BC Infrastructure Benefits

2025/26
Annual Service Plan Report

August 2026

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Published by BC Infrastructure Benefits

Board Chair's Accountability Statement

BC Infrastructure Benefits Inc. (BCIB)'s 2025/26 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2025/26 – 2027/28 Service Plan published in 2025. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

Cynthia Morton
Board Chair, BC Infrastructure Benefits
July 27, 2026

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Letter from the Board Chair

On behalf of the Board of Directors, I am pleased to present the 2025/26 Annual Service Plan Report for BC Infrastructure Benefits (BCIB).

BCIB contributes to the economic development of the Province by growing and diversifying the skilled trades workforce in British Columbia. In 2025/26, BCIB delivered its mandate through three priority strategies:

- A centralized labour supply across multiple projects that provided a skilled trades workforce to a large number and variety of construction contractors;
- Priority job opportunities for locals, Indigenous, women and underrepresented workers in BCIB's workforce; and
- Apprenticeship opportunities on projects to provide employment and training opportunities for the next generation of skilled trades workers.

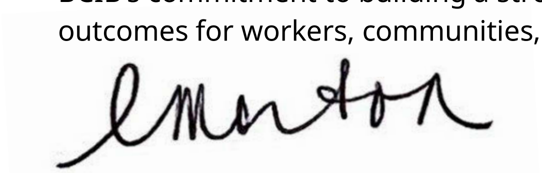
BCIB's model helped public infrastructure investments generate long-term value for British Columbians through local employment, workforce capacity building and economic development for communities.

In 2025/26, BCIB employees worked more than four million craft hours, the most worked to date. These hours and the number of active projects allowed BCIB to achieve meaningful economies of scale, creating efficiencies so that BCIB could reduce its service fee to owners without compromising service levels.

An important lever in BCIB's model is to develop apprentices, the Province's future skilled trades workforce. In 2025/26:

- BCIB employed nearly 1,000 apprentices and trainees, representing 26% of its skilled workforce.
- BCIB created pathways that allowed over 33% of apprentices to advance in their trade.

The Board is encouraged by the organization's continued recognition as one of British Columbia's Top Employers and one of Canada's Top Diversity Employers. These honours reflect BCIB's commitment to building a strong, inclusive workforce and to delivering meaningful outcomes for workers, communities, and industry.



Cynthia Morton
Board Chair, BC Infrastructure Benefits
July 27, 2026

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 2024 and the Board Chair's Mandate Letter Board Chair's 2023 Mandate Letter from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the BCIB 2025/26 – 2027/28 Service Plan and the actual results reported on in this annual report.

Purpose of the Organization

BCIB was established to support economic development by growing the skilled trades workforce through a reliable, centralized labour supply, which benefits communities by providing good local jobs and social and economic development. BCIB's mandate is to employ workers and support the delivery of major public sector infrastructure projects.

BCIB supports a critical part of the Province's skilled trades training pathway. It provides jobs that apprentices need to advance their journey to their Red Seal certification. This furthers government's priorities of growing and diversifying the Province's skilled trades workforce to deliver infrastructure faster through access to a reliable skilled trades workforce.

BCIB's collective agreement, the Community Benefits Agreement (CBA), is with the Affiliated Unions of the Allied Infrastructure and Related Construction Council (AIRCC). It establishes shared commitments to reliably supply skilled trades workers for public infrastructure projects. Through the agreement, the parties share workforce availability, supply and demand data. This reduces labour supply risk for projects and helps the Province's construction sector get more projects built faster.

The agreement includes a mechanism called priority hiring that mandates equitable hiring practices and priority employment for skilled tradespeople who live near projects. Priority hiring is an obligation and a detailed hiring sequence and process that commits to hiring locals, Indigenous and underrepresented workers first. Because of this, BCIB prioritizes local hiring with fair wages, meaning its payroll is spent in British Columbia communities, supporting local economic growth and affordability in our province.

BCIB also has one of the largest repositories of workforce equity data in the construction industry. It regularly reports out detailed workforce and equity demographics to be accountable and to demonstrate how the Province is growing and diversifying the industry's workforce.

BCIB works to improve jobsite culture through its Respectful Onsite Initiative. These training programs contribute to the Province's commitment to reconciliation and promote a safe and respectful worksite. Improving culture is key to attracting and retaining new and diverse workers, and it also helps women and underrepresented workers feel safe and welcome onsite, providing more opportunities for them to practice their trade and work towards certification.

BCIB provides these services while being cost effective and maximizing efficiencies. For the projects completed to date, BCIB's cost to build the skilled workforce was about 2% or less of a project's budget. This investment strengthens and grows the skilled workforce British Columbia needs today and tomorrow, all while creating social and economic benefits for communities and the construction industry.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2025/26 – 2027/28 service plan. For forward-looking planning information, including current and future performance targets, please see the latest service plan.

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

Objective 1.1: Increase the local participation in the skilled trades workforce on CBA projects.

