Canada’s Building Trades Unions strongly advocate for the inclusion of Community Benefits Agreements (CBAs) or Workforce Development Agreements (WDAs) in federally procured construction projects. CBAs enable the value of a project to extend far beyond the building of infrastructure. They create pathways to apprenticeship for those in the communities where infrastructure is built, including opportunities for underrepresented groups, and building the skilled trades workforce. The federal government has the opportunity to mandate the inclusion of CBAs to ensure every public dollar spent sees the greatest return on investment, especially looking ahead to a post-pandemic economic recovery.

CBAs often contain provisions that enable apprenticeships, establish grounds for workplace development initiatives, provide funding and economic support for impacted communities, and set forth goals for minorities, women, and local job hiring, leaving a legacy of experience, skills training and employability.

It is important to find a way to leverage federal public procurement in construction to create the biggest social benefit. By mandating CBAs into federal infrastructure procurement contracts, more Canadians, specifically Canadians who have disproportionately been affected by the pandemic economic fall-out, will benefit.

Included in this report is research conducted by Canada’s Building Trades Unions, that dives deep into current and past CBAs, identifies best practices and a suggested path forward to implement CBAs successfully on federally procured infrastructure projects.
What are Community Benefits Agreements/Workforce Development Agreements?
- Impacts of Community Benefits Agreements
- Existing Community Benefits Agreements
- Quick Facts

Recommendations for the Successful Implementation of Community Benefits Agreements

Conclusion

Appendix
- Community Benefits Agreements Across Canada
- Community Benefits Agreements Internationally
- Sample Community Benefits Agreements Contract Language
- Additional Resources
WHAT ARE COMMUNITY BENEFITS AGREEMENTS/WORKFORCE DEVELOPMENT AGREEMENTS?

Community Benefits Agreements (CBAs), also called Workforce Development Agreements (WDAs), 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.

IMPACTS OF COMMUNITY BENEFITS AGREEMENTS

- Access to new labour pools, and higher retention rates – CBAs provide an opportunity to access a previously untapped labour pool that is supported by community organizations. Many employers have reported higher retention rates with employees hired through CBA hiring programs.
- Helps diversify the workforce and give opportunities to underrepresented groups.
- Creates more apprenticeship opportunities – provides an opportunity to start a career in the trades and develop through the system to become a journeyperson.
- Positive public relations within the community – CBAs are a way to work with the community to find shared interests in a project, often helping to garner support from communities for projects which were otherwise facing community objections.
- Benefits to local small and medium enterprises through local procurement of materials and services.

EXISTING COMMUNITY BENEFITS AGREEMENTS IN CANADA

Community Benefits Agreements exist in a variety of forms across the country. Federally, under the Investing in Canada Infrastructure Program, the Community Employment Benefits Initiative was introduced in 2018 but has seen little use.* However, in other parts of Canada we have seen some successful implementation models and practices.

In Newfoundland and Labrador, which has the longest track record of successfully using community benefits/workforce development agreements, the number of women in the trades has increased from the national average of three to four per cent, to 13 to 21 per cent in the province, depending on the trade.

In British Columbia a Provincial Crown corporation, the British Columbia Infrastructure Benefits (BCIB), provides the qualified skilled trades workforce for the construction of public infrastructure projects operating under Community Benefits Agreements. The Community Benefits Agreement in place on local infrastructure projects ensures the apprenticeship ratio is 25 per cent on apprenticeable trades (which may be amended at any time by the employer to reflect any amendments to the Provincial Apprenticeship Ratio Policy), with priority hiring for local underrepresented groups. BCIB has created a robust labour supply and demand model to ensure an adequate supply of labour information is available to contractors and other stakeholders.

In Nova Scotia, from March 2020 onwards, every provincially procured project over $100,000 has a CBA attached to it. This includes, 25 per cent of all designated trade/craft hours worked to be performed by registered apprentices; a minimum of 10 per cent of the hours worked shall be performed by underrepresented groups. In addition, a minimum 10 per cent of all workforce shall be comprised of underrepresented groups. These projects will be leveraged with federal dollars.

