by providing at least \$500 million in grants or other incentives for deep green retrofitting, rehabilitation or adaptive reuse of commercial heritage buildings, cultural infrastructure, and historic social purpose real estate. Include revenue-generating properties that yield increased tax revenue, as well as properties owned by nonprofits and charities.

Advance Reconciliation by Funding Indigenous Cultural Heritage Capacity

Recommendation 4: Strengthen the essential leadership capacity needed to advance cultural heritage priorities that are of importance to Métis, Inuit, and First Nations Peoples in Canada by providing an initial investment of \$50 million over three years for the Indigenous Heritage Circle, an Indigenous-led national nonprofit heritage organization.²

¹ A 2018 House of Commons Environment and Sustainable Development Committee report – [Better Buildings for a Low Carbon Future](#) - recommended that “the federal government take steps to recognize the value of embedded carbon in existing construction. Including the adoption of a measurement tool to take into account the net carbon emissions avoided through reuse of existing buildings.”

² A 2017 House of Commons Environment and Sustainable Development Committee report- [Preserving Canada's Heritage: The Foundation for Tomorrow](#) – recommended that “the federal government support an Indigenous-led initiative that will be responsible for: determining how places that are important to Canada's Indigenous peoples should be protected and preserved; enhancing the capacity of Indigenous communities to preserve places that are important to them.”

Create training opportunities and Green Jobs in Heritage Conservation

Recommendation 5: Prepare the construction sector to accelerate green rehabilitation and reuse of older/heritage buildings, by funding a rapid scale-up in heritage conservation education and trades training at post-secondary institutions, with a focus on reusing existing buildings for climate action impact.

Recommendation 6: Create green local jobs that renew Canada's National Historic Sites, Heritage Lighthouses, and Heritage Railway Stations by providing at least \$60 million over 5 years in matching grant funding to the National Cost-Sharing Program for Heritage Places – a program shown to leverage up to 5 times the federal contribution in local jobs and other spending.

Recommendation 7: Foster the next generation of emerging heritage workers and build essential capacity for heritage organizations and conservation programs in the not-for-profit sector by expanding, and providing stable, ongoing funding for youth job creation such as the Young Canada Works Program and Youth in Heritage, funded by Canadian Heritage, Parks Canada and other federal ministries.

Preserve Heritage Buildings and Places for their Social and Cultural Values

Recommendation 8: Implement the following recommendations from the first ever Parliamentary Report on Canada's heritage places - **Preserving Canada's Heritage: The Foundation for Tomorrow** (Report of the Standing Committee on Environment and Sustainable Development, Dec. 2017):

- Restore the funding level for the National Cost-Sharing Program for Heritage Places to a minimum of \$10 million per year.
- Review the National Cost-Sharing Program and, if it is determined that rural sites are under-represented in applications for funding or in the awarding of funding, steps should be taken to improve the program.

Who we represent:

The National Trust for Canada, the Indigenous Heritage Circle, the Canadian Association of Heritage Professionals, and ICOMOS Canada are four national heritage conservation organizations representing many thousands of professionals, property owners, volunteers, site operators, donors and philanthropists, trades and industry segments. The heritage conservation sector is devoted to safeguarding and extending the life and value of cultural heritage places for future generations. We recognize the tangible and intangible values of these places, as well as their economic and functional values. Our community of practice offers expertise for building and landscape stewardship, adaptation and recycling that can be scaled-up to all existing places in order to accelerate decarbonization.

Our interests include a multitude of existing buildings, sites, landscapes and structures:

- An estimated 273,337 pre-1978 commercial and industrial properties;³ 5,300,000 pre-1980 residential units;⁴ 27,000 places of faith; as well as thousands of institutional buildings in private and public ownership;
- Thousands of historic sites, museums in heritage buildings and other cultural sites whose primary focus is presenting history and heritage to the public;
- Cultural infrastructure and social purpose real estate owned or operated by charities and nonprofits, including cultural hubs, places of faith, Indigenous heritage places, lighthouses, former residential schools, cultural landscapes etc.; and,
- Structures such as the Alexandra Bridge, a federal asset whose proposed demolition is being challenged on both environmental and cultural grounds.

