



INSURANCE BROKERS ASSOCIATION OF CANADA  
ASSOCIATION DES COURTIERS D'ASSURANCES DU CANADA

**Written Submission for the Pre-Budget  
Consultations in Advance of the Upcoming  
Federal Budget**

**By: Insurance Brokers Association of Canada**

**August 2020**

**Recommendations:**

- 1. That the federal government stimulate the home improvement/building/construction sectors by investing in programs that encourage homeowners and business owners to undertake renovations and upgrades that mitigate against flood risks due to climate change and reduce greenhouse gas emissions.**
- 2. That federal government infrastructure programs prioritize climate change mitigation.**

## Background

The Insurance Brokers Association of Canada (IBAC) is a federation of eleven Member Associations representing over 38,000 property and casualty insurance brokers in Canada. Our members operate small and medium sized enterprises (SMEs) that create employment and support their local economy. They are community builders who make a difference in virtually every community across the country. Brokers have a long history of providing customer service and independent financial advice on insurance matters, while consistently demonstrating their strong commitment to consumer protection.

Throughout the pandemic, insurance brokers have supported and advocated for consumers to ensure fair and compassionate treatment with regards to auto premium reductions, premium payment deferrals and commercial insurance relief. They have also contributed through many donations within their communities across Canada as well as through IBAC's significant donation to Food Banks Canada.

IBAC welcomes the opportunity to contribute to the government's consultation process for the 2021 Federal Budget with a focus on restarting the economy as we recover from the effects of the COVID-19 pandemic.

## Recommendation 1

**That the federal government stimulate the home improvement/building/construction sectors by investing in programs that encourage homeowners and business owners to undertake renovations and upgrades that mitigate against flood risks due to climate change, and reduce greenhouse gas emissions.**

As the pandemic continues, Canadians are spending more time at home and consumer spending has declined in many areas. To re-invigorate consumer spending, it will be important to recognize the shifting priorities of Canadians and design programs that leverage a new focus on the home. This will result in a direct economic stimulus in the home improvement/building/construction sectors as well as related employment opportunities.

Across Canada, there has been an increase in catastrophic flooding and other natural disasters due to climate change, and brokers have seen firsthand the devastating impact on families, businesses and communities. Given the trust based relationships that insurance brokers have with their clients, brokers are uniquely placed to advise their clients on these issues. IBAC's ongoing public awareness campaign, "The Big If", helps Canadians understand these risks, and the steps they can take to protect themselves and their properties. We believe the federal government also has a role to play in ensuring its future programming and policies are developed with an eye to future-proof our infrastructure and communities from the growing risks stemming from climate change.

At the same time, the government must continue its strong climate change agenda and help Canadian homeowners and businesses reduce their impact on the environment. Supporting energy-efficient renovations and upgrades for both homes and businesses will contribute to achieving our greenhouse gas emission targets while further stimulating the home-improvement/building/construction sectors. It will also result in energy cost savings for consumers and businesses who may be financially impacted by the pandemic.

These three important objectives - economic stimulus, risk mitigation, and greenhouse gas reductions - could all be addressed through a program that supports renovations and upgrades to homes and commercial properties that increase energy efficiency and/or mitigate against flooding and other risks.

## **Recommendation 2**

**That federal government infrastructure investments prioritize climate change mitigation.**

Federal infrastructure programs should be developed through the lens of climate change mitigation in order to ensure that appropriate consideration is given to reducing the impact of adverse weather on existing and new infrastructure. Solutions that focus on the abatement or reduction of these risks would ensure our communities are better able to withstand future severe weather events.

IBAC appreciates the opportunity to provide input on the 2021 Federal Budget, and thanks the Finance Committee for considering these proposals. We look forward to continuing our work with Parliament, and would be happy to provide greater detail on our proposed recommendations.