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Making the Cut: How Canada Can Optimize Major Project Prioritization and Add Real Value

by David Jones

- Major project prioritization decisions to date – including projects referred to the Major Projects Office (MPO) and/or considered for listing under the *Building Canada Act* (BCA) – broadly align with the federal government's stated objectives. On average, prioritized projects are more likely to meet the five key criteria in the BCA – as well as a sixth criterion introduced in this paper – than non-prioritized projects. However, there is some variation between projects and over time. To advance its objectives and provide greater certainty for private investors, the government should build on this positive start by ensuring its prioritization analysis is evidence-based and transparent.
- This paper includes Additionality – the value of government intervention beyond what would otherwise have occurred – as a sixth criterion in the analysis. Additionality already appears to be an important implicit consideration for the government and MPO in project prioritization to date, even though it is not explicitly cited as a criterion in the BCA. To maximize value for money and to crowd in additional private sector investment, the paper recommends that the government be transparent about the need to target additionality, either by adding it as a sixth criterion or including it in its guidance for project selection.
- While all five criteria in the *Building Canada Act* appear to have a material impact on project prioritization – as does the sixth criterion of Additionality – their relative importance varies across different types of projects. For example, projects being considered for listing under the Act versus the other projects referred to the MPO appear to have a slightly different balance in terms of the extent to which they meet the six criteria. Similar variation is also evident for projects in different sectors, as well as for projects prioritized at different points in time. Such variations in emphasis (in terms of how projects achieve the mix of six criteria) highlight the trade-offs inherent within project prioritization decision-making. In the context of the BCA and MPO, greater public discussion is needed to consider how to optimize project prioritization where trade-offs exist across different criteria.

(1) Introduction

Major projects have moved to the forefront of the federal government's economic narrative, with the impetus to build tied closely to Canada's broader productivity, investment, and nation-building

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ambitions. The enactment of the *Building Canada Act* (BCA) and the creation of the Major Projects Office (MPO) reflect a renewed effort to move major projects forward and overcome barriers to their development.

Previous research by the C.D. Howe Institute (Jones and Fariha 2026) set out a framework for prioritizing major projects in Canada. Now – one year on from the first wave of project referrals to the MPO (Prime Minister of Canada 2025) – it is important to consider whether Canada is prioritizing the projects that can deliver the greatest benefits, where government intervention can make the greatest impact, and whether there are opportunities to enhance the existing prioritization regime.

This paper combines evidence-based criteria and judgement to examine the major projects referred to the MPO and otherwise prioritized by the Government of Canada to date, including projects for which the federal government has announced that it is initiating the process toward potentially listing each as a project of national interest under the BCA. This paper focuses primarily on projects – rather than the MPO's "transformative strategies" (Major Projects Office 2026e) – because projects are typically more developed and can be assessed with greater analytical robustness.[1]

This paper does not seek to critique the establishment of the MPO and BCA. Rather, it takes the roles of the MPO and BCA as given within current regulatory systems and considers how this regime could be optimized. Also, this paper does not assume the outcome of ongoing government initiatives to consider processes for all major projects, such as the recent "Getting Major Projects Built in Canada" consultation (Government of Canada 2026).

In undertaking the analysis, this paper builds upon a previous C.D. Howe Institute report (Jones and Fariha 2026) by considering the "additionality" derived from MPO referral and/or the listing of a project as being "in the national interest." Additionality refers to the impact of referring or listing a project above and beyond what would have occurred if these regulatory processes did not exist.

Canada's New Major Project Framework

Since mid-2025, the BCA and MPO have become increasingly prominent in Canada's major project landscape.

In June 2025, the Government of Canada enacted Bill C-5, which contained the BCA, enabling certain projects to be listed as being "in the national interest" and – effectively – allowing the federal government to grant approval for those projects for permits, licences, or other approvals required by existing laws and regulations, subject to certain conditions.

To support the government in identifying which projects are in Canada's national interest, the Government of Canada created the MPO in August 2025. In its advisory role, the MPO evaluates projects – including in relation to the factors (criteria) outlined in the BCA – and provides recommendations to the government on whether further project support is merited, including whether a project should be listed under the BCA as being "in the national interest" (Major Projects Office 2026b). The MPO also has an operational role: Where the government refers a project to the MPO, the MPO helps to accelerate the development of that project (Prime Minister of Canada 2025), including through guidance, engagement, Indigenous consultation support, financing, and coordination as a single point of contact for federal approval processes.

1 The analysis focuses primarily on major projects. However, it includes two specific projects which are part of a strategy referred to the MPO (i.e. Gull Island Hydroelectric Power Plant and Expansion of Churchill Falls), as well as two relatively well-developed strategies which were scored in detail as part of previous C.D. Howe Institute research (Alto High-Speed Rail and Port of Churchill Plus) (Jones and Fariha 2026).