The Province prioritizes locals having first opportunities to build the infrastructure projects in their communities[1]. Locals receive priority opportunities to work and build their careers with BCIB. Employing locals supports economic growth in B.C. communities, creates good jobs and trades capacity close to home.

Key results

- All of BCIB's skilled trades workers are from Canada and 95% of BCIB employees lived in British Columbia in 2025/26. No temporary foreign workers have been employed by BCIB.
- 84% of the hours worked by BCIB skilled trades employees in 2025/26 were worked by locals[2].
- 83% of BCIB employees lived local to the project they were building, meaning their wages helped support communities and local economic growth.

Summary of progress made in 2025/26

BCIB's percentage of total project hours worked by locals was at the high end of its target range for 2025/26. BCIB worked with contractors and used priority hiring to help locals receive priority consideration for positions on projects.

Local candidates were also identified and put forward by local partners. These include local governments, Houses of Friendship, employment service agencies such as WorkBC, BC Centre for Women in The Trades (BCCWITT), MOSAIC, Immigrant Services Society of BC and Indigenous Skills and Employment Training societies.

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[1] Community Benefits Agreement Article 1.100 (d) and (k).

[2] Local is defined as living within 100km of a project.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.1 Percentage of total project hours worked by local hires.	89%	65-85%	84%

Data source: BCIB employee payroll data

BCIB met its target through focussed recruitment and local community partnerships. By tracking the hours worked by local hires, BCIB demonstrated measurable progress in building a local skilled trades workforce for British Columbia. This translated public infrastructure investment into direct economic benefits for communities across the Province by creating good, family-supporting jobs for British Columbian trades workers and strengthening local workforce capacity for future projects.

Objective 1.2: Increase diversity in the workforce

Indigenous peoples, women, 2SLGBTQ+ workers and other equity-seeking groups are underrepresented in the skilled trades, and many have trouble building their careers in construction. BCIB supports underrepresented workers by providing opportunities through priority hiring. This adds new, diverse workers to the industry and helps grow new skilled trades workers in the Province.

Key results

- 32% of hours worked by BCIB skilled trades employees in 2025/26 were worked by Indigenous people or by members of traditionally underrepresented groups.
- 11% of BCIB skilled trades employees identified as Indigenous in 2025/26, nearly double the B.C. industry average of about 6%.
- 8% of BCIB skilled trades employees were women in 2025/26 compared to the B.C. industry average of about 5%.

Summary of progress made in 2025/26

In 2025/26, BCIB exceeded its target for hours worked by Indigenous and traditionally underrepresented workers.

BCIB uses a mechanism in its collective agreement called priority hiring to provide career opportunities, apprenticeships, and trainee positions on a priority basis to Indigenous peoples, women, locals, and others traditionally underrepresented in construction. Unlike in other collective agreements, priority hiring is an obligation and a detailed hiring sequence and process that commits to hiring locals, Indigenous and underrepresented workers first.

Priority hiring is not based on quotas, and the prioritization of underrepresented workers does not stop at a certain target. This process is continuous through the construction schedule and across all trades on a project.

Priority hiring applies to apprentices and helps provide certainty there will be access to jobs for underrepresented workers starting their career in the trades. This supports government's policy of investing in skilled trades training by making sure there are employment opportunities to meet the onsite requirements of apprenticeships. This helps to grow and diversify the kinds of workers employed on jobsites.

BCIB partnered with community organizations and Indigenous training agencies such as ACCESS (Aboriginal Community Career Employment Services), CSETS (Coast Salish Employment and Training Society), the Pathways to Construction program, BCCWITT and BCIT's ConnectHerHub to provide awareness of priority hiring, help workers explore careers in the trades, and access career opportunities with BCIB. These partnerships demonstrate BCIB's commitment to hiring workers from underrepresented groups and to reconciliation and the Declaration Act Action Plan.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.2 Percentage of total project hours worked by Indigenous peoples and equity groups.	32%	25%	32%

Data source: BCIB employee payroll data

About a third of the hours worked by BCIB employees in 2025/26 were worked by equity groups, including Indigenous peoples, women, persons with disabilities, visible minorities and 2SLGBTQ+. Among BCIB's total workforce, 11% of skilled trades workers identified as Indigenous and they worked 10% of the hours. 8% identified as women and they contributed to 7% of the hours. That means women had consistent work over time on BCIB projects that was proportional to their representation. They had equitable, ongoing work in their trade and were not the last hired, first fired, as is sometimes the case in the industry.

Objective 1.3: Increase apprenticeship and trainee opportunities to facilitate journey completion and achievement of qualifications.

Apprentices are key to preparing the Province for the future workforce demands of new infrastructure and province-building projects. Growing the next generation of skilled trades workers requires apprentices to have jobs and opportunities to learn their trades on a variety of projects. These work opportunities are just as important as classroom-based training, and apprentices can only advance with access to a network of projects. BCIB provides the jobs that are an important part of the skilled trades pathway.

