

2026

# COMMUNITY EMPLOYMENT BENEFITS AGREEMENTS: DEFINING THE PATH FORWARD



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# CBTU: The voice of Canada's building trades

Canada's Building Trades Unions (CBTU) is the national voice of over 600,000 Canadian construction workers — members of 14 international unions who work in more than 60 different trades and occupations and generate six percent of this country's GDP.

Our mission is to represent all workers in the building, construction, fabrication and maintenance industry and support their efforts to improve their working conditions and quality of life. In pursuit of our goals, we continuously seek to build our workforce and strengthen our industry.

We build our workforce by fostering pride, performance, and professionalism in the trades, and by supporting training that prepares our members for life-long career opportunities. We also strive to ensure that the construction industry offers the most financially satisfying and personally rewarding career path open to all Canadians.

We strengthen our industry by providing solutions that meet the challenges of our changing, energy-conscious world, and by delivering unmatched value for contractors and owners—proving that developing a partnership with Canada's Building Trades Unions is the best investment they will ever make.

# Executive summary

The federal government is making transformational commitments to infrastructure. In Budget 2025, \$115.2 billion in investment was announced over five years, including through the new flagship Build Communities Strong Fund. The budget further committed that the use of unionized labour and “Community Employment Benefits Agreements” would be considered in project selection.

These commitments are critically important and align with CBTU’s longstanding advocacy for community benefits linked to infrastructure investment. Defining what they will mean at a policy level is essential to ensuring that infrastructure investments not only build the physical assets that Canada needs to grow its economy, decarbonize, and defend Canadian sovereignty, but also to build up the country’s workforce to meet the challenges and opportunities of the future.

This brief builds on distinct lessons from provincial approaches to Community Employment Benefits across Canada, as well as recent federal precedents, including new labour requirements for Clean Economy Investment Tax Credits. It outlines a path forward for how the federal government can establish a comprehensive and effective approach to Community Employment Benefits, while respecting existing community benefits frameworks in place across the country.<sup>1</sup>

The following five core recommendations are designed to ensure that federal infrastructure investments create strong pathways to high-quality training and employment, including for equity-seeking groups, fulfilling the vision of Budget 2025. These recommendations are structured to apply meaningfully across different funding contexts, including direct federal investments, cost-matched provincial-territorial projects, and bilateral funding agreements. They are designed to establish a national baseline for training opportunities, job quality, and strategic workforce development, from which project-specific Community Employment Benefit agreements with transparent public reporting can build.

Priorities	Recommendations
<b>Establish National Baseline Requirements for Strategic Workforce Development</b>	<ol style="list-style-type: none"><li>1. Extend prevailing wage and apprenticeship requirements in place for Clean Economy Investment Tax Credits to all federal infrastructure investments and tax incentives.</li></ol>

<sup>1</sup> This brief was developed by Jon Medow and Sara Ditta of Medow Consulting in partnership with CBTU subject matter experts.

<b>Require Agreements for Federal Projects</b>	2. Contractually require Community Employment Benefit agreements for infrastructure projects valued at more than \$10 million that the federal government invests in on its own, including hiring targets for underrepresented groups.
<b>Advance on Agreements for Federal-Provincial Projects</b>	3. Advance on the inclusion of Community Employment Benefit agreements for infrastructure projects funded jointly through federal-provincial investments and bi-lateral agreements.
<b>Collaborate with Industry Partners</b>	4. Establish a Tri-lateral Community Employment Benefits Compliance Group including government, employers, and labour to support implementation and oversee effective monitoring and validation processes.
<b>Transparently Communicate Outcomes</b>	5. Publicly report on Community Employment Benefits outcomes through a real-time scorecard.

# Community benefits policy across Canada offers key lessons

Community benefit agreements (CBAs) have been in use in different ways across Canada for many years now, often with a particular focus on providing employment opportunities for equity-deserving groups.

**What are Community Benefit Agreements?**

Community Benefit Agreements are typically made between key partners on major infrastructure or development projects that involve commitments by developers to deliver specific benefits to the community as part of the construction process. As previously highlighted by CBTU, the agreements “are a way to leverage infrastructure dollars to not only build much-needed infrastructure in communities across Canada, but also achieve social benefits in the communities where a project takes place.”<sup>2</sup> For instance, they can be used to create pathways to apprenticeship for those in the communities where infrastructure is built who may typically experience barriers.