Included in the above numbers are an estimated 1,200 nationally significant places (National Historic Sites, Heritage Railway Stations, Heritage Lighthouses) and an estimated 50,000 places (including 25,000 in historic districts) eligible for inclusion on the Canadian Register of Historic Places.

Investments in heritage places are a concrete way for the federal government to demonstrate its commitment towards reconciliation initiatives, climate change action, job creation and post pandemic economic recovery programs.

³ NRCAN. [Survey of Commercial and Institutional Energy Use – Building 2009](#). 2012 Page 14.

⁴ NRCAN. [Residential Sector Canada Table 21: Housing Stock by Building Type and Vintage](#). National Energy Use Database. 2018.

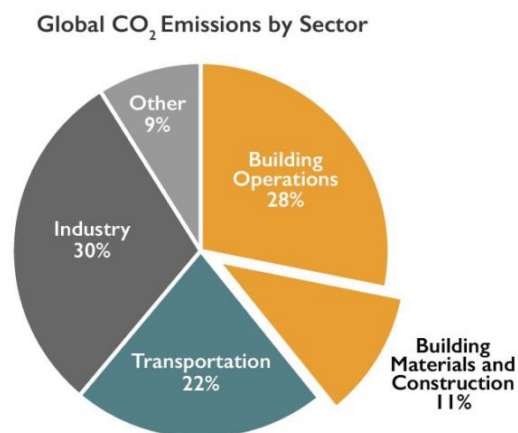
Our recommendations to capitalize on Building Reuse as Climate Action:

We believe that investing in the reuse and retrofit of existing/heritage buildings would go a long way in helping the federal government implement its Climate Action Plan and satisfy the range of international conventions that provide direction on heritage and climate action, including the World Heritage Convention, the Paris Climate Accords, the UN's Sustainable Development Goals, and the UN's New Urban Agenda.

We call on the federal government to recognize the transformative potential of building reuse – heritage and older buildings – as a powerful missing piece of the climate action puzzle. Our recommendations outlined above can help Canada implement the Climate Action Plan by capitalizing on embodied carbon, curbing waste, and accelerating the green jobs of tomorrow.

A few notes on the significance of existing buildings to climate action:

Construction and building operation is widely understood to be the world's largest single source of energy use and emissions – 39 percent of the carbon footprint worldwide – and therefore offers the opportunity for dramatic decarbonization returns. While current carbon mitigation efforts primarily focus on reducing emissions from building operations (28% of emissions), new building materials and new construction represents 11% of embodied emissions.



Source: © 2018 2030, Inc. / Architecture 2030. All Rights Reserved. Data Sources: UN Environment Global Status Report 2017; EIA International Energy Outlook 2017

Source: © 2018 2030, Inc. / Architecture 2030. All Rights Reserved. Data Sources: UN Environment Global Status Report 2017; EIA International Energy Outlook 2017

The greatest GHG and environmental impact reductions can be achieved by reusing buildings in situ – “the greenest building is the one that already exists.” Rewards would not only include carbon emission savings, but also the avoided impact of resource extraction on natural heritage and Indigenous cultural landscapes. As noted above, Canada has a vast carbon sink of older or heritage buildings to maintain and capitalize upon.⁵ In contrast, studies have established that it

⁵ Standing Committee on Environment and Sustainable Development. [Better Buildings for a Low-Carbon Future](#). June 2018. See recommendations 8 & 9.

takes up to 80 years for a new “green” building to overcome the carbon impacts of its construction.⁶

However, despite the opportunity for GHG reductions noted above, building reuse is still not the norm in Canada, with resource- and carbon-intensive demolition and construction of new buildings offering the path of least resistance for the construction industry and for buyers. The barriers to reuse⁷ take many forms that our recommendations below are designed to help counter:

- Availability of skilled labour;
- Cultural barriers (e.g. common construction industry practice, consumer culture of obsolescence); and
- **Economic barriers** (e.g. federal income tax treatment includes significant disincentives to reuse, such as lack of clarity on rehab cost expensibility (capital or current), terminal losses, and GST/HST rebates for new construction).