Key results

- BCIB employed more than 3,700 workers on projects in 2025/26, and about 1,000 (26%) were apprentices or trainees.
- Of the apprentices and trainees, 33% advanced levels while employed with BCIB. 9% of apprentices or trainees advanced to journeyperson or foreperson while employed by BCIB.
- More apprentices and trainees were employed and placed on crews by using BCIB's apprenticeship tracking system to collaborate with contractors and the Affiliated Unions.

- BCIB continued to work in partnership with contractors, training institutes and the Affiliated Unions to identify gaps and opportunities for upskilling training programs for the most in-demand trades requested by contractors.
- BCIB worked with SkilledTradesBC and SkillPlan to connect apprentices and trainees with education and training supports.

Summary of progress made in 2025/26

Creating meaningful opportunities for apprentices and trainees helps grow the future skilled trades workforce. BCIB's network of projects helped provide apprentices with greater certainty around employment, which is a requirement for apprentices to complete their training. This helps encourage apprentices to pursue their classroom-based learning and continue their career growth.

In 2025/26, BCIB exceeded its target measures for hours worked by and opportunities for apprenticeships and trainees.

Supporting workers to achieve certification is a key tool for growing the skilled trades workforce. Certification paves the way for professional recognition and consistent employment opportunities and ultimately attracts more people to the trades.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.3a Percentage of total project hours worked by apprentices and trainees.	17%	10%	20%
1.3b Overall ratio of apprenticeship hours to journeyperson hours	31%	25%	36%

Data source: BCIB employee payroll data

BCIB measures progress in two ways: by tracking hours worked by trainees and apprentices; and, by tracking the ratio of apprenticeship hours to journeyperson hours.

BCIB's measure for total project hours worked by apprentices and trainees is tracked in Performance Measure 1.3a. Performance Measure 1.3b measures the ratio of hours worked by apprentices (from regulated Red Seal trades) to the hours worked by journeypersons. The 25% of hours target is the ratio set in the collective agreement.

The ratio of apprentice hours to journeyperson hours measures the kind of supervision apprentices get onsite. Appropriate safety and mentorship are key to apprentices practically learning skills on the jobsite.

BCIB exceeded its targets for performance measure 1.3b in large part due to the kinds of trades required on projects like the Broadway Subway Project, the Pattullo Bridge Replacement and the Cowichan District Hospital Replacement Project.

These projects required regulated trades such as Carpenters, Ironworkers and Electricians. Regulated trades have apprenticeship programs, and these jobsites allowed safe and supervised opportunities for mentoring higher than anticipated numbers of apprentices.

Objective 1.4: Foster a jobsite culture that is inclusive and respectful for a diverse workforce.

BCIB proactively fostered a respectful work culture which helped recruit the workforce needed to build B.C.'s infrastructure. There is widespread agreement in the construction industry that culture training is essential and tied to workforce productivity, safety, respect and better retention. BCIB required training be delivered to all onsite workers[3].

Key results

- 97% of BCIB project skilled trades workers participated in the Respectful Onsite Initiative suite of training programs.
- Included Indigenous Knowledge Sharers and Elders in the Respectful Onsite Initiative training sessions so that local history, knowledge, and customs are shared firsthand with BCIB workers.
- BCIB's Trades Mentor and Site Support role was expanded to provide a safe and respectful jobsite for workers on all projects, not just the Cowichan District Hospital Replacement Project.
- Continued to have local Knowledge Sharers and trainers support the delivery of Respectful Onsite Initiative for the construction of the Kamloops Cancer Centre, the New Surrey Hospital and BC Cancer Centre, all non-CBA projects.
- Naloxone training delivery was expanded to Lower Mainland projects and at the Cowichan District Hospital Replacement Project as part of BCIB's ongoing commitment to health and safety.

Summary of progress made in 2025/26

Equity, diversity and inclusion are core BCIB values. BCIB sees these values as competitive advantages for attracting and retaining construction talent. In today's labour market, workers seek out progressive employers and environments, which helps prevent workforce shortages, jobsite conflicts and supports overall productivity.

BCIB's Respectful Onsite Initiative training helped support the development of a safe and respectful jobsite culture. It is a comprehensive approach to supporting workers and establishes the foundation of recruiting and retaining a diverse workforce.

The training includes History Matters (Indigenous Cultural Competency) and Justice, Equity, Diversity and Inclusion (JEDI) training. The Respectful Onsite Initiative training provides

[3] CBA Article 9.205.

participants with knowledge and tools to help create welcoming and respectful jobsites. Local First Nations Knowledge Sharers/Keepers impart learnings and teachings to participants, which is important in building a foundation for reconciliation. With the support and participation of government project owners and contractors, all BCIB employees are required to participate in this training.

Participants in BCIB's Respectful Onsite Initiative have reported positive experiences with the training programs. 86% of History Matters participants and 77% of JEDI participants reported positive knowledge progression from training.