<sup>2</sup> CBTU. Issues: Prevailing wage and community benefit agreements. Available at: <https://www.buildingtrades.ca/en/issues-prevailing-wage-community-benefits/>

Unions often play a key role in negotiating and implementing CBAs in Canada, including the following elements of agreements:<sup>3</sup>

- Union wage requirements (prevailing wage)
- Training provisions and targets for apprenticeships
- Local and equity hiring targets
- Community consultation processes

While use of these agreements has been growing, they vary significantly based on region and project. Indeed, there is no standardized approach to community benefits and policies vary by province and, in some cases, municipality. At a federal level, policies related to community benefits have been primarily voluntary in nature but are evolving (see **Section 2** for more information on the federal policy landscape). Nonetheless, there are key lessons from approaches across the country that can be incorporated into federal approaches going forward.

## British Columbia offers a centralized approach

### Provincial landscape

In 2018, the Government of British Columbia created BC Infrastructure Benefits (BCIB), a crown corporation which is responsible for implementing CBAs on certain public infrastructure projects with a value of more than \$500 million. BCIB became the employer of record for these projects through a CBA negotiated with a council representing 19 building trades unions in the province. As the employer, BCIB was provided with the tools to implement its mandate focused on workforce development – including hiring, training and supplying workers to contractors.<sup>4</sup> Through the CBA, workers employed by BCIB’s payroll are unionized and receive union wages.<sup>5</sup>

The purpose of BCIB is: “to partner in the successful delivery of projects, mobilize and grow a safe, diverse and skilled workforce and honour community strength by building on local assets, knowledge and potential.” Additionally, it ensures priority hiring to qualified local residents and equity-deserving groups.<sup>6</sup> In addition, ministerial directives help to advance equity goals, as the

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<sup>3</sup> Canadian Coalition of Women in Engineering, Science, Trades and Technology (2025). Environmental scan and comparative analysis of union structures and Community Benefit Agreements across different Canadian jurisdictions. Available at: <https://ccwestt-ccfsimt.org/wp-content/uploads/2025/08/2025-Canadaian-Union-Structures-and-Community-Benefit-Agreements-Report.pdf>

<sup>4</sup> Calvert, J. (2025). Leveraging Government Construction Purchasing to Expand Training and Apprenticeship, Overcome Skills Shortages, and Promote a More Diverse Workforce. *Workplace: A Journal for Academic Labor*. Available at: <https://ices.library.ubc.ca/index.php/workplace/article/view/187219>

<sup>5</sup> Calvert, J. (2025). Leveraging Government Construction Purchasing to Expand Training and Apprenticeship, Overcome Skills Shortages, and Promote a More Diverse Workforce. *Workplace: A Journal for Academic Labor*. Available at: <https://ices.library.ubc.ca/index.php/workplace/article/view/187219>; Runge, T. (2021). CBAs: Beneficial Building Trend. *ReNew Canada*. Available at: <https://www.renewcanada.net/cbas-beneficial-building-trend/>

<sup>6</sup> Government of British Columbia (2025). BC Infrastructure Benefits. Available at: <https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/crown-corporations/bc-infrastructure-benefits>

government has used directives to focus on growing the workforce and connecting with key underrepresented groups in the sector including Indigenous communities.<sup>7</sup>

A key impetus for the creation of CBIB was to address skills shortages in the construction industry through workforce training efforts that prioritize local jobs and apprenticeships.<sup>8</sup> Union support is a critical component because it enables BCIB to meet goals related to training and apprenticeships, as unions operate key training programs.<sup>9</sup> According to BCIB's 2024/25 to 2026/27 service plan, it has set a target of 10% for total project hours worked by apprentices and trainees, and 25% for the ratio of apprenticeship to journeyman hours.<sup>10</sup>

The approach in British Columbia has helped to advance key objectives, including the following outcomes, according to a recent analysis by the Canadian Centre for Policy Alternatives:<sup>11</sup>