Table 1: Projects Referred to the MPO and Considered for Listing under the BCA

Project	First Wave	Second Wave	Third Wave	Fourth Wave
	Referrals to the MPO			Consideration for BCA listing
LNG Canada Phase 2	X			
Darlington New Nuclear Project	X			
Contrecœur Container Terminal	X			
McIlvenna Bay Copper Mine	X			
Red Chris Copper and Gold Mine	X			
North Coast Transmission Line		X		
Ksi Lisims LNG and Prince Rupert Gas Transmission		X		
Crawford Nickel Project		X		
Nouveau Monde Graphite's Matawinie Mine		X		
Sisson Mine (Northcliff Resources)		X		
Iqaluit Nukkiksautiit Hydro Project		X		
Mackenzie Valley Highway			X	X
Grays Bay Road and Port			X	X
Arctic Economic & Security Corridor			X	
Taltson Hydro Expansion Project			X	
NWMO Deep Geological Repository (simultaneously referred to the MPO)				X
West Coast Oil Pipeline (simultaneously referred to the MPO)				X
Roberts Bank Terminal 2 (simultaneously referred to the MPO)				X

Note: The first wave of project referrals to MPO was on 11 September 2025. The second wave of project referrals to the MPO was on 13 November 2025. The third wave of referrals to the MPO was on 12 March 2026. During June-July 2026, there was a fourth wave of projects announced as being considered for listing under the BCA. During the fourth wave, the NWMO Deep Geological Repository, West Coast Oil Pipeline, and Roberts Bank Terminal 2 were simultaneously referred to the MPO.

Source: Individual project descriptions hosted on the MPO website. See: Major Projects Office. 2026. "Projects Referred to the MPO." https://www.canada.ca/en/privy-council/major-projects-office/projects/national.html.

To date, 18 projects in total have been referred to the MPO, along with nine transformative strategies at an earlier stage of development and/or broader in scope, such as the Critical Minerals Strategy (Major Projects Office 2026a). For five of these projects, the federal government has announced that it is initiating the process toward potentially listing each as a project of national interest under the BCA. Hereafter, this paper distinguishes between the five projects which are being considered for listing under the BCA, and other projects which have been referred to the MPO.

(2) Approach to Assessing Project Prioritization

This report analyses a dataset of 44 projects, building upon the longlist of projects considered within previous research by the C.D. Howe Institute (Jones and Fariha 2026).[2] To date, various projects have been referred to the MPO by the government or are actively being considered for listing "in the national interest" (Table 1). This provides an opportunity for comparison – by undertaking an assessment of projects which have been referred to the MPO and/or projects being considered for listing under the BCA (which, collectively, are referred to as "prioritized" projects) compared with an assessment of all other projects (referred to as "non-prioritized" projects).

Comparing prioritized versus non-prioritized projects in this way provides two useful analytical outcomes. First, it provides an initial assessment of whether prioritized projects are more likely to achieve the government's objectives than non-prioritized projects. Second, it allows inferences to be drawn about how projects have been prioritized to date, akin to revealed preference. For example, if prioritized projects score very highly on specific criteria, this suggests that the government is placing greater weight on those criteria in its decision-making.

Consistent with previous Institute research (Jones and Fariha 2026), this paper uses a simplified form of multi-criteria decision analysis (MCDA). Through research, analysis, and judgement, projects are assessed against a consistent set of criteria, and an overall "score" is estimated by applying a set of weightings across those criteria. Further details on the methodology are provided in Appendix A.

The BCA lists five non-exhaustive factors (here referred to as criteria) that the government may consider when determining whether a project is in the national interest. The MPO also uses these five criteria when evaluating projects. These criteria are set out in Table 2, along with the abbreviations used in the figures and charts within this paper.

Through their analysis, Jones and Fariha (2026) recommended a sixth criterion – Additionality – to supplement the five criteria listed in the BCA. The rationale for this extra criterion is that the government should use its legislative, regulatory, and policy levers to maximize the additional benefits to Canadian taxpayers – beyond those that would have accrued had the government not intervened. The analysis in this paper includes Additionality as a sixth criterion, as set out in Table 2.

2 Jones and Fariha (2026) developed a list of potential major projects which was based on proposals by provincial/territorial governments and media reports. To form the dataset for this project, we took the Jones and Fariha list of 45 projects, excluded five projects (e.g. some "projects" are better defined as strategies than projects) and added the four other projects referred to the MPO or being considered for listing under the BCA, to give a final list of 44 projects within this report.

	Defining the Assessment Criteria	Abbreviation in This Paper
Criteria in the BCA		
1	Strengthen Canada's autonomy, resilience, and security	National
2	Provide economic or other benefits to Canada	Economic
3	Have a high likelihood of successful execution	Likelihood
4	Advance the interests of Indigenous Peoples	Indigenous
5	Contribute to clean growth and to Canada's objectives with respect to climate change	Environmental
Additional criterion used in the analysis in this paper		
6	Additional benefits beyond those that would have accrued had the government and/or MPO not intervened.	Additionality

Table 2: Criteria Used to Assess Major Projects

Source: Major Projects Office (2026b); author's conceptualization.

In this paper, additionality is considered on a project-by-project basis. The analysis does not make a judgement on the additionality of the BCA/MPO regimes overall.[3] The following section examines this sixth criterion, which is not identified under the BCA, but is important for assessing the government's decisions under the Act.

Assessing Additionality

Additionality is defined using two components. First is the level of risk inherent to a project and the ability of the MPO and/or government to mitigate these risks. Second is the stage of project development, because the MPO/government is likely to have the greatest impact on a project that is well-developed but still requires support with approvals and/or financing.

In assessing additionality for the various projects considered in this report, the analysis draws on several sources of evidence.

