

BC Infrastructure Benefits

2023/24 Annual Service Plan Report

August 2024



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Board Chair's Accountability Statement



The BC Infrastructure Benefits 2023/24 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2023/24 – 2025/26 Service Plan published in 2023. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in black ink that reads "David Miller". The signature is written in a cursive, flowing style.

David Miller
Board Chair, BC Infrastructure Benefits
August 6, 2024

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Letter from the Board Chair

BC Infrastructure Benefits (BCIB) was named one of British Columbia's Top Employers and one of Canada's Best Diversity Employers in 2023/24. These recognitions acknowledge the success BCIB is having by delivering on the Government's priorities, such as lasting and meaningful reconciliation and growing and diversifying the skilled trades workforce.

Since hiring its first skilled tradesperson five years ago, BCIB has employed and placed more than 4,000 diverse, qualified workers. BCIB has become one of the province's largest construction employers and has demonstrated success in ensuring a stable supply of workers, providing contractors with confidence that there is a low risk of a lack of labour availability on projects.

Through BCIB's partnership with skilled construction trade unions, BCIB has helped create change in the industry. In 2023/24:

- 91% of BCIB's workers were residents of British Columbia. 78% of our workers were local (living within 100km of the jobsite).
- 8% of BCIB workers were women, compared to the provincial industry average of about 5%.
- 14% of BCIB workers were Indigenous, more than double the provincial industry average of 6%.

The number of women and Indigenous workers on BCIB projects continued to be higher than the industry average, but there is both the room and the need to do even better. Placing, supporting, and retaining women and Indigenous people in the construction industry will remain a priority focus in the next years.

BCIB employed more apprentices in 2023/24 than in past years, thanks to the progression of construction on projects. More regulated trades (trades with apprentices) were employed on the Cowichan District Hospital Project and the Broadway Subway Project, in particular. Apprentices are the future of our province's skilled trades workforce and a key priority for us.

By collaborating with unions, contractors, indigenous organizations like Indigenous Skills & Employment Training Societies (ISETS) and other community groups, BCIB's work has helped maximize the economic and social benefits for the British Columbians who build our province's public infrastructure projects - and for the people of BC.



David Miller, Board Chair, BCIB
August 6, 2024

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2020 and expanded upon in the [Board Chair's 2021/22 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the [BC Infrastructure Benefits 2023/24 – 2025/26 Service Plan](#) and the actual results reported on in this annual report.

Purpose of the Organization

BC Infrastructure Benefits (BCIB) is a provincial Crown corporation incorporated under the [Business Corporations Act](#) and directly accountable to the Minister of Finance.

BCIB provides the qualified skilled trades workforce for the construction of select public infrastructure projects under the Community Benefits Agreement (CBA). The CBA is a collective labour agreement with objectives to grow and diversify the skilled trades. BCIB implements the CBA to create career opportunities for underrepresented workers, locals, and apprentices, and to change the culture on construction job sites to help ensure our Province can meet labour market needs today and into the future.

BCIB supports government's priorities as the construction employer on select public infrastructure projects. BCIB's mandate is to grow and diversify the skilled trades and promote culture change in the industry. It does this by offering career opportunities for underrepresented workers, locals, and apprentices, and by providing training to workers on construction job sites.

Job site culture is one of the leading reasons women and Indigenous people leave construction. To recruit and better retain underrepresented workers, BCIB provides training to support contractors to foster job sites that are inclusive and respectful of cultural differences.

BCIB helps provide careers for Indigenous tradespeople and positively impacts onsite culture through its Respectful Onsite Initiative. BCIB's Respectful Onsite Initiative training program promotes a safe and respectful worksite. With the support and participation of government project owners and contractors, BCIB employees participate in this training.

The Respectful Onsite Initiative contributes to lasting and meaningful reconciliation by educating participants about the history of the Indian Act and its impact on Indigenous peoples. Local First Nations' Knowledge Sharers help ground History Matters training in the

territories where projects are being built and where crews are working by sharing stories and experiences. This is a foundational step toward meaningful reconciliation and aligns with the Declaration on the Rights of Indigenous Peoples Act Action Plan.

The Respectful Onsite Initiative also contributes to diversity and inclusion through its Justice, Diversity, Equity and Inclusion (JEDI) training by facilitating open discussion about racism, differences, and bias. This training, along with History Matters, helps improve both worksite culture, worker retention and grows the next generation of construction workers needed in this province.

With a focus on local hiring, BCIB gives British Columbians access to work opportunities in their communities. Offering jobs to locals helps keep the benefits of these projects within the communities in which they are built. Indigenous peoples, women and other traditionally underrepresented groups receive priority access to employment and training opportunities at BCIB.

BCIB works with 19 Affiliated Unions known as the Allied Infrastructure and Related Construction Council (AIRCC). By working with the Affiliated Unions, contractors and project owners, BCIB helps grow the next generation of construction workers needed in this province through apprenticeship opportunities. Apprenticeships maximize access to good paying jobs on major infrastructure projects, which is important because apprenticeships provide tradespeople a qualified certification, such as Red Seal. Red Seal certification is the highest level of certification an apprentice can achieve and is offered in 39¹ construction trades and recognized throughout Canada. BCIB provides apprenticeship opportunities on each project. By doing so, BCIB is helping to secure the province's legacy of certified skilled trades workers, allowing for those starting out their careers to choose a stable career path and future job opportunities.

When an applicant does not meet the qualifications for a skilled trades role, BCIB helps connect candidates to training and upskilling programs so they can become job ready. Candidates who choose to undertake upskilling opportunities are better equipped to receive work in the future.

¹ [Red Seal Trades](#)

Operating Environment

During 2023/2024 BCIB continued to provide contractors with a reliable source of diverse, qualified skilled trades workers for provincial infrastructure projects. Shifting project schedules meant the demand for workers was slightly lower than expected on some projects, and BCIB's revenues and expenses reflect those adjustments.

Market conditions affected construction industry wages across the sector. To remain aligned and competitive with the construction market, BCIB completed successful wage negotiations with the 19 Affiliated Unions. This helped secure BCIB's ability to attract and retain workforce.

BCIB employees contributed to the substantial completion of the Kicking Horse Canyon Project Phase Four (more than 1 million hours worked) and broke ground on the Ford Road to Tappen Valley Road widening project.

BCIB supported the British Columbia Institute of Technology Trades and Technology Complex and the Vancouver Community College Centre for Clean Energy and Automotive Innovation through their planning and procurement phases. These projects are BCIB's two latest vertical infrastructure builds, after the Cowichan District Hospital Replacement Project and the Skytrain stations included in the Broadway Subway Project, which are already in construction.

Vertical projects require a different set of trades workers than horizontal, or (typically) linear transportation, projects. Vertical projects employ regulated trades with Red Seal Apprenticeship programs, and the demand for these trades in 2023/24 increased the number of apprentices working on CBA projects.