Comments included that participant would tell friends and family about the training, and that they would act differently in the workplace by treating people with more respect, not jumping to anger, and being aware of mistreatment that may occur on construction sites.

BCIB continued to receive positive feedback from contractors about its Respectful Onsite Initiative training. Contractors not working on BCIB projects and organizations outside of the construction industry expressed interest in the training, and BCIB continued to deliver to these groups. BCIB continued its partnership to provide training to workers on the New Surrey Hospital and BC Cancer Centre, and the Kamloops Cancer Centre, projects being delivered outside the CBA.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.4 Percentage of employees who completed the Respectful Onsite Initiative program.[1]	97%	100%	97%

Data source: BCIB Respectful Onsite Initiative and employee onboarding data.
[1]Only BCIB employees are reported in PM 1.4. Delivery of training to non-CBA projects is not counted here.

BCIB coordinates with contractors and government project owners to schedule Respectful Onsite Initiative training. The CBA states that all CBA employees will be provided with cultural training and BCIB works to achieve that requirement. However, at times, the contractor's construction schedule can impact the delivery of training.

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

Objective 2.1: Support procurement on CBA infrastructure projects.

BCIB conducted engagement with the contractor community to support procurements and to help the construction of new infrastructure proceed efficiently and quickly. This helped minimize project risks to owners, contractors and help projects proceed as planned.

Key results

- BCIB familiarized subcontractors with its payroll services, labour supply and demand forecasting, performance management of the workforce and provision of the data and analytics.
- BCIB worked with all contractors (unionized, non-unionized and independent contractors) to support bidding and participation on projects and helped secure the procurement of specialized subcontractors on the BCIT Trades and Technology Complex.
- Since the start of operations, BCIB has worked with nearly 150 contractors, and the majority have not been affiliated with the BC Building Trades Unions.
- All subcontractor procurements were completed successfully.

Summary of progress made in 2025/26

BCIB's engagement and dialogue with the contractor community supported the Province's priority of ensuring new infrastructure projects proceed efficiently and quickly. Contractors and subcontractors are BCIB's partners in the reliable and timely supply of labour and working with them allows them to continue to build quickly and efficiently.

It also helped create industry awareness that any contractor can bid on and perform work on CBA projects and have access to BCIB's available supply of skilled trades workforce.

BCIB worked with the contractor community to communicate the protections BCIB provides for non-unionized contractors. Terms of the collective agreement ensure all companies can bid and perform work, whether they are unionized or not.

BCIB also made sure non-unionized contractors knew BCIB's labour supply services gave them access to a larger skilled workforce which traditionally has only been available to unionized companies. Through BCIB, non-unionized companies were able to tap into and rely on a supply of qualified workers they would have otherwise not had access to, allowing them to bid on and build projects they might otherwise not have been able to.

Engagement included meetings with individual contractors, technical workshops and info sessions.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2.1 Number of contractors engaged through industry engagement and collaborative meetings on CBA projects.	106	100	179

Data source: BCIB stakeholder relations data.

BCIB engaged more contractors and industry associations in 2025/26 than targeted, and more than in 2024/25. The stages of construction on BCIB's largest projects, the Pattullo Bridge Replacement, Broadway Subway and Cowichan District Hospital Replacement, required dialogue and onboarding with multiple smaller and more specialized contractors than previously required on the projects.

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

BCIB engages with community groups and a wide variety of partners and stakeholders to increase and diversify the skilled trades workforce. BCIB works with underrepresented communities to inform workers about priority hiring and to add them to BCIB's candidate database. Once in the database, these workers have opportunities they might not have otherwise had to work on construction sites and advance in their apprenticeships.

In 2025/26 BCIB received support from a range of partners, communities, First Nations Rightsholders and agencies to recruit and mobilize workers. This work is aligned with the Province's priority to provide opportunities for people and communities to ensure British Columbia has the skilled trades workforce needed for today and tomorrow.

Key results

- Participated in over 250 engagements activities, including information sessions in partnership with Affiliated Unions, job fairs, and application workshops to connect with potential workers and raise awareness of employment opportunities.
- Supported the Indigenous Skills for Success program through ACCESS and the Musqueam Introduction to the Trades program by providing foundational safety training, a requirement for employment with BCIB and on other major infrastructure projects.
- Created training initiative pathways in collaboration with BCCWITT to get more women in the trades and on projects.
- Created job shadow opportunities and employment for Indigenous locals through the Pathways to Construction initiative in the Cowichan Valley.

- Collaborated with Indigenous Skills and Employment Training societies such as ACCESS and CSETS to create direct employment pathways for Indigenous workers.
- Worked with local governments to highlight local employment opportunities with BCIB.

Summary of progress made in 2025/26

In 2025/26, BCIB conducted 255 external engagements to support workforce growth and inclusion on major public infrastructure projects. BCIB strengthened relationships with community partners, post-secondary institutions, and Indigenous employment organizations to broaden awareness of employment opportunities and recruit diverse, local talent into the skilled trades.