In relation to mitigating potential project risks, certain sectors appear to have longer completion timeframes, higher associated risks, and/or greater reliance on private sector funding – such as mines, ports, and electricity

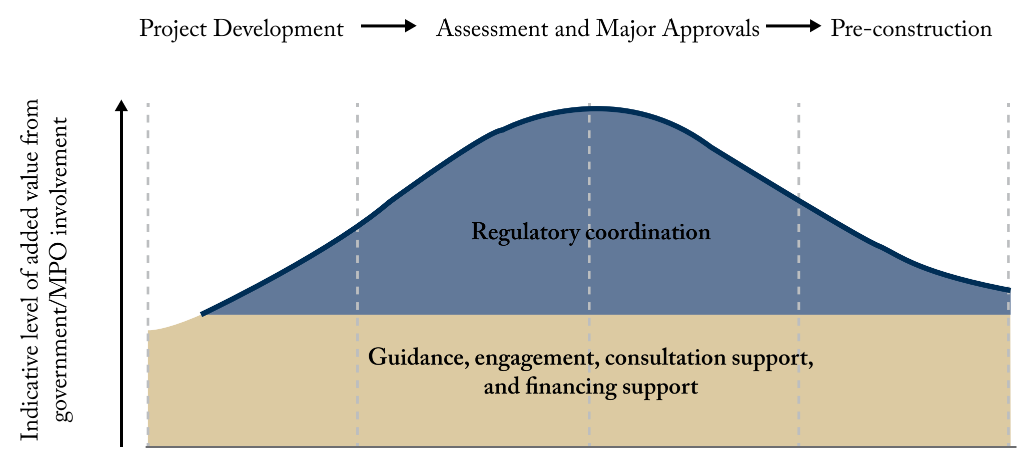
3 At a macro level, the introduction of the BCA and MPO has created a "two-tier" system, where some projects are prioritized and others are not. Under the assumption of finite government resources, the benefits accruing to prioritized projects could partially displace the benefits from non-prioritized projects, such that aggregate additionality is less than the benefits derived by prioritized projects only. However, this paper utilizes a project-by-project view of additionality, by considering the benefits derived to each individual project from referral and/or listing (such as coordinating and streamlining federal approvals), but without considering the implications of the BCA and MPO on "macro level" additionality.

Table 3: Proposed Sub-Criteria Used to Assess Additionality

	Information and metrics sought for the assessment (where available)
Criterion Six: Additionality	
Mitigating potential project risks: The greater the risks to project timelines, certainty of completion, and the reliance on private sector funding, the greater the impact there will be for that project if it receives MPO referral and/or listing under the BCA.	a) Sectors and/or projects that typically have long average completion timescales – particularly due to the federal regulatory processes. b) Sectors and/or projects that typically have a relatively high level of uncertainty in terms of reaching completion. c) Sectors and/or projects in which projects typically rely on private sector funding. d) Projects for which federal jurisdiction is greatest and therefore can have the greatest impact on development.
Stage of project development: Additionality from MPO referral and/or listing under the BCA is likely to have the greatest value for "mid-stage" projects.	a) Is the project well-defined, is there a proponent, is there a clear business case, and have initial consultations (including with Indigenous Peoples) been undertaken? b) Are the formal assessments, approvals, and permits yet to be undertaken and obtained?

Source: Author's conceptualization.

Figure 1: Indicative Assessment of Where MPO and Federal Government Intervention Could Have the Greatest Additional Impact on Major Projects



Source: Author's interpretation based on project development cycle and MPO role.

Table 4: Indicative Assessment of Project Risk and Private-Sector Funding, by Sector				
	Time to Completion*	**Completion Risk***	**Role of Private Sector Funding***	**Overall Risk**
Energy networks	Medium (2026)	Transmission – low Pipeline – medium	Transmission – medium Pipeline – high	Low-to-medium
Energy generation	Hydro – low (2018) Nuclear – low (2026) Hydro – high (2026) Wind – medium (2026) Oil/gas – medium (2026) Coal – high (2018)	Hydro – medium Oil & gas – medium Coal – high	Nuclear – medium Wind – high	Relatively high
Mines	High (2018) High (2026)	Medium	High	Relatively high
Ports	High (2018) Medium (2026)	n/a	High	Relatively high
Transport	Road – low (2018) Road – high (2026) Rail – low (2026)	Road – medium	Road – low Rail – medium	Medium on average

Notes: For time to completion, Orenstein (2018) data reflect the duration of the environmental assessment (EA), where low is defined as less than three years, medium as three to four years, and high as more than four years. Alternative time to completion data are based on a C.D. Howe Institute analysis of Canadian Impact Assessment Registry data from 2019-2026 (i.e. different to EA), where low is defined as less than one year, medium is one to three years, and high is more than three years. For risk, low is defined as 90-100 percent completion, medium is 60-90 percent, and high is below 60 percent. For the role of private funding, low is defined as private investment being less than 30 percent of total investment, medium is defined as 30-60 percent, and high is defined as above 60 percent. Estimates were refined through peer review from sector experts. Energy projects often involve elements of generation (or refinement) and transmission and are assumed to have a blended risk profile across these two categories.

*Sources: Red and light gold ratings in the final column are set based on the author's judgement. Time to completion is informed by a policy brief by the Canada West Foundation (CWF) (Orenstein 2018, p. 2 and Figure 2) and research by the C.D. Howe Institute (Vegh and Koplovich 2026). Risk is also informed by Orenstein (2018). The split of private versus public funding is sourced from Statistics Canada (2026).

generation projects. For these sectors, project prioritization is likely to have the greatest impact by increasing the likelihood of project success, reducing project timeframes, and crowding in private investment.

