

The background of the entire page is a photograph of two construction workers. They are wearing grey and blue hard hats and high-visibility safety jackets with yellow reflective stripes. They are standing in a construction site, looking towards a whiteboard or blueprint in the background. A bundle of rebar is visible in the upper right corner.

ICBA FEDERAL GOVERNMENT POLICY PRIORITIES 2026

The Independent Contractors and Businesses Association (ICBA) is Canada's largest construction industry association, representing more than 4,500 members, clients and affiliates in British Columbia and Alberta. ICBA is a strong voice for open shop construction and resource development companies and their workers, free enterprise values, entrepreneurs, and common-sense public policies that support a vibrant, productive and competitive Canadian economy.

This document outlines ICBA's current policy priorities and recommendations for the Government of Canada.

INVESTMENT, TRADE AND ECONOMIC GROWTH

Private sector investment is key to fostering healthy economic growth, supporting higher real earnings for workers and families, and building a more productive economy. A growing economy, in turn, provides people with jobs and governments with tax revenues to pay for health, education and social programs.

As the federal government acknowledged in Budget 2025, Canada has been struggling to attract the investments needed to move our economy forward, with RBC Economics recently pointing to a “10-year capital recession” that has hindered gains in real incomes and weighed on the country’s overall prosperity.¹ As of last year, Canadian firms were investing only 55-60% as much as their U.S. counterparts, measured on a per employee basis. This is a major reason why Canada has been falling further behind the United States on productivity – the amount of economic output produced per hour of work. Today, the Canada-U.S. productivity gap has reached a record level – constituting nothing less than a national “emergency,” as articulated by Carolyn Rogers, Senior Deputy Governor of the Bank of Canada, in March, 2024.

Budget 2025 proposes to unlock \$1 trillion in investment over the next five years, via a mix of targeted public sector capital spending, increased private sector investment, the elimination of interprovincial barriers to trade and commerce, and other measures to enhance Canada’s competitiveness at a time of heightened worldwide geopolitical uncertainty. That’s a tall order, given the weakness of investment in Canada over the past dozen years.

Missing from the Budget was a commitment to broad tax reform, which ICBA believes is essential to boosting investment, turning around Canada’s

lacklustre productivity growth and achieving the federal government’s target to make Canada the fastest-growing G7 economy.

The quest to ramp up investment coincides with the federal government’s push to diversify Canada’s trading relationships, accelerate the development of the energy and other natural resource-based industries that dominate our export economy, and double the value of exports to non-U.S. markets within ten years.

ICBA supports these broad policy directions. The construction industry will benefit from both an improved investment and business climate at home and stronger trade and other commercial linkages with growing economies around the world. At the same time, as discussed later in this policy brief, Canada must expand and refurbish the trade-enabling infrastructure assets – ports, railways, highways, and airports – that connect our industries, workers and regional economies with outside markets.

ICBA welcomes renewed federal government attention to bolstering Canada’s economic fundamentals after a decade of stagnation, feeble productivity gains, and declining global competitiveness. We believe smarter public policy can lead to increased investment, greater business confidence, and stronger economic growth by establishing conditions favourable for new project development, ongoing investment by Canadian firms, and increased entrepreneurial activity.

In the current Canadian context, ICBA submits that this will require policy changes in the areas of regulation and project approvals, taxation, talent attraction, and immigrant selection.

¹ RBC Thought Leadership, “Capital Gains: How Canada can unlock the \$1.8 trillion it needs for growth,” April 2026.

² M. Bafale and W. Robson, “Canada’s Investment Crisis,” C.D. Howe Institute, December 4, 2025.



INVESTMENT, TRADE AND ECONOMIC GROWTH

ICBA RECOMMENDS THAT FEDERAL POLICYMAKERS:

- Launch an overhaul of Canada’s complex and antiquated tax system, with the overarching goals of strengthening Canada’s ability to attract investment and talent and simplifying the application and administration of tax provisions.
- Commit to a sector-by-sector review of regulatory burden, with the goals of streamlining and easing the economic cost of regulations, leveraging technology to improve efficiency, and enabling more timely decision-making by Ministries and other regulatory agencies.
- Revamp the Impact Assessment Act to scale back the federal government’s role in project reviews, reduce the time required to evaluate proposals, and send a signal to investors that Canada is keen to see new projects advance in the energy, natural resource, infrastructure and manufacturing sectors. ICBA supports the specific reforms to the IAA regime recommended by the Business Council of Alberta.³
- Scrap Bill C-48, the ban on oil tankers off British Columbia’s north coast, which runs counter to the federal government’s aim of making Canada an “energy superpower” and to the recent commitment to aggressively pursue export market diversification. Energy and other resource products offer the best opportunities to deliver on the government’s export market diversification plan.
- Review the Canada Labour Code to ensure that it 1) provides labour market flexibility and balanced labour relations and employment standards suitable to the requirements of today’s world of work and 2) is aligned with the federal government’s goal to double exports to non-U.S. markets. This should begin with restoration of a workers’ right to a secret ballot vote during union certification processes in federally regulated workplaces.
- Revisit immigration policy to bring immigrant selection criteria into closer alignment with labour market demand and the needs of the economy, including by increasing the share of new immigrants with credentials and work experience relevant to the Canadian construction industry.
- Commit to open access for imports of steel and other significant construction products and materials to help manage the cost of building homes, public infrastructure, and commercial and industrial facilities.