BCIB continued its partnership with the Pathways to Construction initiative in the Cowichan Valley, helping create job shadow opportunities for local Indigenous people on the Cowichan District Hospital Replacement Project. Pathways program participants received job readiness training and spent time on the jobsite with Painters, Floor Layers, Landscapers, Carpenters and Roofers. Getting familiar with the work and jobsites is an important part of starting a skilled trades career.

BCIB worked with BCCWITT and the BCIT ConnectHerHub to employ women applicants and to connect them with training and upskilling options. These efforts contributed to BCIB's work to diversify the construction workforce and ensure public infrastructure delivers lasting economic opportunities for underrepresented groups across the Province.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2.2 Completion of outreach engagements.	315	200	255

Data source: BCIB stakeholder relations data

BCIB exceeded its target for outreach engagements. Engagement with First Nations Rightsholders, local governments, chambers of commerce, post-secondary institutions, and school districts near the nine active projects were priorities.

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 helped mitigate project cost pressures and labour supply risk through collaborative forecasting and labour supply-and-demand analysis. This helped anticipate workforce requirements and identify risks early, aligned projected demand with available supply, and helped ensure workers were available when needed.

BCIB's centralized labour model allowed contractors to access a qualified workforce efficiently and cost-effectively. By managing workforce sourcing and planning on behalf of contractors, BCIB reduced administrative burden and provided greater certainty in labour supply.

Key results

- BCIB employed more than 3,700 individual skilled trades workers in 2025/26, making it one of the Province's largest construction industry employers.
- BCIB filled nearly 2,000 contractor employee requests last year.
- 99% of contractor employee requests were filled within 30 days.

Summary of progress made in 2025/26

BCIB provided projects with a reliable and timely qualified workforce in 2025/26. BCIB filled nearly 100% of contractor requests for workers within 30 days, but the vast majority were filled within seven days or less. This labour supply certainty helped minimize labour risk for projects and contractors, helping build faster.

BCIB's forecasting process was key to reliable workforce supply. Contractors are required to submit rolling, three-month, skilled workforce forecasts to BCIB every month. BCIB uses these forecasts to plan for anticipated workforce needs and to provide contractors with streamlined and centralized access to qualified workers.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3.1 Percentage of Employee requests filled within 30 days.	98%	95%	99%

Data source: BCIB deployment data

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.

BCIB's efficient and reliable business processes have consistently met workforce requirements from 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

In 2025/26 BCIB skilled trades employees worked four million hours, the most hours to date since BCIB's inception. BCIB's network of projects, record number of workers and hours created an operational economy of scale that allowed BCIB to provide labour to projects with more value and efficiency than it could with fewer project hours or employees.

Through its cost-conscious and efficient labour supply, BCIB was able to minimize the service fee it charged and collected from government project owners.

BCIB's network of interconnected projects strengthened the effectiveness of its centralized labour supply model. A centralized labour supply allowed BCIB to efficiently mobilize workers across and between projects, and advanced key Provincial priorities by increasing apprenticeship opportunities and fostering respectful and inclusive worksites.

During the same time, BCIB created efficiencies by optimizing costs through continuous process improvement and system automation, resulting in lower than budgeted overhead operational costs despite the record number of hours worked by skilled trades employees.

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 2024/25 is because of increased demand for skilled trades workers on BCIB projects.

Service Fees revenue represents revenue from government project owners. The $5.2 million variance represents savings BCIB passed on to projects while maintaining its reliable supply of labour and services.

Financial Summary

($m)	2024/25 Actual	2025/26 Budget	2025/26 Actual	2025/26 Variance
Revenues				
Contracted Services	254.1	280.0	325.9	45.9
Service Fee	18.2	23.1	17.9	(5.2)
Other Revenue	0.6	0.0	0.7	0.7
Total Revenue	**272.9**	**303.1**	**344.5**	**41.4**
Expenses				
Project Skilled Workforce	254.1	280.0	325.9	(45.9)
People Services and Indigenous Relations	3.5	5.0	3.0	2.0
Operations	4.3	5.4	4.5	0.9
Finance & Corporate Services	11.0	12.7	11.1	1.6
Total Expenses	**272.9**	**303.1**	**344.5**	**(41.4)**
Annual Surplus (Deficit)	**0.0**	**0.0**	**0.0**	**0.0**
Total Debt	**24.0**	**22.0**	**22.1**	**(0.1)**
Capital Expenditures	**0.4**	**0.8**	**0.1**	**0.7**
Accumulated Surplus (Deficit)	**0.0**	**0.0**	**0.0**	**0.0**

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

Variance and Trend Analysis

When comparing to prior years, the increase in Contracted Services revenue and Project Skilled Workforce costs in 2025/26 compared to 2024/25 reflects the greater number of CBA projects under construction and greater workforce numbers.

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 2025 Mandate Letter from the Minister Responsible.