With more trainees and apprentices on projects, BCIB began expanding its Trades Mentor and Site Support Specialist role beyond Vancouver Island to the Lower Mainland and the Interior. Providing support, mentorship and building safe, respectful worksites for all trainees and apprentices helps retain and encourage the next generation of skilled trades workers.

To help introduce more Indigenous and underrepresented workers to the trades, BCIB and the Affiliated Unions created partnerships with the Aboriginal Community Career Employment Services (ACCESS), the Coast Salish Employment and Training Society (CSETS), the Khowutzun Development Corporation, Progressive Intercultural Community Services (PICS), Options Community Services and others to place new workers on projects close to home.

BCIB's Respectful Onsite Initiative training suite continued to receive positive feedback and increased interest from contractors on CBA projects, as well as companies and organizations outside of the construction community. In this environment BCIB delivered Respectful Onsite Initiative training to organizations within the RCMP and also partnered with Fraser Health to provide training to workers on the New Surrey Hospital and BC Cancer Centre, a project being delivered outside the CBA.

BCIB expanded its worker training with Building it Green for BCIB workers to align with CleanBC targets and the Climate Change Accountability Act. The training is an initiative of Canada's Building Trades Unions and was developed by SkillPlan (a non-profit workforce

development agency). This new training creates awareness of strategies and methods to improve the industry's impact on the environment and deliver low-carbon infrastructure projects. The training was launched on Lower Mainland projects and will be expanded to projects across the province.

BCIB successfully transitioned to a new accounting and expense management system to streamline financial and procurement processes, improving efficiency for the organization. It also upgraded its management system for workforce and contractors.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2023/24 – 2025/26 service plan. For forward-looking planning information, including current targets for 2024/25 – 2026/27, please see the latest service plan on the [BC Budget website](#).

Goal 1: Mobilize and grow a safe, diverse, skilled workforce that represents the communities where CBA projects are built.

Objective 1.1: Increase the diversity of the trades workforce.

Indigenous peoples, women, 2SLGBTQ+ workers and other equity-seeking groups are underrepresented in the skilled trades. Targeting underrepresented workers for career opportunities in construction will help introduce new, diverse workers to the industry and grow the total skilled trades workforce in the province.

Key results

- 31% of the hours worked by BCIB skilled trades employees in 2023/24 were worked by Indigenous people or by members of a traditionally underrepresented group.
- 14% of BCIB skilled trades employees identified as Indigenous in 2023/24, more than double the BC industry average of 6%.
- 8% of BCIB skilled trades employees were women in 2023/24, compared to the BC industry average of about 5%.

Summary of progress made in 2023/24

BCIB, in partnership with contractors and the Affiliated Unions of the AIRCC, continued to exceed its targets and industry averages for employing Indigenous and traditionally underrepresented workers.

The BC average for women in the skilled trades in this province is about 5%, meanwhile women made up 8% of the BCIB workforce and worked 7% of the hours during this fiscal year. Across CBA projects in 2023/24, 14% of BCIB's workforce has been Indigenous compared to the industry average of 6%.

BCIB uses Priority Hiring to provide career opportunities, apprenticeships, and trainee positions on a priority basis to Indigenous peoples, women, locals, and others traditionally

underrepresented in construction². This process is continuous through the construction schedule and across all trades on a project and qualified, underrepresented workers are among the first hired. This helps to grow and diversify the kinds of workers employed on CBA job sites.

BCIB has partnered with community organizations and Indigenous training agencies such as ACCESS, CSETS, the British Columbia Aboriginal Training Employment Alliance Members (BCATEAM), Surrey Women's Centre Society and Immigrant Services Society to provide awareness of Priority Hiring, help workers explore careers in the trades, and access career opportunities on CBA projects.

Objective 1.2: Increase apprenticeship and trainee opportunities to facilitate journey completion and achievement of qualifications.

Growing the skilled trades workforce through apprenticeships and trainee opportunities is a priority in the CBA³. Training the next generation of workers is critical to growing the workforce in the province.

Key results

- Introduced a new apprenticeship tracking system and collaborated with contractors and the Affiliated Unions to place more apprentices and trainees on crews.
- Developed partnerships with post secondary institutes, community training partners and the Affiliated Unions to connect BCIB applicants who are not job ready with upskilling and training.
- Worked in partnership with contractors, training institutes and the Affiliated Unions that are part of the AIRCC to identify gaps and opportunities for upskilling training programs for the most in-demand trades forecast by contractors for CBA projects.
- Continued working with SkilledTradesBC and SkillPlan⁴ to connect apprentices and trainees with education, training and apprenticeship completion supports.

Summary of progress made in 2023/24

Apprentices are key to growing the next generation of skilled trades workers. Through its partnerships with contractors on CBA projects, BCIB has been able to increase the engagement of apprentices on their crews.

Construction of the Cowichan District Hospital Replacement Project advanced and the Broadway Subway Project began construction of stations in 2023/24. Both projects required

² CBA Article 9.202 and CBA objectives Article 1.100 (k) and (n).

³ CBA Article 1.100 (j), (k) and (m).

⁴ CBA Article 13.205.

more regulated trades, such as Carpenters and Electricians. Regulated trades have apprenticeship programs and BCIB was able to employ more apprentices on those job sites.

The Trades Mentor and Site Support role on the Cowichan District Hospital Replacement project provided mentoring, which helped retain apprentices and trainees who might otherwise have left the role or the industry altogether.

Objective 1.3: Foster a job site culture that is inclusive and respectful for a diverse workforce.

A job site culture that values safety and respect is key to attracting and retaining workers in the construction industry. BCIB recognizes a workplace free of discrimination and harassment is needed to meet the expectations of workers, especially those who experience racism and discrimination⁵. To help improve job site culture, the CBA includes requirements that training be delivered to all workers on-site⁶.

Key results

- Continued to promote respect on the job site and provided the opportunity, knowledge and support for appreciating cultural differences through the Respectful Onsite Initiative suite of training programs.
- Expanded the Trades Mentor and Site Support Specialist role that was launched on the Cowichan District Hospital Replacement Project to BCIB's projects in the Interior and Lower Mainland. These roles help ensure workers have a trusted mentor and safe place to report racism or discrimination. They also support supervisors in addressing workplace absenteeism and other issues.
- Expanded Respectful Onsite Initiative training delivery to organizations outside of the construction industry, including municipalities and organizations within the RCMP.
- Expanded BCIB's pool of Knowledge Sharers and trainers to support delivery of Respectful Onsite Initiative for the construction of the New Surrey Hospital and BC Cancer Centre.