- 20% of the workforce have worked as trainees or apprentices
- 14% of workers were Indigenous – more than double the provincial average in the sector
- 9% of workers were women – 1.5 times higher than the provincial average in the sector
- 92% of workers were B.C. residents and 76% were from communities in which projects were located

## Lessons learned

The approach in British Columbia is more centralized compared to other parts of Canada through the establishment of a Crown Corporation tasked with implementing CBAs. Efforts are also closely connected to building trades unions in the province which have been a key partner in supporting workforce development goals. As recently noted in a report for the Canadian Coalition of Women in Engineering, Science, Trades and Technology: “British Columbia is widely seen as a national leader in CBA implementation.”<sup>12</sup>

## Ontario efforts are often driven by local initiatives

### Provincial landscape

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<sup>7</sup> Calvert, J. (2025). Leveraging Government Construction Purchasing to Expand Training and Apprenticeship, Overcome Skills Shortages, and Promote a More Diverse Workforce. Workplace: A Journal for Academic Labor. Available at:

<https://ices.library.ubc.ca/index.php/workplace/article/view/187219>

<sup>8</sup> Calvert, J. (2025). Building Better: The positive impact of community benefits agreements on the BC construction workforce. Canadian Centre for Policy Alternatives. Available at: <https://www.policyalternatives.ca/wp-content/uploads/2025/04/building-better.pdf>

<sup>9</sup> Calvert, J. (2025). Leveraging Government Construction Purchasing to Expand Training and Apprenticeship, Overcome Skills Shortages, and Promote a More Diverse Workforce. Workplace: A Journal for Academic Labor. Available at:

<https://ices.library.ubc.ca/index.php/workplace/article/view/187219>

<sup>10</sup> BCIB (2024). 2024/25-2026/27 Service Plan. Available at: <https://bcib.ca/wp-content/uploads/2024-25-BCIB-Service-Plan-Executed-2024-02-09.pdf>

<sup>11</sup> Calvert, J. (2025). Building Better: The positive impact of community benefits agreements on the BC construction workforce. Canadian Centre for Policy Alternatives. Available at: <https://www.policyalternatives.ca/wp-content/uploads/2025/04/building-better.pdf>

<sup>12</sup> Canadian Coalition of Women in Engineering, Science, Trades and Technology (2025). Environmental scan and comparative analysis of union structures and Community Benefit Agreements across different Canadian jurisdictions. Available at: <https://ccwestt-ccfsimt.org/wp-content/uploads/2025/08/2025-Canadaian-Union-Structures-and-Community-Benefit-Agreements-Report.pdf>

There has been some provincial action on community benefits in Ontario, with principles part of broader legislation on infrastructure. However, progress on community benefits in the province has largely been driven by efforts on a municipal level and programs at agencies like Metrolinx, which have provided frameworks for delivering community benefits in large infrastructure projects in the province.

Legislation passed in 2015 – the *Infrastructure for Jobs and Prosperity Act* – required social value objectives to be part of infrastructure planning including community benefits such as apprenticeships. As a result, contractors bidding on provincial projects are required to outline plans related to apprenticeships in alignment with broader equity objectives.<sup>13</sup> At the same time, Ontario has recently taken steps in a related direction – in December 2025, the province sought comment on a proposal exploring options to expand apprenticeship training on infrastructure projects funded by the government, including the possibility of requiring all bidders participating in public infrastructure projects to meet minimum apprenticeship training and hiring requirements.<sup>14</sup>

Local efforts in Ontario are also particularly noteworthy. For instance, the Woodbine Casino project in Rexdale involves a CBA signed with the City of Toronto that includes specific targets for hiring – including that at least 10% of hours worked by trades or craftspeople be apprentices or journeypersons, and 40% of hires be local residents or people from equity-deserving communities. This CBA which was finalized in 2018 was the first official agreement with the city.<sup>15</sup> The City of Toronto has developed a Community Benefits Framework, led by a Community Benefits Unit, to provide guidance and help support community benefits efforts in the city.<sup>16</sup>

Similarly, regional transportation agency Metrolinx has signed onto several CBAs through its own community benefits program which highlights specific hiring targets including that 10% of tradespeople hired be in apprenticeship roles. Since 2016, more than 1,824 apprentices and journeypersons from equity-deserving groups were hired across three Metrolinx LRT projects.<sup>17</sup>