Additionally, some municipalities and specific projects across Canada have successfully implemented CBAs. See the appendix of this report for more information.
In the fall of 2020, CBTU hired an external researcher to conduct a study on existing CBAs across Canada, assessing their usage and key learnings from different projects.

The study identified a number of factors that lead to a successful outcome when implementing CBAs. These include:

- Start the CBA process as early as possible and map out a labour market information report that assesses where there are shortages for specific trades and known occupation training needs.
- Subsequently develop a workforce development plan that reflects information assessed in the labour market information report.
- A systemic approach to equity seeking groups - workforce pathways that provide pre-apprenticeship training, assessment, upskilling, career coaching and job placement while providing mentorship and continued wraparound support services.
- Provide wraparound services such as childcare or transportation to the work site and flexible training programs to make these opportunities more accessible.
- Establish realistic, achievable targets that are project and community-specific.
- Have strong partnerships at the table with a range of stakeholders including contractors, owner clients, government, workforce agencies, networks and community partners.
- Transparent monitoring and tracking mechanisms throughout the duration of the project.
- Establish a clear pathway to apprenticeship.
- Contract language needs to be written directly into the construction contract with enforcement mechanisms in place.
• Include oversight and coordination roles such as a:
  ○ Liaison Officer who can act as the CBA liaison between the government, contractors, Building Trades and community agencies/partners. The role of the liaison officer is to ensure that all the stakeholders understand how CBAs work, the training that is required, apprenticeship, labour supply, etc.
  ○ Fairness Monitor to ensure compliance
  ○ Onsite Representatives to help with integration of equity groups and are present to assist with any issues that arise on the job site

• Provide training such as:
  ○ Diversity and Inclusion training for employers and employees
  ○ Mentorship programming
  ○ Skills upgrading opportunities including pre-apprentice programs to assist with literacy, numeracy, give equity seeking individuals exposure to the trades to get them ready
RECOMMENDATIONS FOR THE SUCCESSFUL IMPLEMENTATION OF COMMUNITY BENEFITS AGREEMENTS

MANDATING COMMUNITY BENEFITS AGREEMENTS FOR FEDERALLY PROCURED INFRASTRUCTURE PROJECTS

In 2018, the federal government introduced the Community Employment Benefits Initiative which provides a framework for establishing project targets and reporting on results. However, as participation in this initiative is not an eligibility criterion for the approval of project funding through the Investing in Canada Plan, the initiative has seen little use. CBTU recommends the government introduce a new policy to mandate the inclusion of CBAs as a requirement of infrastructure projects. Alternatively, the Canadian Government can update its exist Community Employment Benefits Initiative to make CBAs a requirement of infrastructure projects under Infrastructure Canada. Either policy would significantly increase usage of CBAs and create more pathways to the skilled trades for underrepresented groups. CBTU recognizes that there would be additional challenges in mandating that federal-provincial projects have a community benefits component, therefore we recommend initially mandating the inclusion of CBAs only for federally procured projects such as the rehabilitation of the Parliamentary Precinct or projects through Public Services and Procurement Canada.

OFFICE OF COMMUNITY BENEFITS EMPLOYMENT

CBTU recommends that the Canadian Government establish an Office of Community Benefits Employment or similar entity contracted to the non-profit sector to manage the implementation of these agreements. The Government of British Columbia has implemented a similar entity, the British Columbia Infrastructure Benefits (a Provincial Crown corporation) successfully and would be considered a best practice model to replicate. BCIB offers a comprehensive model from pre-contract, to LMI activities all the way through to boots on the ground construction.
Although relatively new, the BCIB is already seeing notable success in achieving targets that are included in CBAs. As of February 2020, 100 per cent of employees have completed Indigenous Cultural Competency Training, 100 per cent have completed respectful workplace training, and 35 per cent of total project hours have been performed by local hires. Additionally, the BCIB is tracking data and key learnings that will diversify and grow the skilled trades workforce. BCIB reports that within its first project season of implementing CBAs, approximately 50 per cent of the craft hours completed were done by one or more of the priority hires (locals, Indigenous peoples, women, veterans, people with disabilities, and other underrepresented groups). There is an opportunity for the federal government to replicate this model on a national level, to coordinate the implementation of Community Benefits Agreements.
COMMUNITY BENEFITS AGREEMENTS