Summary of progress made in 2023/24

BCIB continued to receive positive feedback from employees and contractors working on CBA projects. Contractors not working on CBA projects and organizations outside of the construction industry expressed interest in the training, and BCIB continued to deliver to these groups on a fee-for-service basis. The training was delivered to the BC Institute of Agrologists, organizations within the RCMP, Scholars Without Borders and TI Corp. BCIB also partnered

⁵ CBA Article 1.100 (g), (h), (i) and (l).

⁶ CBA Article 9.205.

with Fraser Health to begin providing training to workers on the New Surrey Hospital and BC Cancer Centre, a project being delivered outside the CBA.

BCIB developed its Respectful Onsite Initiative training suite to support the development of a safe and respectful job site culture. Programs include History Matters (Indigenous Cultural Competency Training) and Justice, Equity, Diversity and Inclusion (JEDI) training as well as anti-racism and anti-discrimination policies.

In 2023/24 BCIB introduced Building it Green training to improve the industry's impact on the environment and deliver low-carbon infrastructure projects. The training was launched on Lower Mainland projects but will be expanded to projects across the province.

Objective 1.4: Increase the local participation in the skilled trades workforce on CBA projects.

An objective of the CBA is to ensure locals have full and fair opportunities to participate⁷ in the infrastructure projects being built in their communities. Locals receive priority opportunities to work and build their careers on CBA projects.

Key results

- Local residents were 78% of the BCIB employees and worked 81% of the hours on CBA projects.
- 91% of BCIB employees were BC residents.

Summary of progress made in 2023/24

The vast majority of BCIB employees are local to the project where they're working. This happens through partnerships BCIB has established with local governments, Houses of Friendship, employment service agencies such as WorkBC, BC Centre for Women in the Trades (BCCWITT), MOSAIC, Options Community Services, Progressive Intercultural Community Services Society (PICS), Back in Motion, Immigrant Services Society of BC and ISETS. These partners helped identify qualified local candidates and have driven BCIB's targeted equity recruitment efforts. Consistent communication about the benefits of BCIB employment through materials such as the Building Opportunity Here Report have helped build and strengthen these key partnerships.

Presentations to regional employment equity organizations, industry associations and community chambers of commerce helped create awareness of BCIB's activities and attracted a diverse, skilled workforce.

Recruitment at job fairs, community events and information sessions targeting equity groups were supported with social media postings to help raise local awareness of CBA work

⁷ CBA Article 1.100 (d) and (k).

opportunities. Information sessions were delivered in the native/major language of a community, such as Punjabi, Cantonese and Mandarin.

Performance measures and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
1.1 Percentage of total project hours worked by Indigenous peoples and equity groups. ¹	30%	20%	31%

Data source: BCIB employee payroll data

¹PM 1.1 targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 20% and 20%, respectively.

Indigenous skilled trades workers make up a portion of the workers counted in this performance measure. In total, 14% of the CBA workforce has self-identified as Indigenous and performed 13% of the craft hours in fiscal 2023/24. Other workers included in this metric are equity groups including those who have self identified as women, persons with disabilities, visible minorities and 2SLGBTQ+. A more detailed breakdown of BCIB's workforce equity statistics is available on [BCIB's By the Numbers webpage](#).

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
1.2a Percentage of total project hours worked by apprentices and trainees.	8%	10%	11%
1.2b Overall ratio of apprenticeship hours to journeyperson hours.	17%	25%	20%

Data source: BCIB employee payroll data

¹PM 1.2a targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 10%.

²PM 1.2b targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 25%.

BCIB's ratio of apprenticeship hours to journeyperson hours was lower than the target in the CBA because of the mix of projects under construction in 2023/24. Road building projects typically employ more non-regulated trades (e.g., Operating Engineers, Teamsters). These trades have trainee programs to help workers achieve work-based qualification, rather than formal Red Seal Apprenticeship programs. Projects under construction in 2023/24 required more regulated trades than in past years, bringing this number closer to target.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
1.3 Percentage of employees who completed the Respectful Onsite Initiative program.	73%	100%	91%

Data source: BCIB employee payroll data

¹PM 1.3 targets for 2024/25 and 2025/26 were both stated in the 2023/24 service plan as 100%.

BCIB has a target of having 100% of employees complete Respectful Onsite Initiative training. Coordination with contractors and government project owners to schedule workers has

ensured the vast majority of employees complete the training. At times, the contractor's construction schedule, or changes to crews on site, can affect which workers are available and when training can be delivered.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
1.4 Percentage of total project hours worked by local hires.	76%	45–65%	81%

Data source: BCIB employee payroll data

¹PM 1.4 targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 45-65%.

A local resident is generally defined as someone living within 100km of the project. BCIB has consistently exceeded this target through its targeted recruitment and local community partnerships.

Goal 2: Successfully administer and implement the Community Benefits Agreement on public infrastructure projects.

Objective 2.1: Support procurement on CBA infrastructure projects.

To help familiarize businesses with the CBA and to support project procurements, BCIB conducts engagement and dialogue with the contractor community. This helps projects proceed as planned and ensures the terms of the CBA are understood by contractors.

Key results

- BCIB focussed its engagement with the vertical construction industry to support the planning and procurement of the Cowichan District Hospital Replacement Project, the BCIT Trades and Technology Complex and the Vancouver Community College Centre for Clean Energy and Automotive Innovation.
- Continuing interest in CBA projects drove higher than expected demand for meetings and CBA info sessions with contractors and industry groups.
- Every CBA project in procurement received multiple bids from proponents.

Summary of progress made in 2023/24

BCIB continues to be an active participant in the construction contractor community. BCIB belongs to industry associations and chambers of commerce close to its projects and regularly engages with contractors and creates familiarity around its processes and the CBA. BCIB's CBA info sessions have demonstrated consistent processes, procedures, and reliable workforce supply to the contractor community.

Across projects, nearly 60% of contractors are not affiliated with AIRCC Affiliated Unions. Open shop, non-unionized or contractors associated with alternative unions make up the majority of

companies building CBA projects. Industry participation in CBA projects is widespread and not limited to unionized companies.

Objective 2.2: Engage with community groups, labour and industry to recruit skilled workforce and enhance CBA awareness.

An objective of the CBA is to grow and diversify the workforce. BCIB cannot achieve its mandate alone and requires support from a range of partners, communities, and agencies to recruit and mobilize workers and successfully implement the CBA.

Key results

- Worked with community groups, economic development associations, equity employment organizations and training providers such as post secondary institutes to develop customized training programs for in-demand trades on CBA projects.
- Participated in nearly 300 information sessions, application workshops, job fairs and community partnership events with local employment support organizations.
- Established close working relationships with ISETS members such as ACCESS and CSETS to develop training initiatives and employment opportunities on CBA projects.
- Integrated with SkilledTradesBC and the Ministry of Post Secondary Education and Future Skills to offer skilled graduates employment opportunities on projects or connect candidates to upskilling and training.

Summary of progress made in 2023/24

BCIB and its partners developed training and upskilling initiatives to meet the demands of communities and projects.

