

From approvals to construction

Making Bill C-39 work on the ground

Canadian Construction Association Policy Brief

Submitted to the Legislative Committee on Bill C-39

October 2026



Canadian Construction Association

Contents

About the Canadian Construction Association 3

Introduction 4

Summary of recommendations 5

Faster and more predictable project approvals 7

Realistic timelines for preparing studies 7

Transparent assessment timelines 8

Ensuring approval conditions are feasible 9

Safeguarding reliance on existing authorizations 10

Improving project visibility 10

Strengthening supply chain reliability and construction capacity 11

Including construction expertise in trade corridor planning 11

Ensuring workable security clearance requirements 12

Predictable labour obligations and contractual risk 13

Clarifying obligations when contractors change 13

Protecting workers while preserving construction payment flows 14

Conclusion 15

About the Canadian Construction Association

The Canadian Construction Association (CCA) is the national voice for the Canadian construction industry. CCA represents 18,000 member firms through an integrated structure of 58 local and provincial partner associations from coast to coast to coast. Our sector employs over 1.63 million people in Canada and generates approximately $162 billion in annual economic activity, accounting for 7.5 per cent of Canada's gross domestic product (GDP).

Our members build the infrastructure on which economic growth and public services depend, including transportation networks, water systems, hospitals, industrial facilities, and the infrastructure that supports housing. They bring practical expertise in estimating, procurement, workforce planning, construction sequencing, and project delivery.

Introduction

Canada's infrastructure ambitions require a regulatory framework that enables investment decisions and timely project delivery. Through Bill C-39, the Building Canada Strong Act, the government proposes to accelerate federal reviews, improve the movement of goods and modernize federal labour protections. CCA welcomes this effort to address the approval delays and uncertainty that affect Canada's ability to build, while maintaining environmental safeguards.

CCA particularly welcomes measures to allow certain preparatory activities to proceed while federal assessments are underway and to bring federal authorization decisions together at the project approval stage. By reducing delays and fragmented decision-making across departments, these reforms could help proponents commit capital and give contractors a more dependable basis for planning construction.

Our contribution focuses on how these changes will operate in practice. Contractors price and organize work around approval conditions, material availability, workforce access, and contractual obligations. Once contracts are awarded and resources committed, changes to these requirements can affect costs, schedules and the sequencing of work. Clear rules that account for these practical realities would help preserve the certainty the government seeks to create.

The eight recommendations in this brief propose focused amendments and clarifications within the bill's existing approach. Organized around predictable approvals, supply chain reliability and construction capacity, and labour and contractual obligations, they draw on construction expertise to help the proposed reforms deliver their intended results.

Summary of recommendations

Recommendation 1

CCA recommends retaining the objective of faster project approvals while establishing clear criteria and published response times for extensions under proposed subsection 19(2).

Recommendation 2

CCA recommends that the responsible authority publish and regularly update a project-specific assessment schedule that identifies the start date, applicable reporting deadline, and expected completion date. Where a timeline is suspended or extended, the published information should identify the reason, the outstanding activity required to advance the assessment and, where reasonably possible, the anticipated resumption date. Reporting should distinguish time counted toward the statutory deadline from total elapsed calendar time.

Recommendation 3

CCA recommends amending clause 48 to require consideration of the technical, economic, and practical feasibility of conditions under subsections 64(1) and 64(2) that materially affect construction, including sequencing and schedule. Amend clause 53 to require advance notice and an opportunity for proponents and relevant construction experts to identify delivery, cost and schedule consequences before conditions under section 68 are added or materially amended.

Recommendation 4

CCA recommends that clauses 100 and 101 establish clear criteria for adding or materially amending authorization conditions; require reasonable advance notice and an opportunity for proponents and construction experts to identify feasibility, cost, and schedule impacts; and require written notice justifying the change and explaining how those impacts were considered.

Recommendation 5

CCA recommends that appointments to the National Trade Corridors Council under proposed section 49.03 include construction practitioners with direct experience delivering transportation and trade infrastructure, and that the Council's terms of reference require structured engagement with contractors to assess supply chain impacts on construction and the feasibility of proposed infrastructure improvements.

Recommendation 6

CCA recommends that regulations under section 54.4 clearly define security clearance requirements affecting construction workers, establish predictable processing timelines, and provide notice and review procedures for suspension or cancellation, subject to necessary security exceptions.

Recommendation 7

CCA recommends requiring disclosure of applicable collective agreements and successor obligations in procurement documents before bids are submitted, and clarifying coverage of construction and maintenance contracts and transition requirements so contractors can accurately price labour costs and plan the transfer of services.