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<sup>13</sup> Canadian Coalition of Women in Engineering, Science, Trades and Technology (2025). Environmental scan and comparative analysis of union structures and Community Benefit Agreements across different Canadian jurisdictions. Available at: <https://ccwestt-ccfsimt.org/wp-content/uploads/2025/08/2025-Canadaian-Union-Structures-and-Community-Benefit-Agreements-Report.pdf>

<sup>14</sup> Ontario Regulatory Registry (2025). Apprentices on Government Funded Infrastructure Projects. Available at: <https://www.regulatoryregistry.gov.on.ca/proposal/52793>

<sup>15</sup> City of Toronto. Rexdale-Casino Woodbine Community Benefits Agreement. Available at: <https://www.toronto.ca/city-government/accountability-operations-customer-service/long-term-vision-plans-and-strategies/community-benefits-framework/community-benefits-agreements/>

<sup>16</sup> City of Toronto. Community Benefits Framework. Available at: <https://www.toronto.ca/city-government/accountability-operations-customer-service/long-term-vision-plans-and-strategies/community-benefits-framework/>

<sup>17</sup> Metrolinx (2024). Making Community Benefits and Supports Happen. A Year in Review: 2023-2024. Available at: [https://assets.metrolinx.com/image/upload/v1725887401/Documents/Metrolinx/Making\\_Community\\_Benefits\\_and\\_Supports\\_Happen\\_2023-24.pdf](https://assets.metrolinx.com/image/upload/v1725887401/Documents/Metrolinx/Making_Community_Benefits_and_Supports_Happen_2023-24.pdf)

## Lessons learned

Ontario illustrates the value of initiatives driven by local governments and communities in helping to achieve community benefits through major infrastructure projects. However, there are limitations to that approach, as it requires community leadership to advocate for projects and implementation of CBAs on a project-by-project basis. There have been calls by organizations such as the Ontario Nonprofit Network for Ontario to take a more active role in advancing CBAs in the province by developing a provincial community benefits policy in collaboration with local networks, and by making CBAs a part of all public infrastructure projects. As the organization recently noted: “[T]he current ad-hoc approach limits the ability of CBAs to be applied more broadly, and thus be more effective and implemented with adequate accountability.”<sup>18</sup> Ontario’s recent consultation on including apprenticeship requirements on all provincial infrastructure investments signals the potential for a revitalized approach.

## Nova Scotia has embedded community benefits in a growing number of procurements

### Provincial landscape

In 2020, Nova Scotia developed an internal procurement policy designed to require CBAs on infrastructure projects worth more than \$100,000 as part of the RFP process. As part of this effort, key provisions include that 25% of hours be worked by registered apprentices and 10% of hours be worked by underrepresented groups on projects.<sup>19</sup> Since 2020, there have been at least five projects that have incorporated such language into agreements. For instance, Build Nova Scotia highlights that a health care redevelopment project in Cape Breton has these recruitment targets embedded in tenders and that the targets are in alignment with the province’s Diversity, Equity and Inclusion program.<sup>20</sup>

Legislation passed in 2021 in Nova Scotia highlights sustainable procurement goals including that community benefits should be considered (but not required) as part of procurement processes.<sup>21</sup>

## Lessons learned

The province has been highlighted as taking a distinct approach that has “embedded CBA targets directly into procurement policy without relying on parallel labour agreements or ad hoc

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<sup>18</sup> Ontario Nonprofit Network (2024). Maximizing the value and impact of public investments with Community Benefits Agreements. Available at: <https://theonn.ca/wp-content/uploads/2024/02/Briefing-Note-Community-Benefit-Agreements.pdf>

<sup>19</sup> Canada’s Building Trades Unions (2021). Community Benefit Agreements. Available at: [https://mainlandbuildingtrades.ca/documents\\_2/CBTU\\_CBA\\_Report.pdf](https://mainlandbuildingtrades.ca/documents_2/CBTU_CBA_Report.pdf)

<sup>20</sup> Build Nova Scotia. Equity, Diversity, and Inclusion. Available at: <https://buildns.ca/healthcare/equity-diversity-and-inclusion/>

<sup>21</sup> Nova Scotia Legislature (2021). Environmental Goals and Climate Change Reduction Act. Available at: <https://nslegislature.ca/sites/default/files/legc/statutes/environmental%20goals%20and%20climate%20change%20reduction.pdf>

negotiations.”<sup>22</sup> The procurement policy has helped enable community benefits to be incorporated in projects, with growing uptake across the government ensuring this language is a part of project agreements.

