



**CLIMATE PROOF
CANADA**

Building a Resilient Tomorrow

2024 Federal Budget Submission

Submission for the Pre-Budget Consultations in Advance of the Federal Budget

Submitted February 9, 2024



By the numbers:

2023 *Canada's most extreme wildfire season ever recorded*



6,569 fires



18.5 million hectares burned



More than \$1.4 billion = cost to fight wildfires



155,856 evacuees

\$3.4 billion *Total amount of insured damage for losses from extreme weather and climate-change-related disasters in 2022*

1.5 million *Number of homes currently built in areas at high risk of coastal, riverfront or urban flooding*

- **Recommendation 1:** Effectively fund the implementation of the National Adaptation Strategy Action Plan by allocating at least \$5.3 billion annually over the next five years.
- **Recommendation 2:** Build new, climate-resilient homes in the right ways and in the right places. Ensure that all new federal housing, infrastructure and funding programs incorporate resilience to climate change (focusing on flood, wildfire and extreme heat reduction).
- **Recommendation 3:** Invest the necessary resources to establish and administer an affordable National Flood Insurance Program for properties at highest risk, and invest in measures to help those who may not be captured under the program.
- **Recommendation 4:** Invest surge funding for the Disaster Mitigation Adaptation Fund (DMAF) of \$2 billion in the first year and at least \$1 billion annually for ten years thereafter.
- **Recommendation 5:** Deliver direct investment for a dedicated water and wastewater infrastructure program of \$1 billion annually, over ten years, through a mixture of grey and green investments.

- **Recommendation 6:** Commit \$1.5 billion over five years to the Greener Homes Program while ensuring the inclusion of resilient retrofits, focusing on lower income households.
- **Recommendation 7:** Ensure that future programs, such as DFAA, include pre- and post-disaster funding for communities to rebuild rapidly.
- **Recommendation 8:** Invest \$500 million over five years to scale up natural asset management under the Natural Infrastructure Fund (NIF) and/or FCM's Green Municipal Fund channels. Quantify the financial value of natural infrastructure, and integrate natural infrastructure investments with grey infrastructure to enhance community protection.
- **Recommendation 9:** Invest in First Nations, Métis, and Inuit resilience to climate change through direct funding to enhance capacity for climate adaptation and emergency management. Enable community-level cooperation, collaboration, training, and coordination with all levels of government and relevant partners.
 - Invest \$501 million over five years in Indigenous Climate Resilience for First Nations to support Emergency Management.
 - Invest \$145 million in Indigenous Climate Resilience and Emergency Management for the Métis Nation.
 - Support critical investment in Indigenous Climate Resilience for Inuit Peoples in the North.
- **Recommendation 10:** Immediately expand existing program eligibility requirements to empower First Nations, Métis, and Inuit Peoples to improve their ability to access/engage in all existing and future National Adaptation Strategy-related activities.
- **Recommendation 11:** In Budget 2024, fund an \$80 million program over five years managed by the Canadian Institutes of Health Research on the link between climate change, severe weather events and health outcomes.

Effectively fund the implementation of the National Adaptation Strategy Action Plan by allocating at least \$5.3 billion annually over the next five years.

It's time to fund the implementation of the National Adaptation Strategy Action Plan to make rapid, tangible progress during the initial five-year plan period and beyond.

At the National Climate Adaptation Summit in Ottawa on November 2, 2023, Climate Proof Canada congratulated the federal government on the official release of the country's first National Adaptation Strategy.

The inclusion of 26 measurable targets makes Canada's first National Adaptation Strategy world-leading. Over the past two years, Climate Proof Canada advocated for targets to track the progress needed to defend those living in Canada from climate-related risks now and in the near future.

One of the requirements of the National Adaptation Strategy is that resilience must be incorporated into all infrastructure investments by 2024. It's critically important that we build homes in the right way, in the right places, so that households are protected now and into the future.

Climate Proof Canada urges the government to recognize the impact climate change is having on individuals, households, and communities across the country. We believe we must factor resilience measures into investments including core infrastructure, housing, and communities, ensuring funding targets those experiencing vulnerability and at most risk of the impacts of climate change.

People in Canada face increasing wildfires, floods, hurricanes, windstorms, hailstorms, extreme heat, and other extreme weather events amplified by climate change – a message reinforced by the federal government's own [National Risk Profile](#). The programs to achieve those targets now need to be funded as a collaboration between all orders of government, Indigenous communities, non-governmental organizations (including charities) and the private sector.