BCIB's mandate includes growing the workforce by connecting workers in need of training to schools and training providers. Some of the workers in BCIB's applicant database need the job ready experience to start work. To help bring these people into the skilled trades workforce, BCIB created partnerships and custom training programs with post secondary institutes, training providers, local governments, and Indigenous communities. Some of these program graduates became directly employed on CBA projects, and for others it was a first step in more training for a career in the trades.

In the Lower Mainland, a custom partnership between BCIB, ACCESS, the BC Regional Council of Carpenters and contractors placed eight Indigenous apprentices on the Broadway Subway and Pattullo Bridge Replacement projects. This program complemented ongoing work connecting semi-skilled candidates with micro certifications through Progressive Intercultural Community Services (PICS) and entry to trade channels through the Affiliated Unions.

On Vancouver Island, BCIB supported the Pathways to Construction, a custom trades exploration program for Indigenous locals. BCIB partnered with CSETS, the Hiiye'yu Lelum House of Friendship, Cowichan Tribes, BladeRunners and Vancouver Island University.

Graduates of the program went on to continue training with the goal of employment on the Cowichan District Hospital Replacement Project.

In the Interior, BCIB worked with local Nations and organizations to create an Explore the Trades event for youth, hosted by the Splatstin Nation. Partners included the Shuswap Nation Tribal Council, the Aboriginal Training and Employment Centre, as well as SkillPlan, WorkBC, SkilledTradesBC, LiUNA 1611, Okanagan College and School District 83. A partnership between BCIB, Okanagan College and LiUNA graduated nine local candidates with SkilledTradesBC accredited Construction Craft Worker Level 1 training.

BCIB contributed to and led industry and community discussions around equity, diversity, inclusion and reconciliation. BCIB continued its participation with the Canadian Construction Women, and its role on the Vancouver Regional Construction Association's Equity, Diversity and Inclusion committee. In partnership with the BC Construction Roundtable, BCIB co-hosted a panel on the skilled trades shortage and the role of culture change in addressing the challenge.

Performance measures and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
2.1 Number of contractors engaged through industry engagement and collaborative meetings on CBA projects.	137	100	212

Data source: BCIB stakeholder engagement data

¹PM 2.1 targets for 2024/25 and 2025/26 are set based on project schedules and the projects government announces to be delivered using the CBA.

BCIB hosts CBA info sessions with contractor associations and with individual companies. These meetings take place within the context of project procurements, and also during the construction phase with subcontractors bidding scopes of work to prime contractors. The number of project procurements in 2023/24 increased the demand for information about BCIB and the CBA.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
2.2 Completion of outreach engagements.	218	100	297

Data source: BCIB stakeholder and Rightsholder engagement data

¹PM 2.2 targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 100 and 100, respectively.

BCIB conducted more engagements in 2023/24 than originally anticipated. The start of construction on vertical infrastructure projects and an expanded network of stakeholders drove the need for more partnerships with employment support organizations.

These engagements, connections and partnerships with local upskilling providers made it possible for BCIB to connect its workforce applicants to the training needed to develop the next generation of skilled trades workers.

Goal 3: Optimize business processes to deliver on CBA objectives.

Objective 3.1: Build processes that mitigate labour supply risk for BCIB and contractors.

BCIB worked proactively with contractors, project owners and the Affiliated Unions to provide a skilled workforce in a timely manner and help mitigate labour supply risks for contractors. This helped BCIB and projects achieve the objectives set out in the CBA.

Key results

- BCIB employed more than 2,500 individual skilled trades workers in 2023/24, making it one of the province's largest construction employers.
- Long term forecasting exercises with contractors have allowed BCIB to get ahead of project skilled workforce gaps and source labour in alignment with project schedules.
- Relationships with community groups and employment services helped BCIB recruit ahead of anticipated contractor demand.

Summary of progress made in 2023/24

BCIB continued to use its workforce forecasting process with contractors to compare its labour supply and demand model against anticipated contractor demand. This helped identify skilled workforce gaps in the near, mid, and long term.

Relationships with community groups and employment services helped to attract workers ahead of schedule, and the partnership with the AIRCC Affiliated Unions helped ensure contractor employee requests were filled accurately and in a timely manner.

Contractors are required to submit rolling, three-month, skilled workforce forecasts to BCIB every month to assist with sourcing and providing the skilled workforce. BCIB discusses these forecasts with the contractor, the AIRCC Affiliated Unions and the government project owner to plan for anticipated future skilled workforce needs and projected timing.

In cases where a potential short supply of workers was identified, partnerships with post-secondary institutes, equity supporting groups and the Affiliated Unions were developed to provide the training required to get new workers ready for the job.

Performance measure and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
3.1 Percentage of employee requests filled within 30 days.	98%	90%	98%

Data source: BCIB stakeholder and Rightsholder engagement data

¹PM 3.1 targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 90%.

BCIB's labour supply and demand model, combined with contractor labour forecasts and targeted recruitment enabled BCIB to exceed its target. These processes helped mitigate labour supply risks for projects and created confidence in BCIB's systems with contractors.

Financial Report

For the auditor's report and audited financial statements, see [Appendix B](#). These documents can also be found on BCIB's website.

Discussion of Results

Contracted Services represents revenue (i.e., recovery of Project Workforce payroll and related costs) received from contractors for BCIB's supply of skilled workforce to the active projects. The increase in Contracted Services revenue compared to 2022/23 is because of increased demand for skilled trades workers on BCIB projects. The unfavourable Contracted Services revenue variance to budget is primarily due to shifting project timelines.

The Service Fee of \$16.6 million is charged to the project owners for BCIB's management of the supply of skilled labour and the implementation of CBA objectives.

In addition to the Project Skilled Workforce costs being below budget by \$60.6 million due to shifting project ramp up timelines, BCIB implemented cost reduction strategies to align with project schedules that led to expense reductions of \$2.8 million for operating costs.

Financial Summary

(\$m)	2022/23 Actual	2023/24 Budget	2023/24 Actual	2023/24 Variance
Revenues				
Contracted Services	129.2	246.4	185.8	(60.6)
Service Fee	13.7	19.9	16.6	(3.3)
Other Revenue	0.3	0.0	0.5	0.5
Total Revenue	143.2	266.3	202.9	(63.4)
Expenses				
Project Skilled Workforce	129.2	246.4	185.8	60.6
People Services	2.7	4.4	3.8	0.6
Operations	2.9	4.4	3.4	1.0
Finance & Corporate Services	8.4	11.1	9.9	1.2
Total Expenses	143.2	266.3	202.9	63.4
Annual Surplus (Deficit)	0.0	0.0	0.0	0.0
Total Debt	16.0	10.0	15.1	(5.1)
Accumulated Surplus (Deficit)	0.0	0.0	0.0	0.0
Capital Expenditures	0.8	1.0	0.5	0.5

¹ The above financial information was prepared based on current Generally Accepted Accounting Principles.

