

Built Community Sustainability Platform

The Canadian Chamber of Commerce believes that environmental innovation in our built environments should be encouraged and supported through a series of new initiatives, along with changes to existing policies and regulations. We are convinced that the financial paybacks for sustainable solutions in the built environment will encourage private industry investment if the barriers are removed and appropriate incentives created. Appropriate incentives are those that reward sustainable federal building investment, by giving those investments preference over the current low first cost procurement practices. It is not our expectation that these recommendations will result in a net increase in funding from the federal government.

The current federal, provincial, territorial and city policies do not address existing buildings, yet this is the largest and most immediate opportunity to renew and rejuvenate the built environment. It is the federal government's responsibility to lead by example for this initiative. Appropriate environmental regulation is not an anathema to long-term economic prosperity, but rather a prerequisite. Current situation:

- Despite solid evidence of green buildings' lifecycle cost savings, many developers remain resistant to adopting green building practices and techniques. It has been widely reported that investments in building green offer significant lifecycle savings, commercially acceptable return on investment, and substantial greenhouse gas savings. It is proven that the private sector will follow the lead of the federal government in innovation.
- Canada has a regulatory framework that is well-intentioned and crafted to help protect health, safety and public welfare. Unfortunately, these well-intentioned regulations and policy instruments can have the unintended consequence of stifling innovation and discouraging green practices.
- Investing in greening federal buildings will create jobs, reduce energy costs, improve worker productivity, increase the value of the government's portfolio and ultimately save taxpayers money. Just as important, at a time when Canada is struggling to address the effects of climate change, studies show that improving energy efficiency in buildings is truly the "low-hanging fruit" that actually generates positive economic returns over their life-cycle.
- A 2008 study by Deloitte and Charles Lockwood surveyed a number of organizations that had undergone at least one retrofit that was LEED-certified (see chart below). Ninety-three percent of respondents reported a greater ability to attract talent, 81% reported greater employee retention, 87% reported an improvement in productivity, 75% saw an improvement in employee health, and 51% saw an increase in property values.
- Sufficient data has been gathered to show that the value of productivity gains exceed that of the energy savings on a lifecycle cost benefit analysis.

Recommendations

That the federal government:

1. aggressively work to aggregate incentive programs, streamline application procedures, reduce duplication and dedicate the savings into funding energy efficiency, sustainable projects.
2. work with the provincial and territorial governments to remove impediments to encourage sustainability by allowing and encouraging greater innovation at the local level.
3. work with the provincial and territorial governments to develop policies to remove barriers and provide incentives for local governments to improve the building code and encourage innovation in providing sustainable building solutions.

- amend the Federal Building Initiative to allow energy savings to be retained in their facility capital budgets in order to fund sustainable building improvements.

Impact of green retrofit, Deloitte, 2008



