

Canada's Infrastructure for Jobs and Shared Prosperity Plan

For over a decade, Community Benefits Agreements (CBAs) have gained prominence in cities and regions across Canada. CBAs are a proven model and effective tool that maximizes government dollars already being spent on housing and infrastructure by doing triple duty – creating good local jobs, facilitating apprenticeship training pathways, enabling opportunities for local business participation and bringing positive benefits to impacted communities.

It is important to recognize that housing and infrastructure development projects play a significant role in driving economic growth and development in Canada. According to the Investing in Canada Plan, it is expected to enable the creation of 100,000 good, well-paying jobs each year and boost our GDP at a time when we need it most.

As the Government of Canada embarks on a significant infrastructure and housing program as part of this budget, incorporating conditions for CBAs into these projects and funding programs, can ensure the effective use of public dollars to enhance the local economic and social impacts of these investments. This is a prominent strategy that can ensure federal projects, procurement and purchasing are prioritizing a local workforce and Canadian businesses.

List of Recommendations

1. Strengthen and enhance federal levers to include community benefits requirements and evaluation criteria. Federal levers include:
 - A. Federal funding programs for infrastructure and housing
 - B. Federal funding through bi-lateral agreements with provinces and territories
 - C. Nation-building infrastructure projects
 - D. Federal procurement and purchasing policies
 - E. Projects on federally owned and managed lands
2. Develop a national framework for monitoring and reporting of Community Benefits Agreement(s) outcomes with key indicators
3. Enable funding that is accessible to non-profits, community benefits networks and project proponents for the coordination, delivery and evaluation of community benefits agreements, especially on nation-building projects



About the Toronto Community Benefits Network

Toronto Community Benefits Network is a Black-led organization and 120 member community-labour coalition of community organizations, grassroots groups and social enterprises, unions, construction trades training centres and workforce development agencies. TCBN has centred itself at the forefront of the economic justice movement in Canada by negotiating CBAs into public infrastructure and urban development projects. Currently, the Toronto Community Benefits Network is supporting the implementation of Community Benefits Agreements on 5 large scale development projects in Toronto including the Eglinton Crosstown LRT, West Park Healthcare Centre, Regent Park Phase 4 & 5 and the Casino Woodbine Expansion project. Learn more about TCBN here:

<https://www.communitybenefits.ca/>

The TCBN is a proud member of Community Benefits Ontario, a group of community benefits networks and supporters from across Ontario including Hamilton, Niagara Region, Peel Region, Prince Edward County and Toronto.

The TCBN is currently leading the Best Practices and Standards for Community Benefits Agreements project with community, labour and industry representatives from across Canada.

Community Benefits in Public Infrastructure and Development

Typically, housing and infrastructure investments can involve three distinct types of community benefits outcomes:

- Local jobs, equitable hiring and/or training opportunities, including apprenticeships training
- Purchase of goods and services from local businesses or social enterprises and supply chain diversification strategies to maximize the local economic and social impact of public infrastructure spending and procurement; and
- Supplementary benefits which are identified as priorities by the community to improve local area (e.g. request to develop a park on unused land, affordable housing or reducing pollution). This can both build and improve the functionality of community assets, in response to or leveraged from the impact of an infrastructure project taking place.

The success of the such CBAs and its related outcomes have been attributed to these key pillars:

1. **Government directive** - setting a baseline requirement through effective policy, legislation and/or departmental mandate
2. **Early Engagement and Planning** - Government departments and public agencies that own projects, conduct procurement and have funding programs should include community benefits considerations in the planning process, project scope and evaluation criteria
3. **Establishing clear commitments and key performance indicators** - All project funding, tenders, RFPs and agreements should include specific, measurable targets for community benefits outcomes, key performance indicators and evaluation requirements
4. **Monitoring, Reporting and Evaluation** - monitoring and reporting of outcomes should be documented and reported through regular progress reports. Such reports and learnings should be shared through evaluation.

Below are TCBNs recommendations for a national community benefits strategy:

1. Strengthen and enhance federal levers to include community benefits requirements and evaluation criteria. Federal levers include:

- Federal funding programs for infrastructure and housing
- Federal funding through bi-lateral agreements with provinces and territories
- Nation-building infrastructure projects
- Federal procurement and purchasing policies
- Projects and Programs on federally owned and managed lands

In 2018, the Government of Canada took a significant first step through the announcement of the Community Employment Benefits initiative. As part of the Investing in Canada [plan](#), recipients of federal funding for new public infrastructure projects are asked to consider how their projects can create local training and job opportunities, especially for under-represented groups in construction (ie. women, youth, newcomers, veterans etc.) and procurement opportunities for small-to-medium sized and social enterprises.