2025 Mandate Letter Priority	Status as of March 31, 2026
Continue to mobilize and grow a diverse, safe and skilled workforce through outreach to local communities, Indigenous communities and underrepresented groups. Ensure the development and tracking of apprenticeship participation and completion rates by working with SkilledTradesBC to enable a supported workforce pathway.	Ongoing. 32% of the hours worked by BCIB employees were worked by Indigenous people or by members of a traditionally underrepresented group. 11% of BCIB skilled trades employees identified as Indigenous in 2025/26, nearly double the B.C. industry average of about 6%. 8% of BCIB skilled trades employees were women in 2025/26, compared to the B.C. industry average of about 5%. BCIB employed more apprentices and trainees in 2025/26 than in past years. 20% of project hours were worked by apprentices and trainees. 33% of apprentices advanced one or more levels while employed by BCIB.
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.	Successful and ongoing. BCIB continued to collaborate with project owners, contractors, unions, and community partners to enable the successful delivery of projects. In 2025/26, BCIB supported projects by providing owners and prime contractors with support and resources to attract competitive bids from subcontractors. BCIB's priority hiring model ensures qualified Indigenous workers, women, and locals are first in line for available opportunities. Last year BCIB employed more than 3,700 tradespeople. 84% of the hours worked were by locals, which directly supported local economies.

2025 Mandate Letter Priority	Status as of March 31, 2026
Identify strengths and opportunities to optimize business processes to deliver on its mandate and government's objectives for the organization.	Successful and ongoing. BCIB employed more than 3,700 skilled trades workers in 2025/26, making it one of the Province's largest construction employers. In partnership with contractors and the Affiliated Unions, BCIB filled 99% of contractor employee requests within 30 days. BCIB's labour supply and demand forecasting anticipates potential workforce supply challenges for high demand trades on projects. Labour supply and demand forecast review enables BCIB to effectively source and supply the skilled workforce for contractors. These companies can access and rely on skilled trades workers provided by BCIB, which helps mitigate labour supply risk.

Appendix B: Auditor’s Report and Audited Financial Statements

FINANCIAL STATEMENTS OF

BC INFRASTRUCTURE BENEFITS INC.

YEAR ENDED MARCH 31, 2026

May 12, 2026

Statement of Management's Responsibility

Year ended March 31, 2026

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 safeguarded 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. The voting members of the Board of Directors are composed entirely of persons who are neither management nor employees of the Corporation. The Board of Directors 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 Board of Directors 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; their report follows.

Yours truly,

Irene Kerr

Mario Piscitelli

Irene Kerr

Chief Executive Officer

Mario Piscitelli

Chief Financial Officer

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INDEPENDENT AUDITOR'S 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, 2026;
- the statement of operations for the year then ended;
- the statement of changes in net debt 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, 2026, 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 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 12, 2026

SMYTHE LLP | **smythecpa.com**

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BC Infrastructure Benefits Inc.
Statement of Financial Position
As at March 31, 2026
(In $000's)

	Notes	March 31, 2026	March 31, 2025
Financial assets			
Cash		$ 25,407	$ 11,555
Accounts receivable	3	15,231	18,385
Due from government and government organizations	4	97	11,748
		40,735	41,688
Liabilities			
Debt	5	22,146	24,041
Accounts payable and accrued liabilities	6	12,770	13,044
Due to government and government organizations	7	7,244	6,703
		42,160	43,788
Net debt		(1,425)	(2,100)
Non-financial assets			
Tangible capital assets	8	1,027	1,600
Prepaid expenses	9	398	500
		1,425	2,100
Accumulated surplus		$ -	$ -

Approved on behalf of the Board of Directors on May 12, 2026

Cynthia Morton

Cynthia Morton, Chair

Wayne Peppard

Wayne Peppard, 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, 2026
(In $000's)

	Notes		Budget		March 31, 2026		March 31, 2025
Revenues							
Contracted Services		$	279,970		325,910	$	254,116
Service Fee	12		23,126		17,890		18,225
Interest			-		554		415
Other Revenue			-		142		153
			303,096		344,496		272,909
Expenses							
Project Skilled Workforce	10		279,970		325,910		254,116
People Services	10		4,956		3,010		3,521
Operations	10		5,394		4,474		4,330
Finance and Corporate Services	10		12,776		11,102		10,942
			303,096		344,496		272,909
Annual operating surplus		$	-	$	-	$	-
Accumulated surplus (deficit) at beginning of year			-		-		-
Accumulated surplus (deficit) at end of year		$	-	$	-	$	-

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, 2026
(In $000's)