Variance and Trend Analysis

The unfavourable Contracted Services revenue variance to budget of \$60.6 million is primarily due to shifting project ramp up timelines. The Service Fee of \$16.6 million is charged to the project owners for BCIB's management of the supply of skilled labour and the implementation of CBA objectives.

When comparing to prior years, the increase in Contracted Services revenue, Project Workforce costs and Workforce Operations costs in 2023/24 compared to 2022/23 reflects the growing number of CBA projects under construction, greater workforce numbers and the required support for those employees.

Risks and Uncertainties

Project start dates, along with the project scope and budget are key inputs into establishing workforce labour costs. Any changes to these inputs will impact the Salaries and Benefits, Revenue projections and operating costs.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 Mandate Letter from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2024
Putting people first	<p>In progress.</p> <p>BCIB is one of the largest construction employers in British Columbia. It works to maximize the community benefits from infrastructure investment by helping create a human legacy from construction projects.</p> <p>Locals and workers traditionally underrepresented in construction receive Priority Hiring on BCIB's projects.</p> <p>Employees receive equal pay for equal work.</p>
Lasting and meaningful reconciliation	<p>In progress.</p> <p>BCIB employees take part in Respectful Onsite Initiative training, which includes History Matters, training on the history of Indigenous peoples in Canada, the Indian Act and its legacy.</p> <p>Local Elders and Knowledge Sharers help facilitate the History Matters training, ensuring local traditions, customs and history are incorporated.</p> <p>Indigenous workers are hired by BCIB with the highest priority.</p>

2021/22 Mandate Letter Priority	Status as of March 31, 2024
Equity and anti-racism	<p>In progress.</p> <p>BCIB employees take part in JEDI training (justice, equity, diversity and inclusion), and anti-discrimination and harassment training. These tools are helping change job site culture to be safer and more respectful for all workers.</p> <p>Workers traditionally underrepresented in the skilled construction trades receive Priority Hiring on CBA projects.</p>
A better future through fighting climate change	<p>In progress.</p> <p>BCIB delivers climate literacy training called Building it Green as part of employee onboarding.</p>
Strong, sustainable economy	<p>In progress.</p> <p>BCIB is growing and diversifying the skilled trades workforce to help make sure tomorrow's workers are ready to build our province's critical infrastructure.</p> <p>The skilled trades shortage is impacting companies across the construction industry. Ensuring new workers choose construction and stay in construction helps grow the workforce and our province's economy.</p>

2021/22 Mandate Letter Priority	Status as of March 31, 2024
<p>Continue to mobilize and grow a diverse, safe and skilled workforce through outreach to local communities, Indigenous communities and under-represented groups.</p> <p>Ensure the development and tracking of apprenticeship participation and completion rates by working with the Industry Training Authority (SkilledTradesBC) to enable a supported workforce pathway.</p>	<p>In progress.</p> <p>31% of the hours worked by BCIB employees were worked by Indigenous people or by members of a traditionally underrepresented group.</p> <p>14% of BCIB skilled trades employees identified as Indigenous in 2023/24, more than double the BC industry average of 6%.</p> <p>8% of BCIB skilled trades employees were women in 2023/24, compared to the BC industry average of about 5%.</p> <p>The CBA includes Priority Hiring for qualified Indigenous workers, women, and locals on projects. Underrepresented workers are hired first and can become the next generation of skilled trades workers.</p> <p>BCIB employed more apprentices in 2023/24 than in past years.</p> <p>BCIB integrated with SkilledTradesBC and the Ministry of Post Secondary Education and Future Skills to offer skilled graduates employment opportunities on projects or connect candidates to upskilling and training.</p>

2021/22 Mandate Letter Priority	Status as of March 31, 2024
<p>Continue to partner in the successful delivery of CBA public infrastructure projects by enabling informed and competitive bids on projects to ensure Community Benefits Agreements are implemented. Through successful working partnerships with proponents and project teams, projects under the CBA will continue to create jobs with priority hiring for local, Indigenous, women and other underrepresented groups.</p>	<p>In progress.</p> <p>BCIB worked with community groups, economic development associations, equity employment organizations and training providers such as post secondary institutes to develop customized training programs for in-demand trades on CBA projects.</p> <p>BCIB participated in nearly 300 information sessions, application workshops, job fairs and community partnership events with local employment support organizations.</p> <p>BCIB has employed and placed more than 4000 diverse, qualified workers since it was established.</p>
<p>Identify strengths and opportunities to optimize business processes to deliver on its mandate and government's objectives for the organization.</p>	<p>In progress.</p> <p>BCIB successfully transitioned to a new accounting and expense management system to streamline financial and procurement processes, improving efficiency for the organization. It also upgraded its management system for workforce and contractors.</p> <p>BCIB employed more than 2,500 individual skilled trades workers in 2023/24, making it one of the province's largest construction employers.</p> <p>Long term forecasting exercises with contractors have allowed BCIB to get ahead of project skilled workforce gaps and source labour in alignment with project schedules.</p>

Appendix B: Auditor's Report and Audited Financial Statements

FINANCIAL STATEMENTS OF

BC INFRASTRUCTURE BENEFITS INC.

YEAR ENDED MARCH 31, 2024

May 9, 2024

Statement of Management's Responsibility
Year ended March 31, 2024

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safe-guarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Corporation's Board of Directors carry out their responsibility for review of the financial statements principally through the Audit, Finance and Risk Committee. The voting members of the Audit, Finance and Risk Committee are composed entirely of persons who are neither management nor employees of the Corporation. The Audit, Finance and Risk Committee meets with management and staff and the external auditors to discuss the results of the audit examination and financial reporting matters. The auditors have full access to the Audit, Finance and Risk Committee with, and without, the presence of management and staff.

Smythe LLP, an independent firm of chartered professional accountants, is appointed by the Board of Directors to audit the financial statements and report to the Board through the Audit, Finance and Risk Committee; their report follows.

Yours truly,



Irene Kerr
Chief Executive Officer



Mario Piscitelli
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF BC INFRASTRUCTURE BENEFITS INC.

Opinion

We have audited the financial statements of BC Infrastructure Benefits Inc. (the "Corporation"), which comprise:

- ♦ the statement of financial position as at March 31, 2024;
- ♦ the statement of operations for the year then ended;
- ♦ the statement of changes in net assets for the year then ended;
- ♦ the statement of cash flows for the year then ended; and
- ♦ the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards (PSAS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 9, 2024

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BC Infrastructure Benefits Inc.