With respect to the stage of project development, the indicative assessment of the potential additional value offered by the MPO and the government is illustrated in Figure 1. The assessment draws on a review of MPO materials (Major Projects Office 2026d).

As Figure 1 illustrates, at an early stage of project development, the MPO can provide guidance and signposting on the regulatory process, assist with engagement and consultation with stakeholders (particularly with Indigenous Peoples), and support project financing, particularly where federal funding is involved. This is illustrated by the lower block in Figure 1. In addition, the MPO/government can play a major role in coordinating federal regulatory bodies and processes, as well as coordinating with provincial regulatory processes. This is illustrated by the upper half of Figure 1, which rises and then falls more gradually. Major approvals and assessments are less likely to commence until the proposed project is sufficiently well-defined and developed, but once these approvals are in place, the MPO's role is likely to become less intensive. For example, once decisions on major approvals (such as the federal impact assessment) have been reached, fewer subsequent permits may fall under federal jurisdiction.

(3) Analyzing Which Projects Are Making the Cut

How Projects Score

For the 44 projects considered in this study, scores out of five were estimated for each project across the six criteria (including the five BCA criteria and Additionality as a sixth criterion). This involved desk-based research and the use of judgement to assess and score the projects with respect to the six criteria. To ensure comparability of scores, the scores for each project were triangulated against a benchmark project for each sector – see Appendix A. This assessment was based on information available in the public domain, so these scores could be further refined through additional project-level data and discussions with sector-specific experts, in line with MCDA best practice.

Aggregating across all of the projects reviewed creates a material sample by which prioritized projects – those projects referred to the MPO and/or considered for listing under the BCA – can be compared with non-prioritized projects.

Figure 2 below shows, for each of the six criteria, the average scores for prioritized projects (blue line), average scores for non-prioritized projects (gold line), and the "delta" (difference) between these two lines (grey columns). The "delta" for each criterion (which is referred to throughout this paper) is the difference between average project scores for prioritized projects and average project scores for non-prioritized projects for that specific criterion. On average across all of the projects considered in this study, this delta is positive for all six criteria, which signifies that prioritized projects scored higher than non-prioritized projects across all six criteria on average.

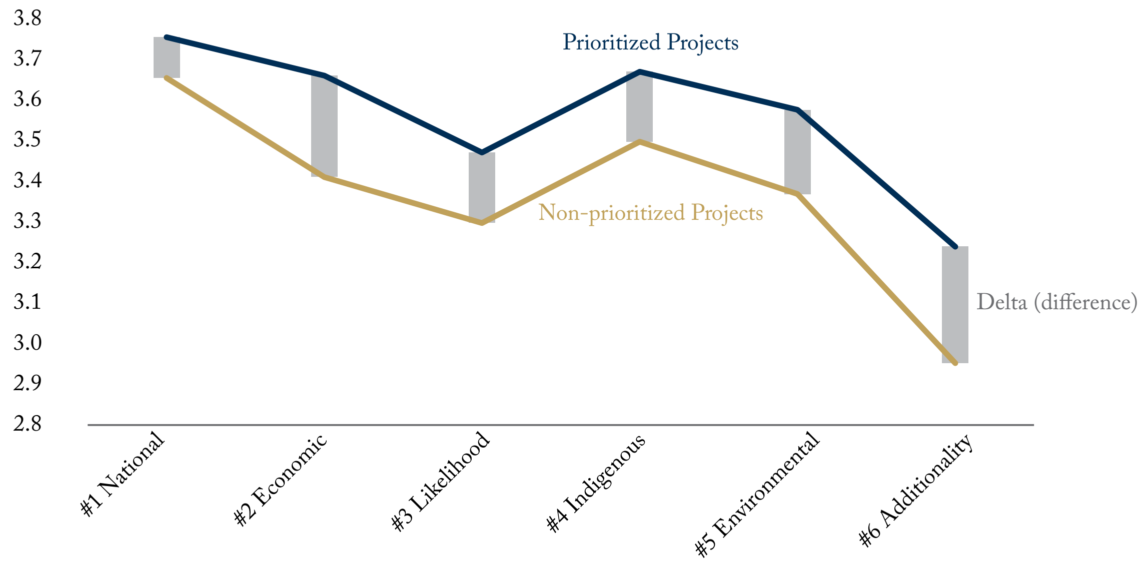
However, on a project-by-project basis, scores for each criterion vary across the projects, which reflects the relative strengths and weaknesses of different projects in meeting the government's objectives. The detailed results for each project and criterion are shown in Appendix B, with projects grouped by sector.

Criteria Weightings

The results also provide insight into which criteria appear to be the most important within prioritization decision-making. Based on the results in Figure 2, there are two different ways to view which of the criteria have received the greatest weightings.