	Budget	March 31, 2026	March 31, 2025
Surplus	$ -	$ -	$ -
Effect of change in tangible capital assets:			
Acquisition of tangible capital assets	(1,000)	(78)	(389)
Loss on disposal of tangible capital assets		-	4
Amortization of tangible capital assets	800	651	747
	(200)	573	362
Effect of change in prepaid expenses			
Acquisition of prepaid expenses	(100)	(969)	(1,651)
Use of prepaid expenses	100	1,071	1,430
	-	102	(221)
(Increase)/Decrease in Net debt	$ (200)	$ 675	$ 141
Net debt at beginning of year	(2,400)	(2,100)	(2,241)
Net debt at end of year	$ (2,600)	$ (1,425)	$ (2,100)

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, 2026
(In $000's)

	March 31, 2026	March 31, 2025
Operating transactions		
Surplus	$ -	$ -
Items not affecting cash:		
Amortization of tangible capital assets	651	747
Loss on disposal of tangible capital assets	-	4
Amortization of discount on debt	706	922
Amortization of foreign exchange gain	(115)	(108)
Discount on debt	(666)	(909)
Unamortized foreign exchange gain on debt	106	117
Changes in operating working capital:		
Decrease/(Increase) in accounts receivable	3,154	(5,126)
Decrease/(Increase) in due from government and government organizations	11,651	(6,409)
Decrease/(Increase) in prepaid expenses	102	(221)
(Decrease)/Increase in accounts payable and accrued liabilities	(274)	4,854
Increase in due to government and government organizations	541	2,038
Cash provided by/ (applied to) operating transactions	15,856	(4,091)
Capital transactions		
Cash used in acquisition of tangible capital assets	(78)	(389)
Cash applied to capital transactions	(78)	(389)
Financing transactions		
Debt issues	100,681	91,322
Debt repayment	(102,607)	(82,442)
Cash (applied to)/provided by financing transactions	(1,926)	8,880
Increase in cash	13,852	4,400
Cash at beginning of year	11,555	7,155
Cash at end of year	$ 25,407	$ 11,555

Supplemental disclosure of cash flow information:		
Interest paid	750	899

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 Infrastructure. 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 Canadian 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 Respectful Onsite Initiatives (“ROI”) training services provided to external entities and other miscellaneous revenue.

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 trusteed 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 13).

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
Debt – Derivative	Other financial liabilities	Fair value
Due to/from government and government organizations	Other financial liabilities/assets	Amortized cost

h) Measurement Uncertainty

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include provisions for certain accrued liabilities and debt derivatives, 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

(in $000's)	March 31, 2026	March 31, 2025
Trade accounts receivable	$ 15,224	$ 18,378
Other receivables	7	7
	$ 15,231	$ 18,385

4. DUE FROM GOVERNMENT AND GOVERNMENT ORGANIZATIONS

(in $000's)	March 31, 2026	March 31, 2025
BC Institute of Technology (“BCIT”)	$ 97	$ -
BC Transportation Financing Authority (“BCTFA”)	-	11,260
Vancouver Island Health Authority (“VIHA”)	-	466
Fraser Health Authority (“FHA”)	-	13
Vancouver Community College (“VCC”)	-	9
	$ 97	$ 11,748

Receivables represent the net of management service fees for the provision of workforce services and other project related services.

The amounts payable to and receivable from BCTFA, VIHA and VCC are reported on a net basis. For fiscal 2026, the amounts payable to BCTFA, VIHA and VCC are greater than the amount receivable and are included in Due to Government and Government Organizations (Note 7).

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 of British Columbia. 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, 2026, BCIB had one short-term debt totalling $22.1 million (2024/2025 - $24.0 million, consisting of two short-term debts), with a weighted average interest rate of 2.13% (2024/2025 – 3.25%). The debt will mature on May 12, 2026.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in $000's)	March 31, 2026	March 31, 2025
Accrued liabilities	$ 9,450	$ 9,267
Accounts payable	3,320	3,777
	$ 12,770	$ 13,044

Accounts payable are in the normal course of operations and measured at the exchange amount.

7. DUE TO GOVERNMENT AND GOVERNMENT ORGANIZATIONS

(in $000's)	March 31, 2026	March 31, 2025
BCTFA	$ 2,761	$ -
VIHA	1,934	-
Canada Revenue Agency (“CRA”)	1,211	5,371
Province of British Columbia	1,156	1,180
BC Public Service Agency (“PSA”)	136	126
VCC	31	-
WorkSafe BC (“WCB”)	15	26
	$ 7,244	$ 6,703

The amounts payable to CRA are for net Goods and Services Tax and payroll-related taxes. The amount payable to the Province of British Columbia is in relation to employer health tax. PSA payments are primarily related to payroll services and employee benefits. Payments to WCB are for insurance premiums. The amounts payable to BCTFA, VIHA and VCC are related to service fees adjustments.

The amounts payable to and receivable from BCTFA, VIHA and VCC are reported on a net basis. For fiscal 2026, the amounts payable to BCTFA, VIHA and VCC are greater than the amounts receivable (note 4).

