BC Chamber of Commerce

Two Federal-Provincial Agreements and What They Mean for B.C. Businesses

On July 2, the federal government and B.C. signed the Canada-British Columbia Cooperative Prosperity Agreement, committing investment across infrastructure, clean energy, critical minerals, labour, and trade. On July 3, Ottawa and Alberta announced a process to advance Alberta's proposed West Coast oil pipeline through the federal Major Projects Office. This explainer covers what is in the B.C. agreement, where it connects to BC Chamber policy priorities, and what the Alberta announcement means for B.C.

WHAT IS IN THE CANADA-B.C. AGREEMENT?

- **Port of Vancouver and Roberts Bank Terminal 2**
  A $10 billion federal commitment to expand the Roberts Bank Terminal 2 in Delta. This is the largest single trade infrastructure investment in the agreement and a long-standing network priority on its own terms. The expansion increases West Coast container capacity and improves access to overseas markets for B.C. exporters. It is also the port infrastructure that a southern pipeline route would terminate at, though the commercial and regulatory details of that connection are not yet established.
- **George Massey Tunnel Replacement**
  A $3 billion federal commitment to replace the aging Highway 99 tunnel with a modern eight-lane crossing. A direct intervention on commercial congestion in the Lower Mainland logistics corridor.
- **North Coast Transmission Line**
  $3.9 billion in funding for phases 1 and 2 of a transmission line supplying electricity across the province and connecting B.C. to the Yukon and Alberta. Grid capacity has been a consistent constraint raised by businesses looking to grow and electrify.
- **Critical Minerals and LNG**
  Accelerated permitting and financing for the Red Chris Mine expansion, LNG Canada Phase 2, Ksi Lisims LNG, Cedar LNG, and Woodfibre LNG. The Red Chris expansion represents a $500 million investment targeting a 15% increase in copper production.
- **North Coast Tanker Ban**
  A federal commitment to maintain the North Coast tanker ban. This is the provision that directly intersects with the Alberta pipeline file. The southern routing being discussed for the Alberta pipeline does not cross into the moratorium boundary, and this commitment clarifies that the North Coast protection holds.
- **Labour and Trades**
  Deployment of the federal Team Canada Strong initiative to recruit, train, and certify up to 100,000 new Red Seal trades workers nationally. Paired with a $630 million investment in B.C. to stabilize and expand affordable childcare.
- **National Carbon Credit Framework**
  A new framework to establish working carbon markets. Details are not yet public.

WHAT IS IN THE CANADA-ALBERTA AGREEMENT?

- The federal government has referred Alberta's proposed West Coast oil pipeline to the federal Major Projects Office. This is a referral into a process, not an approval.
- The proposed pipeline would carry approximately one million barrels per day along a southern corridor largely aligned with the existing Trans Mountain route.
- Several material details remain unresolved:
    - First Nations consultation along the corridor
    - Environmental assessment requirements
    - Revenue-sharing framework between B.C., Alberta, and affected communities
    - Commercial terms between any pipeline operator and the port
- The agreement references a potential annual royalty payment to B.C. from the pipeline operator. The structure has not been confirmed publicly.

WHAT THIS MEANS ON THE GROUND

These bilateral agreements represent significant milestones for our province-wide network, directly reflecting the grassroots insights, regional realities, and practical solutions put forward by our members across every corner of B.C.

For B.C. businesses, the agreement is intended to accelerate project timelines through streamlined permitting and First Nations co-ownership frameworks, means major projects will hit "shovel-ready" status at a faster cadence, channeling significant procurement dollars into local economies.

The integration of Team Canada Strong with B.C.'s labour market is intended to alleviate the skilled trades shortage that has contributed to rising construction and capital costs. By tying these infrastructure builds to localized social supports – specifically the $630 million injection into affordable childcare – the framework aims to stabilize workforce participation rates, making it easier for working families to participate in the resource and heavy construction sectors.

While trade protectionism and macroeconomic uncertainty continue internationally, this cooperative framework addresses conditions closer to home that businesses across the province have been raising for years. The implementation details will matter as much as the commitments. We will continue to track both.