Statement of Financial Position

As at March 31, 2024

(in \$000's)

	Notes	31-Mar-24	31-Mar-23
Financial assets			
Cash		\$ 7,155	\$ 8,155
Accounts receivable	3	13,259	9,973
Due from government and government organizations	4	7,727	4,440
		<u>28,141</u>	<u>22,568</u>
Liabilities			
Debt	5	15,139	16,057
Accounts payable and accrued liabilities	6	8,190	5,621
Due to government and government organizations	7	7,053	3,328
		<u>30,382</u>	<u>25,006</u>
Net debt		<u>(2,241)</u>	<u>(2,438)</u>
Non-financial assets			
Tangible capital assets	8	1,962	2,201
Prepaid expenses	9	279	237
		<u>2,241</u>	<u>2,438</u>
Accumulated surplus		<u>\$ -</u>	<u>\$ -</u>

Approved on behalf of the Board of Directors on May 9, 2024



David Miller, Chair



Cynthia Morton, Director

The accompanying notes form an integral part of these financial statements.

BC Infrastructure Benefits Inc.

Statement of Operations

For the year ended March 31, 2024

(in \$000's)

	<u>Notes</u>	<u>Budget</u>	<u>31-Mar-24</u>	<u>31-Mar-23</u>
Revenues				
Contracted Services		\$ 246,416	\$ 185,810	\$ 129,228
Service Fee	12	19,892	16,575	13,628
Interest		-	461	282
Other Revenue		-	39	73
		<u>266,308</u>	<u>202,885</u>	<u>143,211</u>
Expenses				
Project Skilled Workforce	10	246,416	185,810	129,228
People Services	10	4,357	3,739	2,739
Operations	10	4,401	3,417	2,861
Finance and Corporate Services	10	11,133	9,919	8,383
		<u>266,308</u>	<u>202,885</u>	<u>143,211</u>
Annual operating surplus		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Accumulated surplus (deficit) at beginning of year		-	-	-
Accumulated surplus (deficit) at end of year		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes form an integral part of these financial statements.

BC Infrastructure Benefits Inc.

Statement of Changes in Net Debt
For the year ended March 31, 2024
(In \$000's)

	<u>Budget</u>	<u>31-Mar-24</u>	<u>31-Mar-23</u>
	(Note 11)		
Surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Effect of change in tangible capital assets:			
Acquisition of tangible capital assets	(1,000)	(487)	(846)
Loss on disposal of tangible capital assets	-	60	-
Amortization of tangible capital assets	<u>860</u>	<u>666</u>	<u>516</u>
	(140)	239	(330)
Effect of change in prepaid expenses			
Acquisition of prepaid expenses	(50)	(1,567)	(1,162)
Use of prepaid expenses	<u>100</u>	<u>1,525</u>	<u>1,094</u>
	50	(42)	(68)
(Increase)/Decrease in Net debt	<u>\$ (90)</u>	<u>\$ 197</u>	<u>\$ (398)</u>
Net debt at beginning of year	<u>(2,500)</u>	<u>(2,438)</u>	<u>(2,040)</u>
Net debt at end of year	<u>\$ (2,590)</u>	<u>\$ (2,241)</u>	<u>\$ (2,438)</u>

The accompanying notes form an integral part of these financial statements.

BC Infrastructure Benefits Inc.

Statement of Cash Flows

For the year ended March 31, 2024

(In \$000's)

	31-Mar-24	31-Mar-23
Operating transactions		
Surplus	\$ -	\$ -
Items not affecting cash:		
Amortization of tangible capital assets	666	516
Loss on disposal of tangible capital assets	60	-
Amortization of discount on debt	911	402
Amortization of foreign exchange gain	(78)	(13)
Discount on debt	(882)	(536)
Unamortized foreign exchange gain on debt	65	25
Decrease in deferred capital contributions	-	(36)
Changes in operating working capital:		
(Increase)/decrease in accounts receivable	(3,286)	59
(Increase)/decrease in due from government and government organizations	(3,287)	3,749
Increase in prepaid expenses	(42)	(68)
Increase/(decrease) in accounts payable and accrued liabilities	2,569	(1,700)
Increase in due to government and government organizations	3,725	2,467
Cash provided by operating transactions	<u>421</u>	<u>4,865</u>
Capital transaction		
Cash used in acquisition of tangible capital assets	<u>(487)</u>	<u>(846)</u>
Cash applied to capital transaction	<u>(487)</u>	<u>(846)</u>
Financing transactions		
Debt issues	66,122	52,460
Debt repayment	<u>(67,056)</u>	<u>(60,291)</u>
Cash applied to financing transactions	<u>(934)</u>	<u>(7,831)</u>
Decrease in cash	(1,000)	(3,812)
Cash at beginning of year	<u>8,155</u>	<u>11,967</u>
Cash at end of year	<u>\$ 7,155</u>	<u>\$ 8,155</u>
Supplemental disclosure of cash flow information:		
Interest paid	892	348

The accompanying notes form an integral part of these financial statements.

1. NATURE OF OPERATIONS

BC Infrastructure Benefits Inc., (“BCIB” or “the Corporation”) is a provincial Crown corporation incorporated under B.C.’s Business Corporations Act on July 16, 2018, and directly accountable to the Minister of Finance. As a provincial Crown agency, BCIB is subject to legislative regulations in government reporting Acts which include the Budget Transparency and Accountability Act and the Financial Administration Act.

BCIB was established to implement, measure and report on the objectives of the Community Benefits Agreement (“CBA”), a collective agreement between BCIB and the Allied Infrastructure and Related Construction Council (“AIRCC”) to grow the skilled trades workforce by creating career opportunities for underrepresented workers, locals, and apprentices on select public infrastructure projects.

BCIB is exempt from income taxes under subsection 149(1)(d) of the *Income Tax Act* (Canada).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are as follows:

a) *Basis of Accounting*

These financial statements have been prepared by management in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This act requires BCIB to prepare financial statements in accordance with Public Sector Accounting Standards (“PSAS”).

b) *Revenue Recognition*

BCIB revenues include contracted services revenue, service fees, interest revenue, and other revenues. Contracted services revenue represents the aggregate payroll costs billed mainly to the Contractors for the provision of skilled employees working on CBA projects. Service fees revenue represents revenue from the project Owners pursuant to the Employee Supply Agreements (“ESA”). Interest revenue is the interest earned from bank deposits. Other revenues mainly consist of ROI training services provided to external entities and credit card rebate.

PS 3400 establishes standards for the accounting for revenue arising from exchange transactions. BCIB performs work and incurs costs ahead of the construction start on projects and during the construction phase to achieve the objectives of the CBA and to satisfy its obligation to project Owners. As BCIB performs work, it recognizes contracted services revenue from contractors and service fees revenue from project owners to offset its costs.

Interest and other revenue are recognized when earned.

c) *Expense Recognition*

Costs incurred by BCIB are expensed as incurred. Expenses are recorded on an accrual basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) *Tangible Capital Assets*

Tangible capital assets are non-financial assets having a physical substance that:

- are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, or maintenance or repair of other tangible capital assets;
- have useful economic lives extending beyond an accounting period;
- are to be used on a continuing basis; and
- are not for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development, installation, and betterment of the asset.