## Federal community benefits policy: The current state

In Budget 2025, the federal government committed to generational infrastructure investments totaling \$115.2 billion over the next five years.<sup>23</sup> This includes the new flagship Build Communities Strong Fund to be administered by Housing, Infrastructure and Communities Canada with investments of \$51 billion over 10 years starting in 2026-27. The fund will be delivered in three streams, which include some re-profiled funding from existing sources:

- \$17.2 billion in a Provincial-Territorial Stream requiring provincial-territorial co-investment
- \$6 billion in Direct Delivery Stream delivered by Housing, Infrastructure, and Communities Canada
- \$27.8 billion in the Community Stream (pre-existing as the Canada Community-Building Fund which flows through provinces and territories to their communities)

The Build Communities Strong Fund sits alongside other major infrastructure initiatives including the new Major Projects Office (MPO), now serving as a single point of contact to accelerate nation-building projects.

Budget 2025 has further committed that under the Building Communities Strong Fund, “federal project selection will consider factors such as use of unionised labour, and use of Community Employment Benefits agreements.”<sup>24</sup> These are important commitments that CBTU applauds. Defining more specifically how they will be implemented will be critical to Canada’s future success.

## The 2018 Community Employment Benefits initiative had limited impact

The most recent federal approach to Community Employment Benefits, preceding commitments made in Budget 2025, was announced in June 2018 as a component of the *Investing in Canada* infrastructure plan. This initiative set out “Community Employment Benefit requirements” that

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<sup>22</sup> Canadian Coalition of Women in Engineering, Science, Trades and Technology (2025). Environmental scan and comparative analysis of union structures and Community Benefit Agreements across different Canadian jurisdictions. Available at: <https://ccwestt-ccfsimt.org/wp-content/uploads/2025/08/2025-Canadaian-Union-Structures-and-Community-Benefit-Agreements-Report.pdf>

<sup>23</sup> Federal Budget 2025. Available at: <https://budget.canada.ca/2025/report-rapport/pdf/budget-2025.pdf>

<sup>24</sup> Federal Budget 2025. Available at: <https://budget.canada.ca/2025/report-rapport/pdf/budget-2025.pdf>

would apply to bi-lateral federal-provincial infrastructure funding agreements as well as to other direct federal infrastructure funding programs.<sup>25</sup> This Community Employment Benefits initiative outlined targeted groups intended to benefit from employment and/or procurement opportunities created by infrastructure investments.<sup>26</sup> These groups included:

- apprentices
- Indigenous peoples
- women
- persons with disabilities
- veterans
- youth
- recent immigrants
- small-sized enterprises
- medium-sized enterprises
- social enterprises

Specific requirements to support these groups varied across federal and federal-provincial infrastructure funding programs and targets were not set by the federal government. In most cases, project-level targets benefiting at least three designated groups were intended to be developed by project proponents, and outcomes were intended to be reported.<sup>27</sup> However, to date, there has been no public reporting of outcomes.<sup>28</sup>

The Community Employment Benefits initiative was at its core voluntary. While setting out broad goals, participation was never a requirement for approval of funding through the Investing in Canada Plan, which led to limited action under the Community Employment Benefits initiative.<sup>29</sup>

## **Clean Economy Investment Tax Credit labour requirements offer a new approach**

Recent Labour Requirements advanced through Bill C-59 linked to private sector investment in the clean economy provide a critical reference point for how the federal government can expand its role in Community Employment Benefits through public infrastructure investment.