As a result, Canada’s landfills receive an estimated 2,752,000 tonnes of wood as construction, renovation and demolition (CR&D) waste each year, much of it precious old-growth lumber from demolished older/heritage buildings.⁸

Disincentivizing demolition and accelerating building reuse and retrofit **through financial incentives** offers a crucial pathway to achieving Canada’s climate goals. Spurring the reuse and retrofit of older/heritage building also reduces the impact on the environment (including Indigenous cultural heritage) of unnecessary resource extraction.

In the United States, the Federal Historic Rehabilitation Tax Credit and State-level credits have worked to counterbalance the demolition/new construction advantage. Since its launch in 1976, the federal program has leveraged \$102.64 billion in private investment (5 times the value of the federal tax credits provided), created over 130,000 jobs each year, preserved 45,383 historic properties, and enabled 172,416 affordable housing units. The National Parks Service is now beginning to calculate the large GHG emissions savings from these projects. A modest Canadian

⁶ National Trust for Historic Preservation. [The Greenest Building: Quantifying the Environmental Value of Building Reuse](#). 2011.

⁷ National Trust for Canada. [Making Reuse the New Normal: Accelerating the Reuse and Retrofit of Canada’s Built Environment](#). 2020.

⁸ Environment Canada. [National Waste Characterization Report: The Composition of Canadian Residual Municipal Solid Waste](#). 2020. (Construction and demolition waste in Canada is under-documented, but is estimated to be at least 27% of the annual waste stream. Greater Vancouver is the only Canadian jurisdiction actively following building demolition, and sees approximately 3,500 homes and 3,900 industrial, commercial, institutional buildings demolished each year.)

federal incentive modelled on the US program was field-tested in 2005-2008 and yielded similarly impressive results.⁹

Older/heritage building reuse will help spur the green jobs of tomorrow. The Federal Climate Action Plan notes this important shift: “Investments in home and building retrofits will spark a wave of new jobs and careers.” (11). We contend that the next wave of “green” workers or professionals need to be skilled in building reuse to ensure maximum carbon reduction impact.

Government investments in heritage places consistently leverage at least 5 times more in private investment, and in addition create new green jobs, enhance economic efficiency by renewing not replacing existing infrastructure, drive sector innovation, and better protect investments from the rising costs of carbon.

⁹ During a brief pilot project, the federal contribution leveraged almost 10 times more in private sector investment, created 1,465 person years of employment, and gave derelict heritage buildings vibrant new community uses.

Our Recommendation to Advance Reconciliation by Funding Indigenous Cultural Heritage Capacity:

Our organizations call on the federal government to strengthen the essential leadership capacity needed to advance cultural heritage priorities that are of importance to Métis, Inuit, and First Nations Peoples **by providing an initial investment of \$50 million over three years for the Indigenous Heritage Circle, an Indigenous-led national nonprofit heritage organization.**

The Indigenous Heritage Circle is a leading national NGO that has worked closely alongside Parks Canada on files relating to cultural resource management and the implementation of the United Nations Declaration on the Rights of Indigenous Peoples. Allowing Indigenous Peoples the full cultural stewardship of their traditional territories is a fundamental step towards addressing the climate crisis, assuring the sustainable use of natural resources moving forward.