TARGETS

Based on CBTU’s research, and what we deem as achievable targets and ratios, we recommend that federal infrastructure procurement agreements generally include the following targets:

- The overall apprenticeship hours to journeyperson hours shall be 25 per cent for all worker hours averaged over a project;
- This percentage may be amended to reflect any amendments or requirements to the respective Provincial Apprenticeship Ratio Policy;
- Minimum of 10 per cent of all hours worked to be performed by underrepresented groups (Indigenous Peoples, Women, Black Canadians, people of colour), veterans, youth;
- That these targets and ratios should be outlined by way of contractual agreement. See Appendix for sample contract language.

PROJECT SCOPE

Based on CBTU’s research, we recommend that projects over $10 million be required to include Community Benefits Agreements. In the 2018 Community Employment Benefits Initiative, the government recommended target groups be identified for projects over $10 million in most jurisdictions. Additionally, CBTU recognizes that large complex projects are better set up for success for Community Benefits Agreements because they have a longer pre-planning and procurement period. During that time, leaders can set strong objectives regarding workforce development and work with all stakeholders in the process.
Community Benefits Agreements enable the benefits of an infrastructure project to extend far beyond the construction of the project. CBAs create pathways for underrepresented groups (Indigenous Peoples, women, Black Canadians, people of colour, veterans, youth, and apprentices) to a life-long career in the skilled trades. As we look ahead and Canada recovers from the COVID-19 pandemic, the government has the opportunity to invest in Canadians, specifically those disproportionately affected by the pandemic, and do so today. Including CBAs on federally procured infrastructure projects can put more Canadians to work, set underrepresented Canadians up for a successful career in the skilled trades and lift up the entire economy.
COMMUNITY BENEFITS AGREEMENTS ACROSS CANADA

Community Benefits Agreements exist in a variety of forms across the country but are still relatively new. In the sections below we highlight a few projects across Canada that include CBAs.

Federal Government

Federally, as a part of the Investing in Canada Plan, Infrastructure Canada will deliver $33 billion through new bilateral agreements with provinces and territories under four funding streams: public transit; green infrastructure; community, cultural and recreational infrastructure; and infrastructure needs in rural and northern communities. These agreements will provide long-term funding to address ongoing infrastructure needs over the next decade.

Under the Investing in Canada Plan the Community Employment Benefits Initiative was introduced in 2018 but has seen little use. The initiative intended to provide a framework for establishing project targets and reporting on results. Participation in the initiative was not an eligibility criterion for the approval of project funding under the Investing in Canada Infrastructure Program. Implicated projects were to provide employment and/or procurement opportunities for at least three of the groups targeted by the initiative: apprentices, Indigenous Peoples, women, persons with disabilities, veterans, youth, recent immigrants, and small-sized, medium-sized and social enterprises. Provinces and territories were to establish specific targets for each project, allowing for flexibility to consider various factors such as complementarity with existing local and regional employment initiatives or local labour market dynamics. It was intended for the employment and procurement opportunities achieved against the project targets to be reported on an annual basis over the course of the project.
In 2016, Member of Parliament Ahmed Hussen introduced Bill C-227 An Act to amend the Department of Public Works and Government Services Act (community benefit). The Bill sought to amend section 20 of the Department of Public Works and Government Services Act to provide the Minister with the authority to require an assessment of the benefits that a community derives from a construction, maintenance, or repair project. Community benefit was defined in the Bill as “a social, economic or environmental benefit that a community derives from a construction, maintenance or repair project, and includes local job creation and training opportunities, improvement of public space within the community and any other specific benefit identified by the community.” If passed, the Bill would have required bidders to provide information on the community benefits the project would provide and included reporting requirements to the Minister on whether the project achieved its community benefit requirements. Bill C-227 was withdrawn upon MP Hussen’s appointment as a Minister. In 2018 a similar Bill, Bill C-344, was introduced by Member of Parliament Ramesh Sangha and completed its Third Reading in the House of Commons and its First Reading in the Senate in June 2018. Bill C-344 was last debated in the Senate in May 2019 and did not receive Royal Assent with the dissolution of Parliament and the 2019 Election taking place that fall.

