

BUDGET 2027

BC Building Trades Submission to the
Select Standing Committee on Finance
and Government Services



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Finance & Government Services**

Spring 2026

AUTHORITY

This submission is respectfully submitted on behalf of the 20 local craft construction unions that represent more than 50,000 highly skilled unionized construction workers in B.C.



The BC Building Trades provides coordination and support to affiliated construction unions.

By working together, organized construction workers achieve a powerful voice in government, in bargaining, and in their communities.

BC Building Trades
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On behalf of the BC Building Trades, I welcome this opportunity to provide feedback to the Select Standing Committee on Finance and Government Services on Budget 2027.

The BC Building Trades is the umbrella organization for the twenty local unions that work in British Columbia's building, construction, and maintenance industry sectors. Together, our unions represent over 50,000 highly skilled construction workers in BC. We are advocates for building the infrastructure British Columbia needs to compete and thrive in the highly competitive global economy.

The BC Building Trades is the leading provider of skilled trades training in the province. Our training schools come together under the College of the BC Building Trades, with over 5,000 registered apprentices and nearly 10,000 learners in our system. Our joint training boards invest over \$31 million in trades training delivery annually and our apprenticeship completion rates are the highest in the province.

The commitments made in Budget 2027 will have a significant impact on our members.

We welcome this opportunity to make the following recommendations to the Select Standing Committee on Finance and Government Services.

Recommendations:

1. Expand designated list of capital projects under Community Benefits and Project Labour Agreements.
2. Provide funding for the construction of a Construction Industry Rehabilitation Plan (CIRP) treatment facility.
3. Re-establish Joint Compliance Teams and increase funding for the Employment Standards Branch.

We look forward to working with the province on these recommendations.

Sincerely,

A handwritten signature in black ink that reads 'Brynn Bourke'. The signature is written in a cursive, flowing style.

BRYNN BOURKE
Executive Director
BB/jl MoveUP

Budget 2027 Submission

■ RECOMMENDATION 1: Expand designated list of projects under Community Benefits and Project Labour Agreements.

British Columbia's *Look West* strategy, which was designed to leverage the province's economic strengths and enhance long-term economic security, emphasizes the importance of delivering major projects while creating good jobs for British Columbians. In a time of economic uncertainty, it is even more critical that we fulfill this mandate by using every available tool to ensure project delivery and support Canada's economic sovereignty.

Project Labour Agreements (PLAs) and Community Benefits Agreements (CBAs) are proven mechanisms that can help achieve these objectives. These agreements support successful project delivery by ensuring:

- Inclusive local hiring provisions
- Mandatory apprenticeship hours and appropriate journeyperson-to-apprentice ratios
- Strong alignment with union wages and benefits
- Access to a large, skilled workforce through the BC Building Trades dispatch system

PLAs and CBAs have demonstrated their value in providing contractors with reliable access to a highly qualified and stable labour supply, while also expanding opportunities for apprentices to gain critical on-the-job experience. At a time of ongoing skilled labour shortages, both outcomes are essential to the successful delivery of major projects in British Columbia.

This is a significant reason why major private sector projects such as the Kitimat Modernization Project and LNG Canada have actively pursued these types of agreements, working with the BC Building Trades to secure the workforce needed to deliver complex, large-scale developments.

PLAs and CBAs also benefit from increased productivity because of unionized labour. A 2022 US report, *Quantifying the Value of Union Labor in Construction Projects*, found that productivity for union labour is 14% higher than non-union (open shop) labour and that projects using union labour were 40% less likely to experience a skilled labour shortage. Meanwhile, projects that do experience a shortage of skilled labour were twice as likely to have a 10% or higher cost overrun.

Unionized workers were also found to demonstrate a higher level of skill, which correlated with lower project costs and better construction schedule predictability. Turnover of labour, linked to worse project cost and schedule outcomes, was one-third less likely when projects used unionized labour.

The provincial government has made meaningful progress in strengthening the skilled trades, including a historic \$241 million investment in trades training that will create thousands of additional training seats. This investment enables more workers to enter the trades and achieve Red Seal certification. However, training alone is not sufficient. Skilled tradespeople also require stable, long-term employment opportunities where they can accumulate apprenticeship hours and work alongside experienced journeypersons.

By designating projects as PLAs and CBAs, the government can ensure that major infrastructure and industrial projects are delivered efficiently, while simultaneously building a strong, skilled, and sustainable workforce for British Columbia and supporting good-paying jobs for local workers and their communities.

The BC Building Trades calls on the B.C. government to expand the designated list of projects under Community Benefits and Project Labour Agreements in Budget 2027.