Recommendation 8

CCA recommends amending clause 350 to prioritize recovery from available employer deposits under subsection 251.13(2) before redirecting construction payments, while preserving recourse to other debtors where necessary including providing clear notice and procedures to dispute the existence or amount of the contractual debt.

Faster and more predictable project approvals

Accelerating approvals requires a predictable process at every stage: preparing studies, assessing the project, and establishing the conditions governing its delivery. Project proponents need realistic timelines to prepare studies, visibility into when assessments will be completed and conditions they can implement once approval is granted. Contractors, in turn, need reliable project information to prepare for bidding and construction.

Realistic timelines for preparing studies

Given that the construction industry is largely made up of small and medium-sized enterprises (SMEs), there must be consideration of the shortened timeframe's disproportionate impact on their ability to effectively mobilize resources for proponent studies.

CCA supports faster approvals and an earlier start to construction. However, reducing the time allowed to prepare studies does not reduce the time needed to collect reliable data. Some data can only be collected at specific times of year, such as during a species' breeding season or the spring freshet. If an additional study is requested after that period, the proponent may have to wait until the following year to complete it. An overly compressed timeline may therefore lead to more extension requests rather than a faster assessment.

The extension mechanism in proposed subsection 19(2) recognizes this constraint. CCA welcomes this flexibility. However, its effectiveness depends on clear rules: proponents must know the grounds for granting an extension and when a decision on their request will be made. Without this guidance, it becomes difficult to anticipate the next steps and plan tendering and the start of construction. This uncertainty also affects contractors, particularly SMEs, whose capacity to reserve crews and equipment for a project is limited.

CCA therefore recommends identifying the required studies early in the process, clearly defining the scope of any subsequent information requests, and publishing extension criteria and response timelines. The objective is to avoid delays arising from late or unclear requirements while allowing sufficient time to prepare reliable studies.

1. **CCA recommends retaining the objective of faster project approvals while establishing clear criteria and published response times for extensions under proposed subsection 19(2).**

Transparent assessment timelines

Once the required studies have been submitted, the industry also needs to know when the assessment is expected to be completed. Clause 26 amends section 28 of the Impact Assessment Act to establish a standard 300-day time limit for preparing the assessment report, following the notice confirming that the required information and studies have been provided. This is a deadline for submitting the report, not a guarantee of final project approval within 300 calendar days.

This time limit may also be extended or suspended. A suspension stops the clock, but time continues to pass for businesses. An assessment may therefore comply with the statutory time limit while finishing later than originally expected. Depending on the project's stage of development, this delay may require contractors to revise material orders, reschedule equipment reservations or reassign crews. In regions where certain activities depend on seasonal conditions, it may also mean missing a suitable construction window.

CCA supports clear timelines and welcomes the requirement to publish the reasons for extensions and suspensions, as well as notices when the clock resumes. However, this information must also explain how the change affects the project schedule. Explaining why the process has been paused does not, on its own, indicate when it is likely to be completed.

2. **CCA recommends that the responsible authority publish and regularly update a project-specific assessment schedule that identifies the start date, applicable reporting deadline, and expected completion date. Where a timeline is suspended or extended, the published information should identify the reason, the outstanding activity required to advance the assessment and, where reasonably possible, the anticipated resumption date. Reporting should distinguish time counted toward the statutory deadline from total elapsed calendar time.**

These measures would make the proposed timelines more useful for construction planning and allow the government's progress in accelerating assessments to be measured transparently.

Ensuring approval conditions are feasible

Predictable timelines must also lead to conditions that contractors can implement. CCA supports clarifying the government's authority to establish and amend conditions intended to mitigate adverse effects. These conditions may need to evolve as detailed design progresses or new information becomes available, but changes that significantly affect construction should take implementation constraints into account.

Clause 48 of the bill addresses the establishment of conditions under section 64 of the Impact Assessment Act. CCA supports clarifying this authority. However, to ensure that conditions achieve their intended outcomes, their technical, economic and practical feasibility should be assessed before they are imposed. Construction professionals can help identify implementation challenges and, where necessary, propose alternative ways to achieve the same environmental objectives.

This assessment is equally necessary when a condition is amended after approval, as provided for in clause 53. CCA recognizes that new information or design developments may justify adjustments. By that stage, however, plans may have been finalized, subcontractors engaged and materials ordered. Any amendment must therefore be assessed in light of the project's progress and commitments already made.

For example, a new restriction on when excavation is permitted could require foundation work to be postponed until the following season. Since subsequent activities depend on the foundations being completed, the entire schedule could shift, resulting in additional costs and disputes over responsibility for those costs. An amendment can therefore have major consequences for construction even if it does not increase the project's adverse environmental effects.

Two complementary questions must therefore be considered: will the condition achieve the intended environmental outcome, and how can it be implemented on site? Advance notice and an opportunity to obtain input from the proponent and construction experts would help inform the decision before a substantive change is imposed.