Smaller value tangible capital assets which are identical, similar or related are grouped together as an asset pool and accounted for as a single asset for amortization purposes. Assets that meet these criteria and that are acquired during a fiscal quarter are pooled together and half the amortization is taken in the quarter of acquisition. Standalone higher value tangible capital assets are not pooled and are amortized starting in the month following acquisition.

Amortization begins when the asset is brought into productive use. The cost of the tangible capital asset is amortized over its estimated useful life. Work-in-progress tangible capital assets are not amortized until the assets are completed and put into use.

The amortization method and useful lives for each asset class are as follows:

Asset	Amortization Method	Useful Lives (in years)
Furniture and fixtures	Straight Line	3 to 5
Leasehold improvements	Straight Line	Term of the lease
Computer assets and software	Straight Line	3 to 10
Vehicles	Straight Line	10

At the end of each reporting period, BCIB reviews the value of its tangible capital assets that are in active service for impairment based on their service potential. Assets are written down when conditions indicate that they no longer contribute to BCIB's ability to provide services and the reduction in future economic benefits is expected to be permanent.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) *Prepaid Expenses*

Prepaid expenses are recorded at cost. Prepaids are expensed on a straight-line basis over the life of the agreement as economic benefits are used.

f) *Pension Benefits*

Pension benefits for employees of the Corporation are provided through the BC Public Service Pension Plan, which is a defined benefit, multi-employer jointly trustee plan. Defined contribution plan accounting is applied as sufficient information is not available to apply defined benefit accounting. Contributions are expensed as they become payable (Note 14).

g) *Financial Instruments*

Financial instruments include primary instruments such as cash, accounts receivable, amounts due from or to government and government organizations, accounts payable and accrued liabilities and debt.

The Corporation classifies each of its financial instruments in the following categories:

	Category	Measurement
Cash	Fair value	Fair value
Accounts receivable	Other financial assets	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Debt	Other financial liabilities	Amortized cost
Due to/from government and government organizations	Other financial liabilities/assets	Amortized cost

h) *Measurement Uncertainty*

The preparation of financial statements requires management to make estimates and assumptions that impact the amount reported for assets and liabilities at the date of the financial statements, as well as the amounts reported for revenues and expenses during the reporting period. Items requiring the use of significant estimates include provisions for certain accrued liabilities and assessment of useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements based on historical experience and other factors and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates.

3. ACCOUNTS RECEIVABLE

(\$000's)	March 31, 2024	March 31, 2023
Trade accounts receivable	\$ 13,256	\$ 9,970
Other receivables	3	3
	<u>\$ 13,259</u>	<u>\$ 9,973</u>

4. DUE FROM GOVERNMENT AND GOVERNMENT ORGANIZATIONS

(\$000's)	March 31, 2024	March 31, 2023
BCTFA (BC Transportation Financing Authority)	\$ 6,264	\$ 3,494
VIHA (Vancouver Island Health Authority)	1,050	664
BCIT (BC Institute of Technology)	252	252
VCC (Vancouver Community College)	126	-
CRA (Canada Revenue Agency)	23	30
FHA (Fraser Health Authority)	12	-
	<u>\$ 7,727</u>	<u>\$ 4,440</u>

Receivables from the CRA are from Goods and Services Tax ("GST") paid by BCIB. All other receivables represent management service fees for the provision of workforce services and other project related services.

5. DEBT

The Minister of Finance is the fiscal agent of BCIB. All debt is acquired through the provincial government's fiscal agency loan program and is either held or guaranteed by the Province. BCIB funds part of its operations with short-term debt. Debt typically matures within 3 months. BCIB is authorized to acquire up to \$100 million of short-term debt. As of March 31, 2024, BCIB had two short-term debt loans totalling \$15.1 million (2022/2023 - \$16 million, consisting of one short-term debt), with a weighted average interest rate of 4.91% (2022/2023 - 4.46%). The \$5.1 million debt matures on April 17, 2024 and the \$10 million debt matures on June 10, 2024.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(\$000's)	March 31, 2024	March 31, 2023
Accrued liabilities	\$ 5,095	\$ 3,565
Accounts payable	3,095	2,056
	<u>\$ 8,190</u>	<u>\$ 5,621</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (CONTINUED)

Accounts payable are in the normal course of operations and measured at the exchange amount. At times, the Corporation may be exposed to certain legal obligations. An estimated claim is accrued when a reasonable estimate can be made, and it is probable that a settlement can be reached. During the fiscal year, there were no legal obligations outstanding.

7. DUE TO GOVERNMENT AND GOVERNMENT ORGANIZATIONS

(\$000's)	March 31, 2024	March 31, 2023
CRA (Canada Revenue Agency)	\$ 3,852	\$ 2,714
BCTFA (BC Transportation Financing Authority)	2,041	-
Province of British Columbia	708	505
VIHA (Vancouver Island Health Authority)	324	-
PSA (BC Public Service Agency)	105	109
WCB (WorkSafe BC)	23	-
	<u>\$ 7,053</u>	<u>\$ 3,328</u>

The amounts payable to CRA are related to GST collected and payroll taxes. The amounts payable to BCTFA and VIHA are for service fee adjustments. The amounts payable to the Province of British Columbia is in relation to employer health tax. BC Public Service Agency payments are primarily related to payroll services and employee benefits. Payments to WCB are for insurance premiums.

8. TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost net of accumulated amortization. The costs and accumulated amortization for BCIB's tangible capital assets on March 31, 2024 are as follows (\$000's):

	Furniture & Fixtures	Leasehold Improvements	Computer Assets	Vehicle	Work- In-Progress	Total
Cost						
Balance at March 31, 2023	\$ 184	\$ 248	\$ 2,045	\$ 76	\$ 788	\$3,341
Additions	26	-	8	-	453	487
Disposals	-	-	-	-	(60)	(60)
Transfers	-	-	1,011	-	(1,011)	-
Balance at March 31, 2024	<u>210</u>	<u>248</u>	<u>3,064</u>	<u>76</u>	<u>170</u>	<u>3,768</u>
Accumulated Amortization						
Balance at March 31, 2023	103	121	901	15	-	1,140
Amortization	45	63	550	8	-	666
Balance at March 31, 2024	<u>148</u>	<u>184</u>	<u>1,451</u>	<u>23</u>	<u>-</u>	<u>1,806</u>
Net book value at March 31, 2024	<u>\$ 62</u>	<u>\$ 64</u>	<u>\$ 1,613</u>	<u>\$ 53</u>	<u>\$ 170</u>	<u>\$1,962</u>

8. TANGIBLE CAPITAL ASSETS (CONTINUED)

The costs and accumulated amortization for BCIB's tangible capital assets on March 31, 2023 are as follows (\$000's):

	Furniture & Fixtures	Leasehold Improvements	Computer Assets	Vehicle	Work- In-Progress	Total
Cost						
Balance at March 31, 2022	\$ 167	\$ 174	\$ 1,941	\$ 76	\$ 137	\$2,495
Additions	17	11	-	-	818	846
Transfers	-	63	104	-	(167)	-
Balance at March 31, 2023	184	248	2,045	76	788	3,341
Accumulated Amortization						
Balance at March 31, 2022	65	61	491	7	-	624
Amortization	38	60	410	8	-	516
Balance at March 31, 2023	103	121	901	15	-	1,140
Net book value at March 31, 2023	\$ 81	\$ 127	\$ 1,144	\$ 61	\$ 788	\$2,201

Work-in-progress consists of ongoing development costs related to Salesforce upgrades and is not amortized until the asset is completed and put into use.