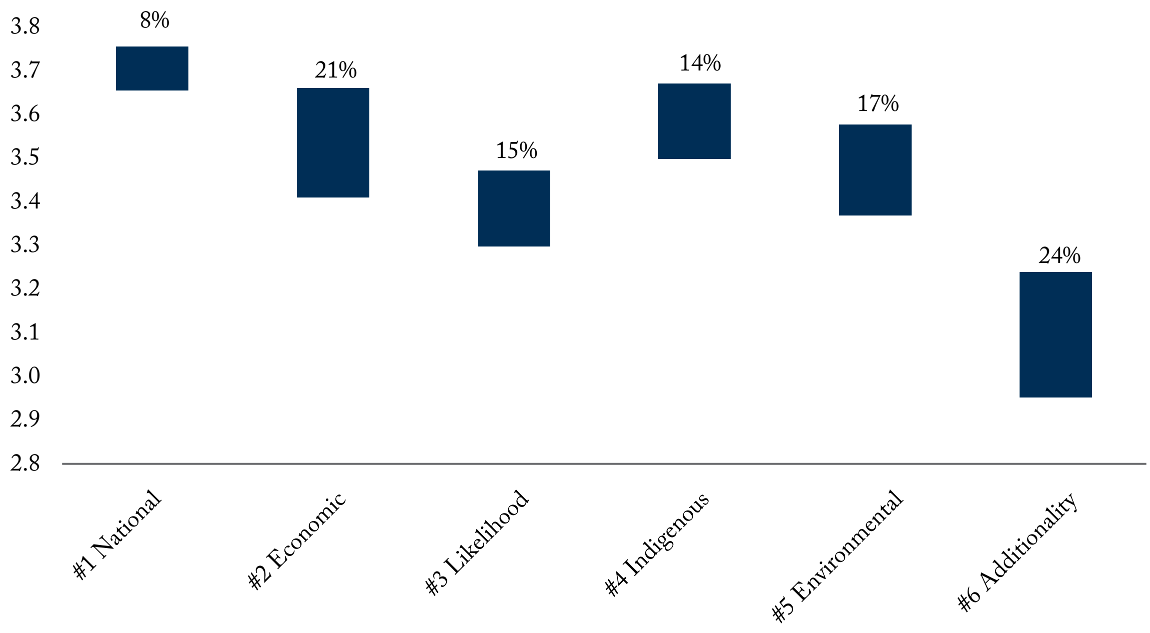
First, the levels of the scores for prioritized projects (i.e. the blue line) indicate which criteria feature strongly within selected projects. On average across prioritized projects, the criteria with the highest scores for prioritized projects (the blue line) are National (strengthening Canada's autonomy, resilience, and security), Economic (providing economic or other benefits to Canada), and Indigenous (advancing the interests of Indigenous

Figure 2: The Difference Between Average Scores for Prioritized and Non-Prioritized Projects by Criterion



Source: Author's calculations.

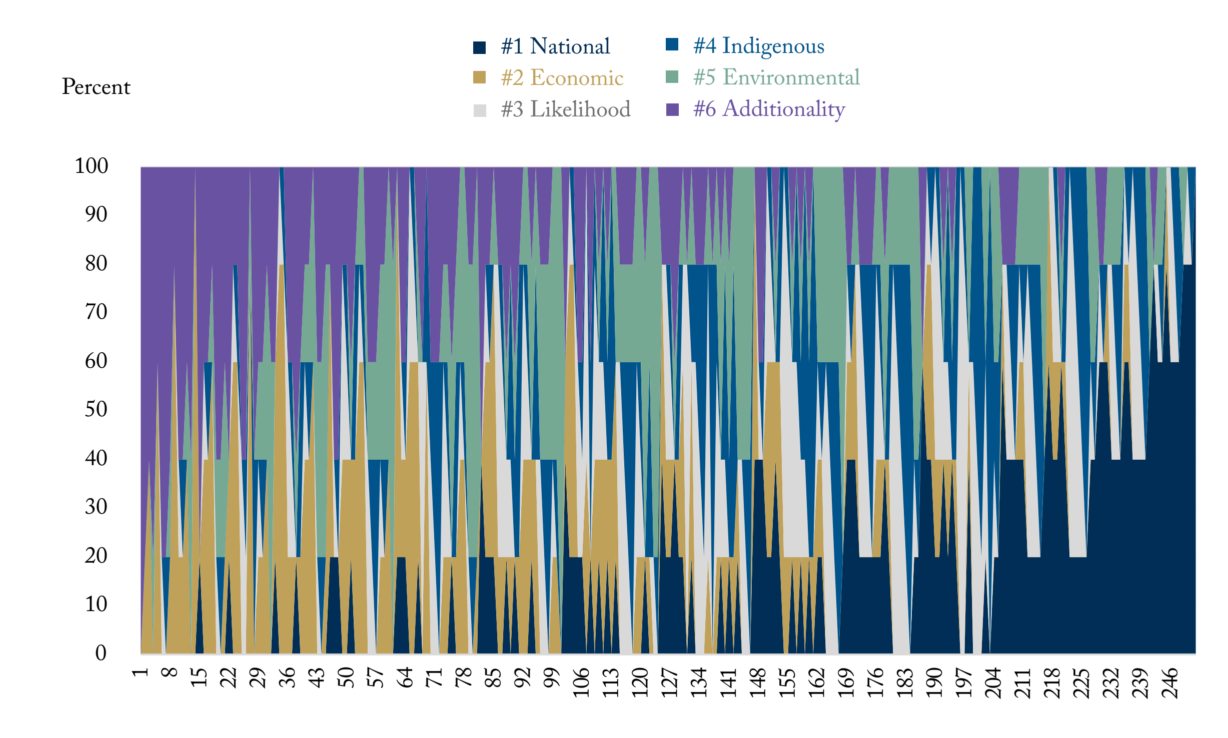
Figure 3: Score Delta and Percentage of Total Delta, by Criterion



Notes: The delta between average scores for prioritized and non-prioritized projects (blue columns) and each criterion's delta as a proportion of the total delta across all criteria (percentage shown in the bar).