RECOMMENDATION 2: Provide funding for the construction of a Construction Industry Rehabilitation Plan (Buildstrong by CIRP) treatment facility

Substance use and its contributing mental health issues are at record levels. The construction industry is heavily represented in all overdose deaths; a report by the British Columbia Coroners Service found that 55% of overdose deaths occur among people who work in the trades, transport, or equipment operation industries.

The BC Building Trades has been working to support construction workers who struggle with substance use for decades. Over 45 years ago, we partnered with employers to form the Construction Industry Rehabilitation Plan (Buildstrong by CIRP) to provide substance use and mental health services to construction workers. Today those services include individual counselling, family services, an opioid-free pain service, and day programs, CIRP also provides bed-based addiction treatment services for construction workers by renting beds from other providers.

The unique structure of the construction industry – high mobility as workers move from project to project and employer to employer over the course of a career, camp work, and high levels of jobsite safety requirements - make tackling substance use, mental health and addiction in the industry an equally unique challenge.

No other organization or provider matches CIRP’s industry-specific expertise and experience.

The need for CIRP’s services is increasing year-over-year. In 2025, CIRP provided critical support to 639 individual clients by responding to more than 15,000 calls, completing 539 intakes, and delivering 5,339 counselling sessions, with 127 clients also accessing bed-based treatment as part of their care journey. Just three years earlier, CIRP responded to less than half as many calls, completed 355 intakes, and delivered 4,500 counselling sessions to 542 individual clients, 84 of whom accessed bed-based treatment.

To ensure that construction workers can continue to receive the best care possible that meets their unique needs, CIRP is working to expand its services to directly own and operate the first-ever construction-specific bed-based treatment facility. This facility would include beds for CIRP’s clients, as well as additional beds for non-union construction workers through partnerships with the appropriate health authority.


CIRP is uniquely positioned and experienced to operate British Columbia’s first-ever bed-based construction addictions treatment and wellness centre. With the support of the Ministry of Health and the Government of British Columbia, CIRP completed an updated business case for this facility and submitted it to government in the summer of 2025.

The BC Building Trades calls on the B.C. government to provide funding for the construction of a Construction Industry Rehabilitation Plan (CIRP) treatment facility in Budget 2027.

RECOMMENDATION 3: Re-establish Joint Compliance Teams and increase funding for the Employment Standards Branch

The misclassification of workers as “independent contractors” is a longstanding and increasingly prevalent aspect of the underground economy in BC’s non-residential construction sectors. Piecework trades, such as tile setting and drywalling, are especially affected.

Misclassifying workers has a direct, downward effect on BC’s economy: contractors who properly classify their workers as employees and meet their related legal obligations as



employers lose out on work in a race to the bottom that drives wages down and drives companies either out of business or into underground practices.

Government revenues are negatively impacted: contractors who misclassify their workers evade their legal obligations to collect and remit income tax, WorkSafeBC premiums, the employer health tax, and other payroll deductions. Extrapolating the findings of a pilot compliance program that investigated construction worksites in 2000-2001, adjusted for today the B.C. government is likely losing at least \$70 million in unpaid taxes annually, plus tens of millions in unpaid WorkSafeBC contributions.

And misclassified workers themselves are affected: workers are left without the entitlements, such as earned vacation pay, paid sick days or EI, that they are owed by law. Further compounding the problem of lost revenues is the fact that workers misclassified as “independent contractors” are not issued T4s and are therefore less likely to declare their full income and remit their full income tax obligations, either inadvertently or otherwise.

Addressing worker misclassification and recouping lost government revenues does not require new legislation or regulations. It requires investigation and enforcement.

This can be achieved through establishing a Joint Compliance Teams program.

Such a program existed in 2000-2001; the B.C. government’s share of funding was just \$290,000 at the time, which covered 4 full-time equivalent staff, travel and building occupancy costs, and office and communications expenses. The team conducted 400 job site visits and payroll record inspections and among other issues, found that 52% of employees spoken to were not receiving one or more of their Employment Standards entitlements and 36% of subcontractors had no WCB coverage. At the time, it was estimated that the B.C. government could regain \$44.5 million annually in tax law revenue and \$40.2 million annually in WCB (now WorkSafeBC) revenue by remedying instances of non-compliance. The cost of operating the program was miniscule compared to revenues recouped.

Likewise, funds spent on a re-established joint compliance program in 2027 would be just a tiny fraction of the recouped revenues. There are likely very few other government initiatives that would directly recoup such significant revenues compared to program delivery costs.

In a time of ongoing deficits, government cannot afford to ignore the millions in lost revenues due to worker misclassification.

The BC Building Trades calls on the B.C. government to increase funding for the Employment Standards Branch and to re-establish a Joint Compliance Team for the construction industry in Budget 2027.