British Columbia Government

The British Columbia Government developed the British Columbia Infrastructure Benefits (BCIB) Provincial Crown Corporation that provides the qualified skilled trades workforce for the construction of public infrastructure projects operating under the Community Benefits Agreement. More information on BCIB is available here.
British Columbia Municipal Community Benefits Agreements

A handful of municipalities have social procurement programs including the City of Vancouver. Vancouver was the first major city in Canada to introduce a formal CBA policy. The City of Vancouver’s CBA Policy mandates that developers of future large-scale sites (exceeding 45,000 m2) will commit to actions, targets, or outcomes in the following areas:

- Local targeted employment – making 10 per cent of new entry level jobs available to people in Vancouver first, specifically those who are equity-seeking (referred to in the policy as first source hiring)
- Social Procurement – a minimum of 10 per cent of goods and services valuing the positive social and environmental impacts created by purchasing select goods and services, in addition to value for money
- Local Procurement – local businesses and social enterprises
- Supplier diversity – purchasing from organizations that are at least 51 per cent owned by women, members of an Indigenous community, members of a visible minority group, members of the LGBTQ2S+ community, someone with a recognizable disability, or by an immigrant or refugee

Alberta

In 2018, then Minister of Infrastructure and Communities Amarjeet Sohi and Alberta Minister of Infrastructure Sandra Jansen made a notable $3.3 billion announcement on federal funding through the Investing in Canada Plan for cost-shared infrastructure projects in the province. There was intent to have these projects use the Federal Government’s Community Employment Benefits framework.

In October 2018, Alberta Premier Rachel Notley’s Government had plans to make CBAs part of the new infrastructure builds in the province citing the benefits that would be brought to local procurement, training, and apprenticeship opportunities. There was a pilot project that included a CBA, the Reynolds Alberta Museum Collections Facility East, but the project has been put on hold. It is not expected that the current Conservative Government will introduce community benefits into procurement policies.
Ontario Government

In 2015, the Ontario Government passed legislation to enable the inclusion of community benefits in infrastructure investment. The Infrastructure for Jobs and Prosperity Act (IJPA) specifies 13 principles that “shall” be considered by the province and the broader public sector, including municipalities, when planning and investing in infrastructure.

The Act further requires that bidders entering a procurement process on provincial infrastructure projects must provide a plan for the intended use of apprentices on the projects should they be the successful bidder. In November 2017, the Ontario Government set out a vision for Ontario’s infrastructure planning and investment in its Building Better Lives: Ontario’s Long-Term Infrastructure Plan (LTIP). The plan outlined the government’s goal to link infrastructure investment to social initiatives including community benefits and apprenticeship. Some Infrastructure Ontario projects include the Eglinton Crosstown LRT, Thunder Bay Correctional Complex, and West Park HealthCare Centre among several others.

Rexdale – Casino Woodbine – Ontario

In April 2018, the City of Toronto signed a CBA with One Toronto Gaming, which operates the Casino Woodbine in the Rexdale district of Toronto. The goal of the CBA, like many others, is to enhance the quality of life and bring improvements to the community. To ensure real outcomes for residents, a community-labour coalition led by UNITE Here Local 75 and Community Organizing for Responsible Development (CORD) put the developers on notice as to their intentions for a CBA for the community (Rexdale Rising, n.d.). Even though the city gave approval for the project, the development never got off the ground. However, the community engagement and mobilization remained functional until 2017 when the Ontario Lottery and Gaming Corporation (OLG) selected Ontario Gaming GTA LP as the operator for the Woodbine Casino – a curious case of preparation meets opportunity.
As part of continuous community engagement, the Rexdale – Casino Woodbine CBA includes an accountability structure that ensures community voices are represented by local residents and through local community agencies.