Source: Author's calculations.

Figure 4: Criteria Weightings that Maximize and Minimize the Delta between Prioritized and Non-Prioritized Projects



Notes: Each point on the x-axis represents a scenario with a different permutation of criteria weightings. In the chart, scenarios are ordered from left to right, such that the left-hand side of the chart shows permutations of criteria weightings that generated the largest weighted average delta across all projects. This is calculated by taking the criterion-specific scores for each project, weighting them based on the criteria weightings for a given scenario to get an overall score for each project, then calculating the difference between the average score for all prioritized projects and all non-prioritized projects.

Source: Author's calculations.

Peoples). However, while major differences between criteria scores would likely provide some sense of relative importance, the scores for the different criteria are based on different sets of metrics and therefore are not definitively comparable.

Second, the analysis considers the delta between prioritized and non-prioritized projects. As the delta is calculated across the full sample of projects, a large delta suggests that the government is consistently prioritizing projects that score more highly for that criterion, implying that it is a significant factor in prioritization decision-making.

Figure 3 shows the delta (from Figure 2) and denotes each criterion's delta as a percentage of the aggregate delta across all criteria. The criteria with the largest share of the total aggregate delta are Additionality (24 percent), Economic (21 percent), and Environmental (17 percent). The National criterion (strengthening Canada's autonomy, resilience, and security) had the smallest delta across the six criteria considered in this paper.

However, the delta was still positive, meaning prioritized projects still scored higher on this criterion than non-prioritized projects.[4]

Across these two approaches, both measures have pros and cons; therefore, it is prudent to consider both. On balance, the second approach (i.e. the delta) is a more informative and reliable indicator of the importance placed on different criteria within prioritization decision-making. While the delta values are relatively sensitive, they are more comparable across criteria.[5]

Focusing on the delta approach, optimization analysis[6] was used to cross-check these results and the outputs are shown in Figure 4. Across all projects, the delta in average scores between prioritized and non-prioritized projects is highest when greater weight is given to the Additionality (purple) and Economic (gold) criteria. This suggests that these are important factors for the government when considering which major projects should make the cut as prioritized projects. While additionality is not a stated criterion within the BCA, the results suggest that additionality may be considered implicitly within the project prioritization process.

(4) What Is Driving Project Prioritization and How Can the Approach be Optimized Moving Forward?

This section provides further analysis of the main results – including disaggregated comparisons in relation to the timing, sector, and type of project prioritization – and sets out the key takeaways and recommendations. As noted, this paper does not seek to critique the establishment of the MPO and BCA, but rather takes the current regime as given and seeks to make observations and recommendations within this context.

Prioritization decisions to date appear to broadly align with the federal government's stated objectives. However, with some variation between projects and over time, the government should build on this positive start by ensuring its prioritization analysis is evidence-based and transparent.

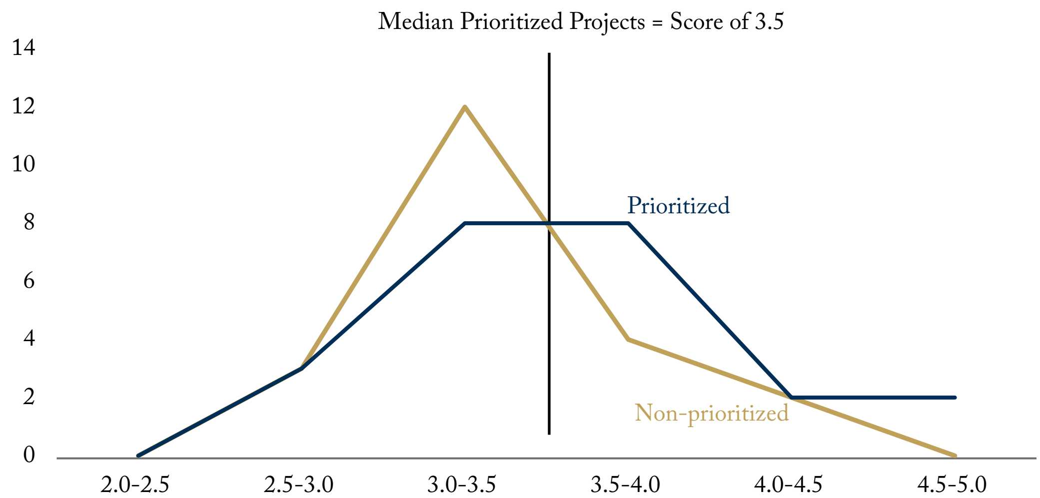
Figure 2 provides a positive finding overall: Based on the projects reviewed, prioritized projects score higher on average across each of the six criteria than non-prioritized projects. This implies that, across all projects, the government's prioritization decisions align with the objectives set out in the BCA, regardless of how the criteria are weighted in decision-making.

4 "Strengthening Canada's autonomy, resilience, and security" is the criterion with the smallest absolute delta, with both prioritized and non-prioritized projects scoring well in this category. For example, there are a number of potential ports, mining projects, and cross-province energy projects which have not yet been prioritized but which scored relatively highly in this criterion.