Respectfully submitted,



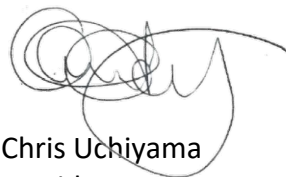
Natalie Bull
Executive Director
National Trust for Canada
nbull@nationaltrustcanada.ca



Kisha Supernant
Vice President
Indigenous Heritage Circle
kisha.supernant@ualberta.ca



Christophe Rivet
President
ICOMOS Canada
secretariat@canada.icomos.org



Chris Uchiyama
President
Canadian Association of Heritage
Professionals
admin@cahp-acecp.ca

Appendix: About the Organizations

Canadian Association of Heritage Professionals (CAHP) www.cahp-acecp.ca

CAHP is a national professional organization that serves qualified heritage professionals in the public, private and not-for-profit sectors. CAHP members are specialists in a wide variety of fields, including conservation architecture, planning, history, archaeology, landscape architecture, education and engineering. CAHP establishes standards of practice, shares knowledge about heritage conservation, and represents members who are professionally and actively engaged in the identification, conservation, preservation, interpretation and sustainable use of cultural and natural heritage. As part of its mandate, the organization also fosters and promotes public and legislative support for heritage conservation.

Indigenous Heritage Circle <https://indigenousheritage.ca/>

The IHC is an Indigenous-designed and Indigenous-led organization founded in 2016. We are dedicated to the advancement of cultural heritage priorities that are of importance to Métis, Inuit, and First Nations Peoples in Canada. The IHC has a Board of Directors which is made up of national leaders in the field of Indigenous cultural heritage and which includes individuals from diverse Indigenous backgrounds who have come together to support the following goals:

- To celebrate and promote Indigenous heritage and the role of Indigenous peoples in preserving this
- To advocate for cultural heritage programs, protocols, laws, policies, and funding opportunities that recognize Indigenous Peoples as the rightful caretakers of their heritage
- To support Indigenous communities in stewarding and safeguarding their heritage
- To further the understanding and respect for Indigenous heritage, laws, values, and protocols through facilitating dialogue and learning opportunities

The IHC provides national leadership in addressing Indigenous cultural heritage through dialogue, advocacy, research, and policy development for Indigenous communities. The IHC supports actions and policies consistent with the United Nations Declaration on the Rights of Indigenous Peoples, the Truth and Reconciliation Commission of Canada, and the laws and protocols of Indigenous Nations. Its primary focus is on Canadian issues and initiatives, but it is also committed to supporting Indigenous cultural heritage.

ICOMOS Canada <https://canada.icomos.org/>

ICOMOS Canada is the Canadian national committee of the International Council on Monuments and Sites (ICOMOS). Since 1975, ICOMOS Canada has been at the forefront of the heritage conservation movement in Canada and abroad, actively contributing to the development of the theory and practice of cultural heritage conservation. Today, ICOMOS Canada and its members continue to play a leading role in influencing national and international policies through innovative thinking and holistic approaches to continuously improve the conservation of cultural heritage for communities.

Internationally, ICOMOS is the only global non-governmental organization dedicated to the conservation of the world's cultural heritage places. Through over 100 national committees and 28 international scientific committees, it brings together professionals from such disciplines as architecture, archaeology, planning, engineering, anthropology, art history, and geography to develop and discuss the theory and

application of best practices to the conservation of buildings, landscapes, and sites. One of its important mandates is to advise UNESCO on cultural heritage matters especially in the context of the World Heritage Convention.

National Trust for Canada www.nationaltrustcanada.ca

Founded in 1973, the National Trust for Canada (formerly the Heritage Canada Foundation) is a registered charity that empowers Canadians to save and renew heritage places and older buildings as the foundation for a sustainable future. Every year thousands of Canadians access regeneration strategies and expertise through our free webinars and annual conference and hundreds more find youth employment in heritage through our partnership with the Department of Canadian Heritage. In the last few years we have delivered \$1.4 million in bricks and mortar funding to help renew and adapt 89 great places for new uses, and provided over \$132,000 worth of essential expertise to 44 heritage places through our donor-funded Launch Pad coaching grants. We lead the nation in celebrating heritage places with Canada Historic Places Days – reaching 2 million+ people annually with a national event delivered in partnership with the Parks Canada Agency