3. **CCA recommends amending clause 48 to require consideration of the technical, economic and practical feasibility of conditions under subsections 64(1) and 64(2) that materially affect construction, including sequencing and schedule, to be informed by construction expertise. Amend clause 53 to require advance notice and an opportunity for proponents and relevant construction experts to identify delivery, cost and schedule consequences before conditions under section 68 are added or materially amended.**

Safeguarding reliance on existing authorizations

The same need for predictability applies when conditions attached to existing authorizations are revisited. Clause 100 allows the Minister to add, remove or amend conditions in the document issued under subsection 7(1) of the Building Canada Act. Clause 101 extends that authority to authorizations granted before a project was designated as a national interest project.

Proposed section 8.01 requires consultation with the responsible minister and potentially affected Indigenous peoples, and limits new or amended conditions to those permitted under the applicable enactment. However, it does not expressly require advance notice to the proponent or consideration of construction consequences.

This is particularly important where an existing authorization has already informed contract awards and purchasing decisions. Changing a condition governing site access or an approved construction method could require redesign or replacement equipment after the original work has been priced. The authorization may change, but the resulting costs, revised deadlines, and responsibilities must still be addressed among the owner, contractor, and subcontractors.

CCA supports justified adjustments to conditions. Clear decision criteria, advance notice and written reasons would help ensure that material changes account for commitments made in reliance on existing approvals.

4. **CCA recommends that clauses 100 and 101 establish clear criteria for adding or materially amending authorization conditions; require reasonable advance notice and an opportunity for proponents and construction experts to identify feasibility, cost, and schedule impacts; and require written notice justifying the change and explaining how those impacts were considered.**

Improving project visibility

Decision transparency is an important factor in improving certainty for project proponents and contractors. While this specific clause is not necessarily a new proposal, having a timeline for public disclosure of information following decisions for designated regions and eligible projects is a good first step to overall project pipeline transparency.

CCA welcomes clause 102's requirement to make project information public within 30 days after the document under subsection 7(1) is issued. Timely disclosure is a positive step toward greater transparency and provides the industry with a clearer view of projects advancing toward delivery.

For contractors, project visibility supports practical decisions about workforce recruitment, equipment investments, material sourcing and bidding opportunities. Earlier access to reliable information helps businesses prepare capacity and coordinate with suppliers and subcontractors. However, information must also be easy to find and regularly updated to support these decisions.

CCA supports clause 102 and recommends making the disclosed information available through a searchable project registry, with consistent information on project status, anticipated procurement milestones and delivery timelines, where available. Clearly distinguishing confirmed milestones from preliminary estimates would help contractors plan without overstating certainty.

Over time, CCA encourages the government to extend this approach to a broader federal project pipeline, providing businesses of all sizes with greater visibility into upcoming construction opportunities.

Strengthening supply chain reliability and construction capacity

Once approvals are secured, delivery depends on materials arriving on site and qualified workers being available to perform the work. The following recommendations address both dependencies through construction representation in trade corridor planning and predictable security clearance requirements.

Including construction expertise in trade corridor planning

CCA welcomes the proposed trade corridor framework and the authority to establish a National Trade Corridors Council. Its mandate to monitor goods movement, analyze disruptions and recommend corrective measures could help identify and alleviate bottlenecks affecting construction supply chains.

Construction has a dual interest in this work: contractors depend on trade corridors to obtain materials and equipment, and they build and rehabilitate the infrastructure that strengthens corridor performance.

For a contractor, a delayed delivery of structural steel or specialized equipment can interrupt an entire sequence of work, leaving crews and equipment idle and delaying dependent activities. Understanding these consequences requires more than tracking freight volumes: it requires practical knowledge of procurement lead times, construction schedules and material availability.

Construction expertise would also help the Council assess whether proposed infrastructure solutions can be delivered within anticipated timelines, accounting for site access, construction sequencing, and the need to maintain transportation operations during work. **Including those responsible for building the infrastructure would ensure that the Council's recommendations reflect practical delivery realities and support outcomes that are both ambitious and achievable.**

5. **CCA recommends that appointments to the National Trade Corridors Council under proposed section 49.03 include construction practitioners with direct experience delivering transportation and trade infrastructure, and that the Council's terms of reference require structured engagement with contractors to assess supply chain impacts on construction and the feasibility of proposed infrastructure improvements.**

Ensuring workable security clearance requirements

CCA supports protecting transportation facilities by screening individuals who require access to restricted areas. Clause 206 authorizes the Minister to grant, suspend or cancel individual security clearances, while leaving future regulations to identify who must hold a clearance and how applications and decisions will be handled. Although the clause does not automatically impose requirements on all construction workers, these rules could affect contractors whose crews need access to secure areas.