Programs need to reflect local realities, and the existing gaps in recovery from increasing disaster events require a holistic recovery approach.

Last year marked the worst wildfire season in recorded history, with over 6,500 wildfires burning across Canada, with a record-breaking 18.5 million hectares burned. More individuals, households and communities were displaced than ever before and faced barriers to recovery, including returning home, and lasting financial and mental health impacts.

Heat alerts were frequently announced last summer, recalling the heat dome two years ago in Vancouver that caused 619 deaths. We must accelerate our efforts to respond to this very real threat to human life.

While we are eager to see programs implemented, Climate Proof Canada members are also interested to engage further in the development of commitments in the National Adaptation Strategy. This is to ensure that a diversity of perspectives are considered to make the programs as effective as possible and provide needed assistance for those most at risk.

How much is needed to effectively fund the NAS?

The \$1.6 billion in federal government funding announced in November 2022 (billed as a “down payment”) means Canada can jump-start implementation of the National Adaptation Strategy. Budget 2023 built on this by including an additional \$98.2 million to establish a national flood insurance program and to modernize the Disaster Financial Assistance Arrangements program.

However, significant further investment is needed to deliver on the strategy, given that people living in Canada are now facing catastrophic losses, both insured and uninsured, that surpass \$5 billion per year.

A [report](#) from two founding members of Climate Proof Canada – the Federation of Canadian Municipalities and Insurance Bureau of Canada – estimated that avoiding the worst impacts of climate change at the municipal level will cost an estimated \$5.3 billion per year. A federal government commitment at this annual amount over the next five years would be appropriate and welcome.

This translates to a budgetary ask of at least \$26.5 billion over the next five years. Of that, \$10 billion should be allocated to the next iteration of the Disaster Mitigation and Adaptation Fund (DMAF), which was expected to be released by Infrastructure Canada last fall.

These financial commitments are significant; however, these investments are needed to protect not only people living in Canada, but also our economy. Studies by the Global Commission on Adaptation (of which Canada is a founding member), World Resources Institute, Insurance Bureau of Canada and Intact Centre on Climate Adaptation have shown that every \$1 spent proactively in resilient infrastructure has a return on investment of \$6 in future averted losses.

Both the federal government and the private sector must urgently invest to limit the growing costs of extreme weather. Closing the adaptation finance gap will position Canada to protect people and the economy as irreversible climate change drives more challenging weather and overall environmental conditions.

We need to act now.

We know what we need to do, and we need to act now. Climate Proof Canada recommends annual programmatic investment of at least \$5.3 billion to sufficiently fund the National Adaptation Strategy so that its targets can be achieved rapidly in the five key areas.

Climate Proof Canada looks forward to working with all orders of government, Indigenous Peoples, the private sector and non-governmental and charitable organizations to support this critical undertaking.



About Climate Proof Canada

Climate Proof Canada is a national coalition of Canadian business representatives, disaster relief organizations, municipalities, Indigenous organizations, environmental NGOs and think tanks that believe Canada must prepare for the present and growing effects of climate change through building a more disaster-resilient country.

The Coalition launched in June 2021 and will be active in the years ahead to encourage all orders of government and the private sector to collaborate on climate adaptation and disaster resilience.

Contact Us

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For more information, visit [Climate Proof Canada](#).

Climate Proof Canada Coalition Members

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MUNICIPALITIES

Federation of Canadian Municipalities
Great Lakes and Saint Lawrence Cities Initiative

INDIGENOUS ORGANIZATIONS

Métis National Council

DISASTER RELIEF ORGANIZATIONS

Canadian Red Cross
Civil Protection Youth Canada

PRIVATE SECTOR

Canadian Chamber of Commerce
Forest Products Association of Canada
Genesis Resiliency
Surrey Board of Trade
Seneca College
My Climate Plan

PROVINCIAL ORGANIZATIONS

Conservation Ontario
Ecology Action Centre

ENVIRONMENTAL NGOs AND RESEARCH ORGANIZATIONS

Canadian Association of Physicians for the Environment
Institute for Catastrophic Loss Reduction
Intact Centre for Climate Adaptation
International Institute for Sustainable Development
NAIMA Canada
Passive House Canada
Smart Prosperity Institute
The Pembina Institute