³ <https://businesscouncilab.com/advocacy-category/statements-advocacy/new-report-from-the-business-council-of-alberta-outlines-immediate-options-to-unlock-canadas-investment-potential/>



SKILLS, TRAINING AND EDUCATION

Skills, training and education are foundational to developing a talented workforce and a productive economy. This is a shared responsibility of government, business, and individuals. Though education and training lie mainly within provincial jurisdiction, the federal government has an important leadership role working with provincial counterparts to provide funding and incentives to enhance skills, training and education for Canadians, notably in fields where labour market data point to persistent talent shortfalls – including in key skilled trades employed in the construction sector.

In designing federal skills and apprenticeship programs, the Government of Canada must recognize that open-shop employers and workers constitute the substantial majority of Canada’s construction workforce and of the country’s broader labour force. Approximately 75% of Canadian workers, and more than 85% of workers in

western Canada, are employed outside of traditional trade union frameworks. In the construction sector specifically, open-shop contractors are responsible for training the majority of Canada’s construction apprentices. Open-shop employers and workers are not a minority constituency requiring accommodation — they are the primary workforce through which federal training investments reach the construction industry.

Accordingly, the guiding principle for federal skills, training and apprenticeship policy should be straightforward: federal training dollars should follow the apprentice, not the union. Federal funding, eligibility criteria, and program design should be determined by demonstrated training capacity and apprenticeship outcomes — not by an employer’s or a worker’s labour-affiliation status. Every recommendation that follows is grounded in that principle.



SKILLS, TRAINING AND EDUCATION

ICBA RECOMMENDS THAT FEDERAL POLICYMAKERS:

- Commit to ongoing and meaningful dialogue with the construction industry to address workforce development and skill shortages in the sector and encourage young people to pursue careers in the trades and other construction-related occupations.
- Provide federal funding for training programs, in partnership with the provinces, through accredited colleges, trades training institutions, and technical institutions.
- Offer targeted assistance, in partnership with the provinces, to provincial institutions to build new and expand existing training facilities where the need is greatest, as demonstrated by evolving labour market data on labour supply, job creation and vacancy rates.
- Give preference to funding apprenticeship programs which include and facilitate work-integrated and life-long learning.
- Reform federal apprenticeship-training programs so that eligibility is based on demonstrated training capacity, apprenticeship outcomes, and capacity to serve under-represented workers — not labour affiliation — ensuring federal apprenticeship-training dollars reach workers and employers in every province, including those where traditional building trades union density is low.



BUILDING INFRASTRUCTURE

The federal government shares in the cost of infrastructure development that is also partly funded by provincial and local governments. This encompasses transportation, urban transit and trade-enabling infrastructure. It also includes housing, where in recent decades some areas of the country have fallen short in building new supply relative to population growth and rates of household formation.

Provincial infrastructure to connect communities with efficient and effective urban transit systems to ease congestion in urban centres requires the assistance of the federal government to make projects viable. At the same time, high-quality local infrastructure is vital in supporting efforts to maintain and grow affordable, sustainable and healthy communities across the country.

Much of Canada's infrastructure was built in the 1950s and 1960s and is now in dire need of renewal or repair. Both the provinces and many municipal governments face "infrastructure deficits" that have developed over time. The federal government has the fiscal capacity to assist in funding cost-shared infrastructure renewal

and expansion. ICBA supports the measures taken by the federal government to invest in the country's aging infrastructure, including those announced and confirmed in Budget 2025. ICBA also endorses the recent agreement between the federal and Ontario governments to reduce the tax and fee burden on new residential development, which is particularly urgent in high-cost urban communities where homebuilding costs have soared in the last decade.

While spending on infrastructure is important, policymakers also must maximize the value of each taxpayer dollar allocated to build and maintain infrastructure assets and networks. The best way to do this is to adopt fair and equitable procurement policies and practices that are anchored in the principles of open competition and choice in all aspects of public sector procurement and project execution. In this regard, the federal government should not discriminate among providers of construction-related services based on union affiliation criteria or other factors that serve to lessen competition and choice and drive up procurement costs for both taxpayers and infrastructure users.



BUILDING INFRASTRUCTURE

ICBA RECOMMENDS THAT FEDERAL POLICYMAKERS:

- Commit to open and fair competition and tendering for public sector projects in order to maximize the value of taxpayer dollars allocated to infrastructure development.
- Commit to multi-year federal cost-sharing for provincial and municipal infrastructure development and renewal.
- Replicate the agreement recently concluded with Ontario to reduce the tax and fee burden of new residential development via similar agreements with B.C. and other provinces.
- Support provincial infrastructure initiatives to connect communities, improve goods and people movement, and debottleneck provincial and national highway networks.
- Boost funding for port infrastructure development on Canada's West Coast, East Coast, and Saint Lawrence River and Great Lakes Gateways tied to road and rail networks to increase supply chain efficiency, support export market diversification, and bolster Canada's capacity to get exports to offshore markets.
- Work with telecommunications providers to ensure Canadians have sufficient access to high-speed internet and wireless network capacity.
- Invest in targeted airport infrastructure projects, in partnership with local airport authorities, provincial governments, and municipalities (where applicable) to improve passenger movements and expand air cargo capacity where there is a business case to do so.
- Invest in urban transit infrastructure in recognition that Canada's population growth has mainly been occurring in large and mid-sized cities.
- Take steps to stabilize and improve labour relations at Canada's ports, which in recent years have been plagued by frequent work stoppages and labour disruptions which have harmed Canada's reputation as a reliable supplier and trading partner.





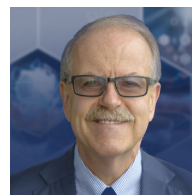
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