For those contractors, clearance is a practical condition for performing the work. If an electrician cannot enter the site because their clearance is pending or suspended, electrical work may stop, delaying other activities that depend on its completion. Hiring a replacement may not resolve the interruption if that person must also wait for clearance.

To account for this dependency, contractors need to know the requirements before pricing work and committing to a schedule: which workers require clearance, how long approval takes and whether existing clearances will be accepted. Clearly defining these elements in the regulations would help contractors plan workforce access and maintain construction schedules while meeting security requirements.

6. **CCA recommends that regulations under section 54.4 clearly define security clearance requirements affecting construction workers, establish predictable processing timelines, and provide notice and review procedures for suspension or cancellation, subject to necessary security exceptions.**

Predictable labour obligations and contractual risk

Contractors must understand their labour obligations before pricing work and maintain reliable payment flows during delivery. The following recommendations concern the federal labour regime; their application depends on the undertaking and employment relationship, rather than federal funding or ownership alone.

Clarifying obligations when contractors change

Clause 310 introduces successor rights when a new contractor assumes the same or substantially similar services from a previous contractor within the defined federal scope. Under proposed subsection 44(2.1), the incoming contractor becomes bound by the applicable collective agreement and bargaining rights and becomes a party to certain pending labour proceedings. Coverage includes specified airport services and other services, industries, or locations prescribed by regulation.

This could affect CCA members taking over covered construction or maintenance services. For example, a contractor bidding to replace an existing maintenance provider may need to account for that provider's collective agreement rather than price the work solely using its own labour arrangements. Even an incoming non-union contractor could become bound by the agreement for the affected bargaining unit; this would not automatically unionize its entire workforce.

Because these obligations can determine wages, benefits and working arrangements, bidders need access to them before submitting a price. Discovering them after award could leave a contractor with labour costs or staffing requirements that its bid did not anticipate, complicating the transition and creating delivery risks.

Clear application rules and advance disclosure would allow bidders to compete on an informed basis while supporting continuity for affected workers.

7. **CCA recommends requiring disclosure of applicable collective agreements and successor obligations in procurement documents before bids are submitted, and clarifying coverage of construction and maintenance contracts and transition requirements so contractors can accurately price labour costs and plan the transfer of services.**

Protecting workers while preserving construction payment flows

Predictable obligations must be accompanied by enforcement mechanisms that account for construction payment chains. CCA supports effective recovery of unpaid wages. However, clause 350 would expand the circumstances in which the Labour Program can require a third party to redirect money owed to an employer covered by Part III of the Canada Labour Code. Following a complaint, an order could be issued before the wage claim is determined, where there are reasonable grounds to believe the employer has failed, or is likely to fail, to pay. The third party would have 15 days from issuance to remit the required amount.

A contractor could therefore be required to redirect a payment owed to a covered subcontractor or supplier. That payment may also support materials, equipment and lower-tier subcontractors, so diversion could affect work and businesses beyond the employer involved. It would also require the contractor to reconcile the order with invoices, contractual deductions and payments already made. With 91 per cent of construction businesses having fewer than 20 employees1, additional administration would place pressure on firms with limited internal resources.

Although the bill restricts when collected funds can be distributed, that safeguard does not prevent the initial disruption to contractual payments. An existing alternative is available: subsection 251.13(2) treats a bank or other financial institution holding employer deposits as a debtor for recovery purposes. Seeking recovery of available bank funds first would reduce unnecessary disruption and administrative burden for construction clients while preserving other options where those funds are insufficient or unavailable.

8. **CCA recommends amending clause 350 to prioritize recovery from available employer deposits under subsection 251.13(2) before redirecting construction payments, while preserving recourse to other debtors where necessary and providing clear notice and procedures to dispute the existence or amount of the contractual debt.**

Conclusion

CCA supports the government's effort to make Canada's project approval, transportation and federal labour frameworks more responsive to the country's infrastructure needs. Bill C-39 provides an opportunity to strengthen investment confidence and improve the conditions for timely construction.

The recommendations in this brief seek to reinforce that progress through targeted amendments and clarifications. Considering construction feasibility before conditions are imposed or changed, improving visibility into timelines and requirements, and preserving reliable contractual payment flows would help contractors commit resources with greater confidence.

CCA encourages the Committee to incorporate these practical refinements and remains available to contribute construction expertise as the legislation and its supporting regulations advance. Their adoption would help translate the government's objectives into infrastructure that serves Canadians and strengthens the economy.

Contact

Canadian Construction Association

250 Albert Street, Suite 300,
Ottawa, ON K1P 6M1

cca@cca-acc.com

cca-acc.com

Canadian
Construction
Association