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<sup>25</sup> Government of Canada (June 22, 2018). News Release: The Government of Canada encourages community employment benefits through infrastructure projects. Available at: <https://www.canada.ca/en/housing-infrastructure-communities/news/2018/06/the-government-of-canada-encourages-community-employment-benefits-through-infrastructure-projects.html>

<sup>26</sup> Government of Canada (n.d.). Community Employment Benefits General Guidance. Available at: <https://housing-infrastructure.canada.ca/pub/other-autre/ceb-ace-eng.html>

<sup>27</sup> Intended outcomes for reporting included: “the number or percentage of hours worked by a target population and/or the value of contracts provided to small-sized, medium-sized or social enterprises as applicable to the targets set for that project”. See: Government of Canada (n.d.). Community Employment Benefits General Guidance. Available at: <https://housing-infrastructure.canada.ca/pub/other-autre/ceb-ace-eng.html>

<sup>28</sup> Toronto Community Benefits Network (2025). TCBN Federal Pre-Budget Consultation Submission: Canada’s Infrastructure for Jobs and Prosperity Plan. Available at: [https://assets.nationbuilder.com/communitybenefits/pages/10041/attachments/original/1757006709/2025\\_Final\\_TCBN\\_Federal\\_Pre-Budget\\_Consultation\\_Submission.pdf?1757006709](https://assets.nationbuilder.com/communitybenefits/pages/10041/attachments/original/1757006709/2025_Final_TCBN_Federal_Pre-Budget_Consultation_Submission.pdf?1757006709)

<sup>29</sup> Canada’s Building Trades Unions (CBTU) (February 2022). Community Benefit Agreements.

Bill C-59 which received Royal Assent in June 2024 advanced a series of Clean Economy Investment Tax Credits,<sup>30</sup> which are designed to support and incentivize private sector capital investment across four streams:

- Clean Technology
- Carbon Capture, Utilization, and Storage
- Clean Technology Manufacturing
- Clean Hydrogen

Attached to three of the four streams, all but manufacturing, are labour requirements for prevailing wage and apprenticeships. To access the full value of the investment tax credits, these labour requirements must be met by employers, with validation. Claimants must attest that they have met requirements in order to be eligible to receive the full rate. Those that do not meet the labour requirements for prevailing wage and apprenticeships see their tax credit reduced by 10%.<sup>31</sup>

To meet prevailing wage requirements, workers on relevant job sites must be paid in accordance with either their collective agreement or, where none is in place, in accordance with the most recent and relevant multi-employer building trades collective agreement.<sup>32</sup>

Similarly, apprenticeship requirements in place to receive the full value of the tax credits state that reasonable efforts must be made to ensure that at least 10% of total Red Seal hours on relevant job sites are worked by apprentices in Red Seal trades.<sup>33</sup> Reasonable efforts include regularly advertising positions and communicating their availability to trade unions and educational institutions. This is a critical provision to ensure that through major projects supported by Clean Economy Investment Tax Credits, the next generation of highly skilled workers prepared to support continued decarbonization is developed, while also creating high quality and well compensated jobs.

Though not framed in language of “Community Employment Benefits,” these labour requirements set a strong positive foundation for the federal role in Community Employment Benefits going forward. They create the potential for implementing broad-based apprenticeship and prevailing wage requirements as part of federal infrastructure investments and tax credits, separate from any project-specific Community Employment Benefit agreement that is in place.

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<sup>30</sup> Government of Canada. (June 21, 2024). News release: Government of Canada Launches the First Clean Economy Investment Tax Credits. Available at: <https://www.canada.ca/en/natural-resources-canada/news/2024/06/government-of-canada-launches-the-first-clean-economy-investment-tax-credits.html>

<sup>31</sup> Canada Revenue Agency (n.d.). Clean Economy Investment Tax Credits. Available at: <https://www.canada.ca/content/dam/cra-arc/serve-info/tax/business/topics/corporations/clean-economy-itc-en.pdf>.

<sup>32</sup> Government of Canada. (n.d.). For incentive claimants: Avoiding the reduced tax credit rate for Clean Economy ITCs. Available at: <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/business-tax-credits/clean-economy-itc/labour-requirements-itc.html#covwork>.

<sup>33</sup> Government of Canada. (n.d.). For incentive claimants: Avoiding the reduced tax credit rate for Clean Economy ITCs. Available at: <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/business-tax-credits/clean-economy-itc/labour-requirements-itc.html#covwork>.