9. PREPAID EXPENSES

(\$000's)	March 31, 2024	March 31, 2023
Computer software license	\$ 167	\$ 100
Office lease	73	71
Other	22	25
Insurance	17	41
	<u>\$ 279</u>	<u>\$ 237</u>

10. BREAKDOWN OF TOTAL EXPENSES

(\$000's)	Note	March 31, 2024	March 31, 2023
Wages and Benefits	13	\$ 196,126	\$ 137,855
Administration, IT and Other		3,634	2,145
Contractors		1,518	1,366
Facilities		858	801
Professional Services		749	1,044
		<u>\$ 202,885</u>	<u>\$ 143,211</u>

Presentation of breakdown of total expenses for Fiscal 2023/24 aligns with BCIB's Fiscal 2023/2024 Service Plan.

11. BUDGETED FIGURES

The Fiscal 2023/2024 budget is reflected in the Statement of Operations and the Statement of Changes in Net Debt. Budget data presented in these financial statements is based upon the Fiscal 2023/2024 budget approved by the Board on December 8, 2022.

12. RELATED PARTY TRANSACTIONS

BCIB is related through common ownership to all Province of British Columbia ministries, agencies, crown corporations and all public sector organizations included in the Provincial Government Reporting Entity ("GRE"). Transactions with related parties are in the normal course of operations and recorded at the exchange amount, made on terms equivalent to those that prevail in arm's length transactions.

Employee Supply Agreements and Letter Agreements have been signed with various project Owners. BCIB receives management service fees for the provision of workforce services and other project services to select major infrastructure projects.

For Fiscal 2023/2024, BCIB recognized management service fees and other project related services of \$16.59 million (2022/2023 - \$13.63 million) as follows:

(\$000's)	March 31, 2024	March 31, 2023
BCTFA	\$ 13,966	\$ 12,749
VIHA	2,249	639
BCIT	240	240
VCC	120	-
Total service fees	<u>16,575</u>	<u>13,628</u>
FHA	12	-
	<u>\$ 16,587</u>	<u>\$ 13,628</u>

BCIB billed BCTFA in Fiscal 2023/2024 \$10.7 million (2022/2023 - \$1.9 million) for additional owner costs.

13. EMPLOYEE BENEFIT PLAN

BCIB and its employees contribute to the Public Service Pension Plan (the "Plan"), a jointly trustee pension plan. The Public Service Pension Board of Trustees, representing plan members and employers, have oversight responsibilities for the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer jointly trustee pension plan that shares risk between various entities.

The Corporation does not account for its participation in the multi-employer plan as a defined benefit pension plan because the Corporation does not have access to information about the plan that would enable the Corporation to record its share of the obligations of the plan, plan assets and costs of the plan. In addition, the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual entities that participate in the plan. Accordingly, the participation in the plan is accounted for using defined contribution accounting requirements.

13. EMPLOYEE BENEFIT PLAN (CONTINUED)

The Corporation accrues expenses for contributions that are contractually due to the plan as at the reporting period date that have not yet been paid. As of March 31, 2024, the Corporation has approximately 113 employees contributing to the plan, which has approximately 126,000 total active and retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest actuarial valuation was conducted as at March 31, 2023 and indicated a Basic Account actuarial funding valuation surplus of \$4.5 billion. The next valuation will occur as at March 31, 2026. The actuary does not attribute portions of any unfunded liability to individual employers. In Fiscal 2023/2024, the employees of BCIB contributed \$638,384 (2022/2023 – \$563,250) to the Plan and the Corporation paid \$753,062 (2022/2023 – \$664,432) in employer contributions to the Plan. Pension plan contributions are recognized in wages and benefits expense (Note 10).

14. CONTRACTUAL OBLIGATIONS

(\$000's)	Operating Lease
Fiscal 2025	922

BCIB's operating leases are mainly for rental of office space that commenced in April 2019 for a term of 6 years. The additional rent included in the lease amount is based on the lease agreement that is effective until fiscal 2025.

15. CONTINGENT LIABILITIES

As part of BCIB's ongoing operations, from time to time, the Corporation may receive claims for labour-related matters. As at the end of fiscal 2023/2024, BCIB has several outstanding claims. Currently, it is not possible to estimate the potential impact and outcome of these claims.

16. RISK MANAGEMENT

Credit Risk

Credit risk results when a BCIB counterparty fails to discharge an obligation of a financial instrument.

The maximum exposure of BCIB to credit risk is as follows:

(\$000's)	March 31, 2024	March 31, 2023
Accounts receivable	\$ 13,259	\$ 9,973
Due from government & government organizations	7,727	4,440
	<u>\$ 20,986</u>	<u>\$ 14,413</u>

BCIB's exposure to credit risk is related to amounts owing from other provincial agencies, the federal government, and the value of accounts receivable in its normal course of business from Contractors. The risk is mitigated as the Contractors are bound by terms of payment and default clauses in project agreements which increases the likelihood BCIB will be paid.

16. RISK MANAGEMENT (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows will fluctuate due to market interest rate changes. BCIB's exposure to interest rate risk is minimized because of the short-term nature of the debt and its ability to borrow through the Ministry of Finance. A one percentage short-term interest rate change could result in approximately a \$0.15 million cost differential.

Foreign Exchange Risk

Foreign exchange risk occurs when the fair value or future cash flows of a financial instrument are negatively impacted by a fluctuating foreign exchange rate. BCIB mitigates foreign exchange risk by locking in an exchange swap rate that fixes the final foreign currency gains/losses. On March 31, 2024, BCIB has no foreign denominated debt.

Liquidity Risk

Liquidity risk occurs if BCIB is unable to meet its financial obligations as they fall due. BCIB's liquidity risk is mitigated through a short-term financing agreement with the Ministry of Finance that enables the corporation to borrow up to \$100 million on a short-term basis. BCIB regularly monitors its cash flows and if necessary, BCIB can borrow as needed to satisfy its financial obligations.