5 The delta is sensitive to the choice of projects included (see Appendix A). First, some projects originally proposed by provinces appear to have been speculative, which creates a relatively low baseline against which to compare prioritized projects. Second, the analysis in this paper includes four projects related to strategies, which, if excluded, would reduce the implied weighting of the Environmental criterion based on the delta score. Third, necessarily, this report does not consider all potential non-prioritized projects. Assessing additional projects would increase the sample size and provide further assurance on key findings.

6 Optimization analysis involved modelling different weighting permutations and ordering these weighting scenarios based on which gave the highest (to lowest) weighted average delta. See Appendix A, step four.

Figure 5: Distribution of Projects by Score Achieved for the Economic Criterion



Source: Author's calculations.

However, some project prioritization decisions merit further discussion. For example, the economic viability of some mines referred to the MPO is sensitive to global commodity prices. MPO referral could help these projects secure federal funding, but at a cost – either through significant federal outlays or by supporting projects in which private investors have shown some reluctance. Moreover, some non-prioritized projects appear to score relatively well against the government's objectives, such as the Kivalliq Hydro-Fibre Link in Nunavut or dredging work at the Port of Vancouver.[7]

Figure 5 demonstrates the variation in scores for the Economic criterion across the 44 projects in this study. The chart shows the number of projects (y-axis) within different scoring bands (x-axis). Although this indicates that prioritized projects achieve higher estimated scores for this criterion on average – because the distribution of prioritized projects (blue line) is further to the right than non-prioritized projects (gold line) – it also shows that some prioritized projects scored relatively poorly for this criterion, while some non-prioritized projects performed well. Project-by-project scores are set out in Appendix B.

Every prioritized project need not necessarily score highly for every criterion (which is discussed further below in relation to trade-offs), but there is clear value in projects scoring well against most or all criteria. First, it ensures that prioritized projects align with the government's stated objectives. Second, for investors, alignment

7 Government decision-making is informed by a range of detailed project-by-project considerations, some of which are not readily available publicly. Therefore, further data collection and analysis would be needed to assess the robustness of individual project decisions definitively.

is important as it reduces uncertainty and supports private investment. For example, for the Economic criterion, MPO referral and/or BCA listing should go beyond federal funding and help drive private sector investment, in line with government objectives (Department of Finance Canada 2025).

The analysis in this report suggests that the government has made a positive start overall in its implementation of the BCA and MPO regime. While a degree of flexibility is necessary within policymaking, there is scope for the government to go further in undertaking transparent, evidence-based analysis and decision-making. This concerns not just the assessment of projects with respect to the six criteria in this paper, but also broader appraisal methods.[8] This will ensure that prioritization decisions are further optimized to support the government's stated objectives and will provide the stability and certainty required to crowd in private sector investment.

Additionality appears – implicitly – to be an important consideration in project prioritization. To drive value for money, this paper recommends that the government be more explicit in targeting additionality, either by introducing it as a sixth criterion or by including it as a key consideration within project selection guidance.

Additionality is important from a taxpayer value-for-money perspective. Government actions should seek to maximize incremental (additional) net benefits, or else intervention risks higher costs for limited benefits, or even the displacement of private funding. Overall, the analysis in this paper suggests that the federal government is – at least implicitly – prioritizing projects where MPO referral and/or listing under the BCA would provide genuine additional value.

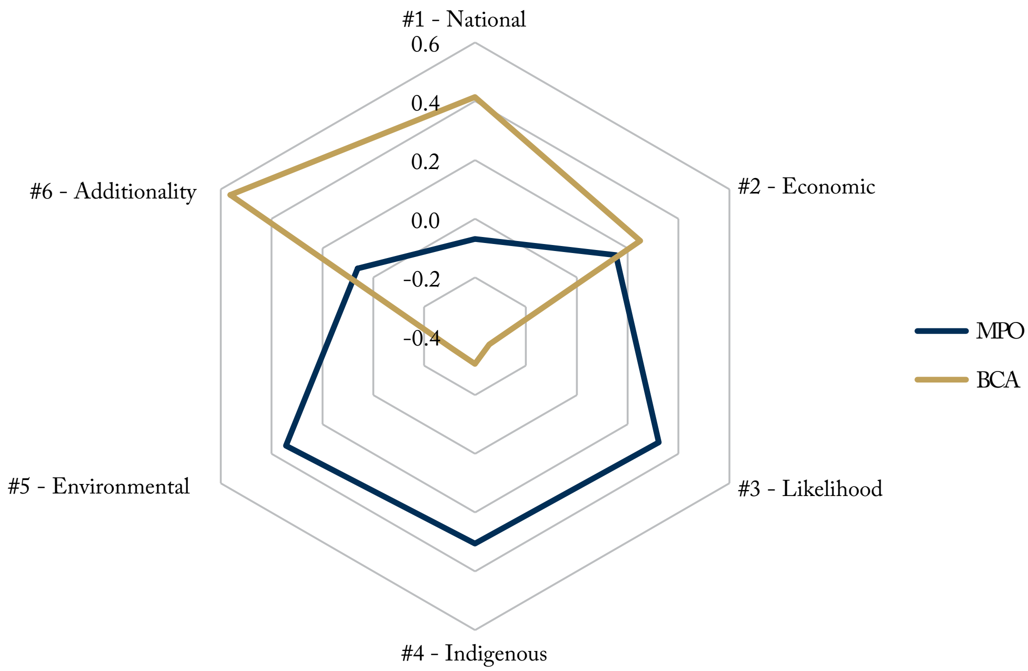
Moreover, across all six criteria considered in this report, Additionality has the largest delta in scores between prioritized and non-prioritized projects. As such, the government may already be giving additionality significant weight in its project prioritization decision-making.