As highlighted in **Section 1**, Nova Scotia has embedded apprenticeship requirements directly in procurement processes for a growing number of projects and Ontario recently consulted on whether apprenticeship requirements should be put in place for all provincial infrastructure investments. Both cases provide important precedents for the federal government’s consideration of similar potential approaches.

## **Community benefit requirements have been successful on cost-matched infrastructure investments**

The federal government also has a record of advancing Community Employment Benefit agreements through federal-provincial infrastructure investments. For example, through joint investment with Ontario in major Toronto transit expansion,<sup>34</sup> the federal government required Community Benefit Agreements with 10% hiring targets for historically disadvantaged communities, equity-seeking groups, Black, Indigenous and people of colour.<sup>35</sup> Such conditions for investment within the framework of major joint federal-provincial investment are another important lever for federal advancement of Community Employment Benefits.

## **Next steps for the federal approach to Community Employment Benefits**

Effectively defining the approach to Community Employment Benefits for federal infrastructure investments is critical to building up Canada’s workforce to meet the challenges and opportunities of the future. If this is done right, Canada can develop the human capital needed to build physical assets to grow the economy, decarbonize, and defend Canadian sovereignty, while improving the lives of workers and families across the country.

The following CBTU recommendations developed based on consideration of key provincial approaches and analysis of recent and past federal practices are designed to ensure maximum benefit, accountability and effectiveness for all Canadians. They are designed to create strong pathways to high quality training and employment, including for equity-seeking groups, fulfilling the vision of Budget 2025.

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<sup>34</sup> Toronto Community Benefits Network (2025). TCBN Federal Pre-Budget Consultation Submission: Canada’s Infrastructure for Jobs and Prosperity Plan. Available at: [https://assets.nationbuilder.com/communitybenefits/pages/10041/attachments/original/1757006709/2025\\_Final\\_TCBN\\_Federal\\_Pre-Budget\\_Consultation\\_Submission.pdf?1757006709](https://assets.nationbuilder.com/communitybenefits/pages/10041/attachments/original/1757006709/2025_Final_TCBN_Federal_Pre-Budget_Consultation_Submission.pdf?1757006709)

<sup>35</sup> Housing, Infrastructure and Communities Canada (n.d.). Backgrounder: The Governments of Canada and Ontario make the largest investment in public transit in Canadian history. Available at: <https://www.canada.ca/en/housing-infrastructure-communities/news/2021/05/backgrounder-the-governments-of-canada-and-ontario-make-the-largest-investment-in-public-transit-in-canadian-history.html>.

As was highlighted in **Section 1**, there are existing community benefits frameworks at provincial-territorial and municipal levels across the country. The federal government’s new approach must be designed in a way that respects local approaches. It must also be suitable to differing funding contexts. This includes infrastructure projects which are:

- Funded directly by the federal government through investments or tax incentives
- Funded through cost-matching with provinces and territories
- Funded via long-term bi-lateral infrastructure funding agreements

CBTU’s recommendations take into account these different funding contexts, setting a national baseline approach to training opportunities, job quality and strategic workforce development that can be built upon through project-specific Community Employment Benefit agreements with transparent public reporting on outcomes.

Priorities	Recommendations
<p><b>Establish National Baseline Requirements for Strategic Workforce Development</b></p>	<p><b>1. Extend prevailing wage and apprenticeship requirements in place for Clean Economy Investment Tax Credits to all federal infrastructure investments and tax incentives.</b></p> <p>The 10% apprenticeship hours commitment introduced for the Clean Economy Investment Tax Credits in Bill C-59 should be applied across all federal infrastructure investments, ensuring that a long-term strategic workforce development pipeline is in place when federal infrastructure dollars are at work.<sup>36</sup> Along with prevailing wage, this baseline apprenticeship requirement, which can be increased in appropriate cases, will serve as a foundational Community Employment Benefits commitment,<sup>37</sup> as well as a key support for the more detailed work of project-specific Community Employment Benefit agreements.</p> <p>Implementation of these labour requirements can begin immediately on direct federal infrastructure investments and tax incentives for private sector construction, including through the new <i>Building Canada Strong Fund - Direct Delivery Stream</i>. They can be included on infrastructure projects cost-matched with provinces and territories, including through the <i>Building Canada Strong Fund - Provincial-Territorial Stream</i>, and can be phased in for future generations of long-term bi-lateral infrastructure funding agreements.</p>

<sup>36</sup> The percentage should be amendable to accommodate Provincial Apprenticeship Ratio policies as required.