The targets of the CBA include:

- Local and social hiring targets – targets include at least 40 per cent of new hiring will be through local or social hiring, at least half through local hiring, and at least 10 per cent of overall hours worked by trades or craftspeople will be apprentices or journeypersons hired through local or social hiring.
- Local and social procurement – at least 10 per cent of non-construction annual procurement through local or diverse suppliers.
- Community use of space: Develop policy and procedures for community access to space. At least one large-scale event per month (or 12 per year) in the entertainment venue for local community use at little to no cost.
- Childcare centre: Contribute $5 million towards developing a childcare centre.
- Accountability and monitoring structures in place.

At the time of writing, most of the CBA targets are on track to be met by 2022. However, early reporting to date states that the total new employees hired based on the expansion stands at 6.75 to 7.5 per cent (50 hires) were local while 80 per cent (540 hires) were social hires. All other targets of the CBA are on track.
Newfoundland and Labrador

The Newfoundland and Labrador Government has been a leader in implementing community benefit targets in project labour agreements (PLAs). The provincial average for women in the trades is around 13 to 14 per cent but Trades Newfoundland is advocating for 15 to 20 per cent on provincial government projects.

One example of a CBA project in Newfoundland and Labrador is the Muskrat Falls Project which seeks to make the province a leader in clean energy. It is estimated that power from the project can displace three to four megatons of carbon dioxide annually from thermal generating facilities.

The Muskrat Falls Project includes community benefits requirements such as local hiring targets and targets for hiring underrepresented groups. One specific group the project seeks to support is the Innu. The goal is to educate, train and employ local Innu peoples on the project and provide opportunities for promotion, contributing to personal and career development of Innu. Muskrat Falls requirements, as outlined in the collective agreement, were to hire local and priority allocations as follows: 1) Innu persons out of Labrador, 2) Qualified residents of Labrador, 3) Qualified residents of Newfoundland, 4) Canadians and then others.

Nova Scotia Government

From March 2020 onwards, every provincially procured project in Nova Scotia over $100,000 will have a community benefits agreement attached to it. The requirements include:

- 25 per cent of all craft hours worked to be performed by registered apprentices;
- A minimum 10 per cent of the craft hours worked by registered apprentices to be performed by underrepresented groups;
- A minimum of 10 per cent of all workforce shall be comprised of underrepresented groups.
There are several working groups being developed on how best to move forward. These groups include members of the Building Trades, the contractors and community groups. Discussions will revolve around engagement of the community, measurement, and training. Nova Scotia Building Trades (both Mainland and Cape Breton) are working with the province to set up the training programs to train the new workforce. CBA projects in Nova Scotia include five hospitals in Cape Breton, Cape Breton Community College, and the Coast Guard College.

COMMUNITY BENEFITS AGREEMENTS INTERNATIONALLY

CBAs have been used in other countries for over 20 years including the United States and the United Kingdom. We have included some international examples of successful CBAs in other jurisdictions which demonstrate the different ways community benefits agreements can be delivered.

The Staples Center – United States

The Community Benefits Agreement created in 2001 in Los Angeles is seen as the first full-fledged CBA and was used to develop the Los Angeles Sports and Entertainment District (also known as the Staples Center), a $2.5 billion dollar project on 27 acres.

While this project was aimed to be a large economic stimulus for the area, the project occurred in a low-income neighbourhood with concerns that the project could have negative repercussions for the community. To address these concerns, the Figueroa Coalition was formed which included over 30 community, labour, social service, environmental, and faith-based groups. This coalition helped leverage the project planning process and articulate clear demands that would benefit the community.
The CBA included several requirements that benefit underrepresented groups and the local community, some of which are listed below.