To date, there has been no public reporting of outcomes from this initiative which limits our ability to truly understand the impact and effectiveness of the program. The Community Employment Benefits program is a great initiative that, if strengthened, could have a positive impact in communities across Canada.

CBAs as a Condition to Federal-led and Supported Infrastructure Projects

In the recent past, the federal government has included CBAs as a condition to funding for new infrastructure projects. In 2021, the federal funding [announcement](#) for new transit infrastructure in Toronto included [conditions](#) that ensured high quality jobs are maximized and a Community Benefits Agreement was included. Today, community benefits programs are being implemented by Metrolinx as part of over \$50B in new transit development in Toronto, including the Ontario Line. Such approaches can be replicated in projects, both small and large, across Canada.

Federal Procurement and Purchasing With Impact

As the Government of Canada aims to combat tariffs and drive economic growth, federal procurement policy and purchasing decisions is an important lever that can positively benefit communities. A federal social procurement mandate would ensure all decisions integrate social

and economic goals into the procurement and purchasing of government goods, services, and infrastructure. Rather than focusing solely on cost and efficiency, it aims to leverage public purchasing power to achieve broader societal benefits. Today, governments across Canada are adopting social procurement policies to ensure public dollars go further as a local economic multiplier.

Revising procurement and purchasing policies should include the following considerations:

1. Inclusion of Social Value Criteria

- Incorporate social value requirements and/or incentives into tenders and Requests for Proposals (RFPs), such as:
 - Local hiring provisions
 - Inclusive workforce development and training, including apprenticeship training thresholds
 - Use of local and diverse suppliers (e.g., Indigenous, women-owned, social enterprises)
 - Fair labour practices and living wages

2. Support for Local and Small Businesses

- Breaking down contracts into smaller sizes so that small and medium-sized businesses can participate
- Give preferential weighting or set-asides for small and medium-sized Canadian businesses in certain procurement categories
- Simplify the bidding process for local suppliers by providing technical support and guidance

3. Targeted Employment and Training Opportunities

- Require or incentivize vendors to:
 - Develop inclusive workforce development programs
 - Provide on-the-job training and experiential learning opportunities for students, recent graduates and newcomers
 - Create apprenticeships or internships for youth, newcomers, Indigenous people, and other priority groups

4. Supplier Diversity Programs

- Actively seek and register diverse suppliers
- Set targets or goals for procurement from Indigenous-owned businesses, women-led enterprises, Black, racialized and LGBTQ2+ entrepreneurs, social enterprises and co-ops

Countries such as England, Wales and Australia have adopted social value legislation and social consideration in procurement and purchasing.

2. Develop a national framework for monitoring and reporting of community benefits outcomes across a range of programs, policies and initiatives

A national framework for monitoring and reporting of community benefits can ensure the local economic impacts and outcomes of federal projects and investments are tracked, monitored and evaluated. In 2022, the TCBN worked with economist Stephanie Robertson from SIMPACT Group to develop a preliminary social return on investment (SROI) analysis on the impact of the Eglinton Crosstown LRT CBA. The study unveiled:

- **574** people are more able to engage in their communities: economically, socially, financially
- **\$7.6M** - Increased discretionary income will circulate through priority neighbourhoods: (calculated in the more conservative manner possible)
- **\$32M** - new money invested into local priority neighbourhoods. People will save, spend, and invest in education, local home improvements etc.
- **\$11.8M** - As a local economic multiplier of increased spending

This example demonstrates that infrastructure can have a positive impact in local communities, if the right CBA approach is taken from the start. Below are some examples of infrastructure and housing projects with most up to date outcomes from the CBA or Community Benefits Plan:

	Finch West LRT (Toronto)	BCIB Projects (British Columbia)	Regent Park Revitalization Phase 4&5 (Toronto)	Gordie Howe Bridge (Windsor-Detroit)
Project Value	\$2.5 billion	11 projects	\$349 million	\$6.4 billion
Lever	Provincial legislation (Bill 6 Infrastructure for Jobs and Prosperity Act) Metrolinx Community Benefits Framework	Provincial mandate	City of Toronto Community Benefits Framework Housing Agency Policy/Mandate	Federal mandate
Project Owner	Metrolinx and Infrastructure Ontario (Provincial agency)	British Columbia Infrastructure Benefits (provincial crown corporation)	Toronto Community Housing Corporation (Municipal corporation)	Windsor Detroit Bridge Authority (federal crown corporation)



