



JUL 17 2019

Fiona Famulak, President
Jason Glue, Chair
Vancouver Regional Construction Association
3636 East 4th Avenue
Vancouver BC V5M 1M3

Reference: 286132

Dear Ms. Famulak and Chair Glue,

Re: Community Benefits Agreement

Premier John Horgan shared with me your letter regarding the Province's Community Benefits Agreement (CBA).

I appreciated the opportunity to review your organization's concerns about the budget for the Highway 1-Illecillewaet Project and how you see the potential impact on future projects under the CBA.

The CBA will provide good-paying jobs and training and apprenticeship opportunities, specifically for Indigenous people, women and youth. Our government remains confident that delivering the Pattullo Bridge Replacement, the Broadway Subway Line and projects within the Trans-Canada four-laning under the CBA will add value by ensuring that the people of B.C.—and those who live near these projects—are the first to benefit from these investments. We are very aware of the looming skills shortage, and the importance of having full access to an available and skilled workforce. The CBA is one way to help train the workers of tomorrow and help make sure we continue to grow and develop a skilled workforce for the future.

Since the previous government announced the Highway 1-Illecillewaet project in 2015, changing market conditions have impacted the value of the project, irrespective of the CBA model.

Additional engineering and geotechnical investigations revealed the presence of metal leaching rock in the area and, as a result, significant design modifications were required. These investigations also determined concrete-and-steel walls would be needed to address slope instability and ensure necessary structural support. An increasingly heated construction market added pressure with elevated costs for materials, as well as skilled labour shortages.

I have asked Irene Kerr, President and CEO of BC Infrastructure Benefits Inc., the Crown corporation responsible for the CBA, to follow up with you directly regarding your questions relating to CBA labour allocation costs for the Highway 1-Illecillewaet project. Should you have any questions in the meantime, she can be reached by telephone at 778 783-1209 or by email at ikerr@bcib.ca and would be pleased to assist you.

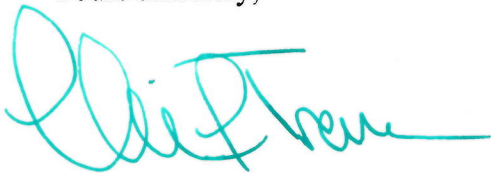
.../2

You can be sure that project delivery teams continually review and update project budgets to accommodate shifting market conditions. Jennifer Fraser, Director, Trans-Canada Highway Program, would be pleased to answer any questions you may have regarding the delivery of the Highway 1–Illecillewaet Project and can be reached by telephone at 250 828-4298 or by email at Jennifer.Fraser@gov.bc.ca.

We are investing in more than roads, bridges and other major infrastructure, we are investing in good jobs and opportunities for people—building B.C. with the next generation of construction workers. We need to make a deliberate effort to grow our skilled workforce in the construction industry, and I look forward to working with you to achieve this goal.

Thank you for taking the time to write.

Yours sincerely,



Claire Trevena
Minister

Copy to: Premier John Horgan

Honourable Carole James
Minister of Finance
MLA, Victoria-Beacon Hill

Irene Kerr, President and CEO
BC Infrastructure Benefits Inc.

Jennifer Fraser, Director
Trans-Canada Highway Program