<sup>37</sup> Canadian Coalition of Women in Engineering, Science, Trades and Technology (2025). Environmental scan and comparative analysis of union structures and Community Benefit Agreements across different Canadian jurisdictions. Available at: <https://ccwestt-ccfsimt.org/wp-content/uploads/2025/08/2025-Canadaian-Union-Structures-and-Community-Benefit-Agreements-Report.pdf>

<p><b>Require Agreements for Federal Projects</b></p>	<p><b>2. Contractually require Community Employment Benefit agreements for infrastructure projects valued at more than \$10 million that the federal government invests in on its own, including hiring targets for underrepresented groups.</b></p> <p>Community Employment Benefit agreements should be mandated on all direct federal infrastructure and housing investments valued at more than \$10 million. When applications are submitted for federal funding, plans for community employment benefit agreements should be a required submission component through procurement.</p> <p>As appropriate to the project context, the federal government should work toward targets of 20% of all hours worked by underrepresented groups. This includes: Indigenous Peoples, Women, Black Canadians, people of colour, veterans, persons with disabilities, newcomers, and youth, with sensitivity to local project contexts such as projects on the traditional lands of Indigenous Nations.<sup>38</sup> Baseline prevailing wage and apprenticeship labour requirements in place for all federal infrastructure investments would serve as a foundation for project-specific agreements, which could also address local/social procurement. All commitments made in Community Employment Benefits agreements should be contractually binding.</p> <p>Implementation can begin immediately with a focus on the <i>Building Canada Strong Fund - Direct Delivery Stream</i> and other direct federal investment vehicles.</p>
<p><b>Advance on Agreements for Federal-Provincial Projects</b></p>	<p><b>3. Advance on the inclusion of Community Employment Benefit agreements for infrastructure projects funded jointly through federal-provincial investments and bi-lateral agreements.</b></p> <p>The federal government should pursue requirements for Community Employment Benefit agreements on cost-matched federal-provincial infrastructure and housing investments valued at more than \$10 million as a condition of federal funding contributions. Specific employment targets should be established through federal-provincial collaboration, acknowledging existing provincial-territorial and municipal community benefits frameworks.</p> <p>Implementation can begin immediately on new cost-matched projects with an early priority focus on the <i>Building Canada Strong Fund - Provincial-Territorial Stream</i>. As a future horizon, to scale impact, Community</p>

<sup>38</sup> The 2018 Community Employment Benefits Initiative included “apprentices” as a targeted group. The new approach should consider apprenticeships as a benefit for targeted groups, as opposed to apprentices as a targeted group.

	<p>Employment Benefit agreement requirements can be integrated into bi-lateral infrastructure funding agreements.</p>
<p><b>Collaborate with Industry Partners</b></p>	<p><b>4. Establish a Tri-lateral Community Employment Benefits Compliance Group including government, employers, and labour to support implementation and oversee effective monitoring and validation processes.</b></p> <p>A Community Employment Benefits Compliance Group should be established as a tripartite body involving government, employers and labour. It should be responsible for ensuring Community Employment Benefit agreements are implemented, and for working with existing local organizations across the country on industry and community engagement, including on-site support.</p> <p>The Community Employment Benefits Compliance Group should play a central role in monitoring and reporting. Similar to processes under C-59 for Clean Economy Investment Tax Credits, the Community Employment Benefits Compliance Group could support validation of apprenticeship and prevailing wage requirements.</p>
<p><b>Transparently Communicate Outcomes</b></p>	<p><b>5. Publicly report on Community Employment Benefits outcomes through a real-time scorecard.</b></p> <p>Clear reporting mechanisms are needed for all labour requirements and Community Employment Benefit agreements attached to federal infrastructure funding and tax credits. The federal government can immediately commit to Canadians that major public infrastructure investments will create high quality careers in their communities, and a real-time scorecard can report on local, regional and national outcomes.</p>