Community Benefits Agreement	Project Agreement	Community Benefits Agreement	Community Benefits Agreement	Project Agreement
Employment and Training	532 employed 64 apprentices 57 journeypersons	4,946 people employed 20% apprentices 92% BC residents 76% local to project area 9% woman (25% indigenous)	13.4M in wages and employment supports towards local employment and tenant hiring (including apprenticeships, entry-level, professional, administrative and technical roles)	42% local hires 770+ pre-apprentices and apprentices 420+ co-op students assigned to project
Business Opportunities	11.1m in local business spending	N/A	N/A	290 local businesses engaged \$7.5m to support local small businesses
Neighbourhood Investments and Supports	Support for community programs and food security initiatives	N/A	13.4m towards scholarships, community initiatives, community space, jobs skills training	\$23m toward local neighbourhood investments to support landscaping and green initiatives, economic development, community safety, community partnerships, local arts and culture and food security

While we recognize and support the existing initiatives the federal government is leading through programs like the Community Employment Benefits initiative, the implementation of a comprehensive tracking, monitoring and reporting framework is essential to ensure the transparency and accountability of these initiatives especially where the federal government may be providing project funding to other levels of governments and/or companies.

The federal government's active involvement in an oversight role will ensure that the Community Benefits Agreements are well-designed, adequately executed, and consistently meeting their intended goals. Rigorous disaggregated demographic data collection requirements, public reporting and analysis will offer valuable insights into the strengths and weaknesses of the current programs, enabling policymakers to make informed decisions and fine-tune strategies for optimal outcomes.

Moreover, a national framework with robust monitoring and reporting measures will enhance transparency and foster public trust in the government's commitment to addressing societal challenges and addressing inequality.

3. Program funding for the coordination, delivery and evaluation of community benefits initiatives.

Although the costs of CBAs and its related programs and initiatives are minimal, many project proponents need to allocate staffing resources towards community benefits coordination and administrative tasks to support tracking, monitoring and evaluation. In addition, non-profits and community benefits networks in communities impacted by new infrastructure and development are oftentimes a community intermediary to support the implementation of community benefits programs and monitoring with limited funding to do so.

Supporting community-based non profits, community benefits networks and project proponents to access funding that will enable activities such as:

- Lead and support targeted recruitment and outreach initiatives in local communities and amongst underrepresented target groups
- Support the development and implementation of apprenticeship plans and workforce development plans as part of Community Benefits Agreements
- Coordinate and facilitate local employment pathways and implementation strategies in collaboration with project owners, employers, unions, subcontractors
- Support ongoing tracking, monitoring, reporting and evaluation
- Support and contribute to the documentation of learnings and best practices on how federal investments can have a positive impact on local communities through community benefits agreements

In BC, the provincial government has established the crown corporation British Columbia Infrastructure Benefits to support the development, implementation, tracking and reporting of CBAs on selected provincial infrastructure projects. Through this priority hiring approach, BCIB has reported an increased representation of Indigenous people (14%) and women (19%) on its CBA projects, both doubling the provincial average for those groups in the skilled trades sector.

Evidence from other jurisdictions, such as Los Angeles, Seattle, Chicago, and New York City, highlights the success of community benefits programs in reducing income inequality and enhancing workforce diversity. As Canada experiences a surge in infrastructure and housing development, the inclusion of CBAs and capacity building funds is ever more crucial.

These funds can ensure customized, hyper-local and culturally relevant approaches to ensure that local communities are actively participating in these projects. The creation of a skilled



workforce aligned with project demands addresses unemployment and skill gaps, driving economic growth. Proponents and communities facing large scale nation building projects who demonstrate a comprehensive community benefits strategy can be prioritized for this funding.

Furthermore, the implementation of capacity building funds in the short term can result in improved project outcomes and reduced costs in the long run. A 2017 International Labour Organization [report](#) found that well-trained and skilled workers tend to be more efficient and effective in their roles, leading to enhanced project delivery and reduced risks of delays or costly errors.

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