**Employment opportunities including:**

- 70 per cent of the estimated 5,500 permanent jobs to be paid with a living wage or higher
- $100,000 in funding for local hiring and training for those displaced by the project, living within three miles of the project, or living in a low-income area in the city
- Community and environmental improvements including:
  - A commitment of more than $1 million for the improvement or creation of parks within a one-mile radius of the project and a residential parking program financed by developers for five years that reserved street parking for residents
- Measures around affordable housing such as:
  - The construction of 100 to 160 affordable housing units to be available to those earning from 50 to 80 per cent below the area’s median income and that developers provide up to $65,000 in interest-free loans for non-profit housing developers in the early stages of the project in that area.

The Community Benefits Agreement that was reached to develop the Staples Center set a strong precedent for other CBAs to follow. The CBA for the Staples Centre was seen as such a success that another CBA was created a few years later for the $11 billion dollar renovation and expansion of LAX airport.
Scotland

In 2014, the Scottish Government passed the Procurement Reform (Scotland) Act (PRA) which requires community benefits to be considered part of all public contracts for projects valued at £4 million or more. However, the passing of this legislation was overdue as Community Benefits have been used in Scotland for public contracts since 2006.

Between 2009 and 2014, over 62 public organizations used community benefits clauses and according to the 24 contracts analyzed by the University of Glasgow:

- Over 1,000 people from priority groups were recruited as a result of the contracts, 38 per cent of them would not have otherwise been recruited
- 650 people from priority groups received work placement with 72 per cent of those as a direct result of the contracts
- Over 6,700 people from priority groups received training
- More than 200 apprentices were recruited from targeted groups with 73 per cent of them being directly recruited because of the contracts
- Was successful in exceeding targets in job opportunities, apprenticeships, work placements, and training for priority groups

The PRA has been called a “game changer” despite Scotland using community benefits clauses. The passing of the PRA has allowed all public institutions to get behind the effort and has created an environment where small and medium enterprises and social groups can participate alongside large organizations.
The Parties agree to provide equity training and employment priority for underrepresented groups (Indigenous Peoples, women, Black Canadians, people of colour), veterans, youth and local residents.

**Priority Hiring**

To ensure the greatest opportunities for underrepresented groups, veterans, youth and local residents.

**Training**

The purpose of these provisions is to ensure the greatest training and employment benefits flow to underrepresented groups, veterans, youth, and local residents. The Parties agree training will be provided in an inclusive, accessible, transparent and collaborative manner.

The Employer will conduct an assessment of the need for enhanced training to meet commitments contained in this Agreement. The assessment will be reviewed and regularly updated over the life of the Project.

The Parties agree the provision of enhanced training opportunities, both pre-employment and during employment, shall be organized and delivered to give preferential opportunities to underrepresented groups, veterans, youth and local residents.

**Apprenticeships**

The Parties recognize that apprenticeships in the skilled trades are essential to the development of Canada's workforce.

- The overall ratio of apprenticeship hours to journeyperson hours shall be 25 per cent for all indentured apprentices averaged over the project. This ratio may be amended to reflect any amendments or requirements to the respective Provincial Apprenticeship Ratio Policy;
- Minimum of 10 per cent of all apprenticeship hours to journeyperson hours worked by indentured apprentices be performed by underrepresented groups (Indigenous Peoples, Women, Black Canadians, people of colour), veterans, youth;

The Parties agree to provide apprenticeship training in accordance with the hiring Priorities.

*Sampled from CBA between BC Infrastructure Benefits Inc. and Allied Infrastructure and Related Construction Council of British Columbia.*

BCIB Technical Overview


Community Benefit Agreements: A Framework for Participatory Planning for Toronto’s Future Development

How Low-Income Residents Can Benefit from Urban Development: The LA Live Community Benefits Agreement

Muskrat Falls Collective Agreement

Nova Scotia Construction Sector Councils presentation on CBA's

Sample BCIB Agreement

Toolkit on Community Benefits Agreements by Dina Graser