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, 2026 are as follows (in $000's):

	Furniture & Fixtures	Leasehold Improvements	Computer Assets	Vehicle	Work-In-Progress	Total
Cost						
Balance at March 31, 2025	$ 121	$ -	$ 3,327	$ 76	$ -	$ 3,524
Additions	-	-	78	-		78
Disposals	(42)	-	(1,293)	-		(1,335)
Balance at March 31, 2026	79	-	2,112	76	-	2,267
Accumulated Amortization						
Balance at March 31, 2025	$ 60	$ -	$ 1,833	$ 31	$ -	$ 1,924
Disposals	(42)	-	(1,293)	-	-	(1,335)
Amortization	30	-	613	8	-	651
Balance at March 31, 2026	48	-	1,153	39	-	1,240
Net book value at March 31, 2026	$ 31	$ -	$ 959	$ 37	$ -	$ 1,027

The costs and accumulated amortization for BCIB's tangible capital assets on March 31, 2025 are as follows (in $000's):

	Furniture & Fixtures	Leasehold Improvements	Computer Assets	Vehicle	Work-In-Progress	Total
Cost						
Balance at March 31, 2024	$ 210	$ 248	$ 3,064	$ 76	$ 170	$ 3,768
Additions	7	4	24	-	354	389
Disposals	(125)	(252)	(256)	-	-	(633)
Transfers	29	-	495	-	(524)	-
Balance at March 31, 2025	121	-	3,327	76	-	3,524
Accumulated Amortization	$ 148	$ 184	$ 1,451	$ 23	$ -	$ 1,806
Balance at March 31, 2024	(121)	(251)	(257)	-	-	(629)
Amortization	33	67	639	8	-	747
Balance at March 31, 2025	60	-	1,833	31	-	1,924
Net book value at March 31, 2025	$ 61	$ -	$ 1,494	$ 45	$ -	$ 1,600

9. PREPAID EXPENSES

(in $000's)	March 31, 2026	March 31, 2025
Computer software license	$ 253	$ 325
Office lease	78	75
Other	50	58
Insurance	17	42
	$ 398	$ 500

10. BREAKDOWN OF TOTAL EXPENSES

(in $000's)	Note	March 31, 2026	March 31, 2025
Wages and benefits	13	$ 337,888	$ 266,163
Administration, IT and other		3,637	3,787
Contractors		1,539	1,381
Facilities		910	877
Professional services		522	701
		$ 344,496	$ 272,909

The presentation of breakdown of total expenses for fiscal 2025/2026 aligns with BCIB's fiscal 2025/2026 Service Plan.

11. BUDGETED FIGURES

The fiscal 2025/2026 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 2025/2026 budget approved by the Board on January 22, 2025.

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.

12. RELATED PARTY TRANSACTIONS (CONTINUED)

For fiscal 2025/2026, BCIB recognized net management service fees for a total of $17.9 million (2024/2025 - $18.2 million) as follows:

(in $000's)		**March 31, 2026**		**March 31, 2025**
BCTFA	$	12,551	$	13,799
VIHA		4,959		4,379
VCC		184		47
BCIT		196		-
Total service fees		17,890		18,225
FHA		77		120
	$	17,967	$	18,345

BCIB billed BCTFA in fiscal 2025/2026 $24.8 million (2024/2025 - $16.9 million) for additional owner costs. The amount billed to FHA relates to ROI training and is included in other revenue.

13. EMPLOYEE BENEFIT PLAN

BCIB and its employees contribute to the Public Service Pension Plan (the "Plan"), a jointly trusteed 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 trusteed 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.

The Corporation accrues expenses for contributions that are contractually due to the plan as at the reporting date that have not yet been paid. As of March 31, 2026, the Corporation has approximately 94 employees contributing to the plan, which has approximately 137,000 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 as at March 31, 2026 is expected to be available at the end of 2026 or early 2027. The actuary does not attribute portions of any unfunded liability to individual employers. In fiscal 2025/2026, the employees of BCIB contributed $ 730,192 (2024/2025 – $741,241) to the Plan and the Corporation paid $ 861,364 (2024/2025 – $874,398) in employer contributions to the Plan. Pension plan contributions are recognized in wages and benefits expense (Note 10).

14. CONTRACTUAL OBLIGATIONS

(in $000's)		Operating Lease
Fiscal 2027	$	843
Fiscal 2028		951
Fiscal 2029		966
Fiscal 2030		980
	$	3,740

BCIB's operating leases are mainly for rental of office space. The rent included in the lease amount is based on the lease agreement that is effective until the end of fiscal 2030.

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 2025/2026, BCIB had 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:

(in $000's)		March 31, 2026		March 31, 2025
Cash	$	25,407	$	11,555
Accounts receivable		15,231		18,385
Due from government and government organizations		97		11,748
	$	40,735	$	41,688

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. BCIB is exposed to credit risk with respect to its cash. BCIB has mitigated this risk by holding its cash with a major financial institution.

17. 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 $0.22 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. There were no exchange swaps at March 31, 2026.

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 flow and if necessary, BCIB can borrow as needed to satisfy its financial obligations.