Looking ahead, in the context of the BCA and MPO, this paper recommends explicitly considering additionality alongside the other five BCA criteria. This could be done either by introducing Additionality as a sixth criterion, or by explicitly referring to additionality as a key consideration within MPO's project selection guidance for evaluating projects (Major Projects Office 2026d). The inclusion of additionality as an important consideration aligns with the Treasury Board of Canada Secretariat's (TBS) Cost-Benefit Analysis Guide for Regulatory Proposals, which defines relevant benefits as "the *incremental* benefits of the regulatory scenario(s) as compared to the baseline scenario" (Treasury Board of Canada Secretariat 2022).

All the criteria in the BCA appear material in prioritization decisions to date, although to greater or lesser extents. Given the considerable flexibility within the current prioritization framework, further debate and transparency are merited around trade-offs across criteria to maximize public value and support private sector investment.

8 For example, even if project prioritization decisions align with government objectives, this does not indicate how individual projects would perform with respect to cost-benefit analysis.

Figure 6: Delta by Criterion – MPO Referrals and Projects Considered for BCA Listing



Notes: The BCA line compares projects considered for listing under the BCA against all other projects. A data point towards the edge of the web diagram indicates a large, positive delta between the average score for projects considered for BCA listing and all other projects. The MPO line compares MPO-referred projects to all other projects.

Source: Author's calculations.

As noted above and illustrated in Figure 2, prioritized projects score higher on average across each of the six criteria than non-prioritized projects. However, disaggregated analysis provides further insight into the government's approach to project prioritization decisions to date.

How Priorities Vary for Projects Considered for BCA Listing versus the Other Projects Referred to the MPO

First, when comparing projects referred to the MPO with projects considered for listing under the BCA, there appears to be a notable difference in emphasis across the criteria. Figure 6 shows the delta, by criterion, between projects referred to the MPO (relative to all other projects) and those being considered for listing under the BCA (relative to all other projects). For MPO referrals, the delta is high for the Indigenous, Environmental, and Likelihood criteria. On the other hand, although the sample size for projects being considered for listing under the BCA is relatively small (five projects), there is a reasonably clear pattern in terms of the relatively high scores for the National, Economic, and Additionality criteria.

Referral to the MPO and listing under the BCA are different policy levers, so their intended use is likely to differ. For example, some potential projects with high Economic and National value may face risks to project completion, uncertainties around return on investment, and therefore would benefit from support to streamline approvals. The BCA provides the government with a firmer policy lever than referral to the MPO.

How Priorities Vary Over Time

Second, it is possible to consider whether there have been any changes in emphasis over time by differentiating between the "waves" (batches), as illustrated in Table 1. This is undertaken in a similar way by considering how the delta for each criterion changes between projects in different waves. Although subdividing projects by wave reduces the sample size and limits the reliability of the inferences that can be drawn, each wave includes at least four projects, so some insights can be derived.

In Wave One, the delta is highest for "Likelihood," which indicates that the government placed significant emphasis on projects that were "shovel ready" (a high likelihood of success).[9] Wave Two projects had high levels of engagement with Indigenous Peoples and/or ownership. For Wave Three prioritized projects, the delta is highest for the National criterion, which reflects the focus on Arctic security. Projects prioritized within Wave Four (all of which are being considered for listing under the BCA) indicate the largest emphasis on the Economic and Additionality criteria.[10] The results of the delta by wave and criterion are found in Appendix C.

These patterns over time could be due to one or more potential drivers. For example, they might reflect a government "macro strategy" for major projects over time, or an approach to bundling projects in a way that made them amenable to media and public communications, or they may reflect changes in government objectives and/or political factors over time.

How Priorities Vary by Sector

The emphases within prioritization decisions to date also appear to vary by sector, although the trends are less clear-cut. For ports, the delta is consistently positive across all criteria. For mines, there is a negative delta for Additionality, which indicates that non-prioritized projects score more highly than prioritized projects for this criterion. This likely reflects that some prioritized mines were already close to construction and/or operation (i.e. at a late stage of development), such that MPO referral has less additional value. For example, the MPO website reports that construction at the McIlvenna Bay Foran Copper Mine Project (referred to the MPO in Wave One) was already 88 percent complete by January 31, 2026, and "remains on schedule for commercial production in mid-2026" (Major Projects Office 2026c). In contrast, the delta for Additionality is high for prioritized energy projects, as many projects are yet to go through impact assessment and permitting processes.

Trade-offs and Outstanding Questions

While the government has specified the five criteria and outlined the process by which prioritization decisions are made (Major Projects Office 2026d), there appear to be several outstanding questions regarding the evaluation of trade-offs across criteria:

- How are the various criteria being weighted within decision-making, and does that vary for different types of projects?
- When evaluating projects against the criteria, do the government and MPO draw a distinction between outcomes that a project can achieve (such as National or Economic criteria) versus how those outcomes are achieved (such as the Environmental criterion)?

9 This is consistent with a previous C.D. Howe Institute report (Jones and Fariha 2026).

10 This overall pattern is also reflected in prioritized scores for projects within each wave. For example, prioritized projects in Wave One and Wave Two score more highly in relation to Likelihood, Indigenous, and Environmental criteria, whereas Wave Four prioritized projects score more highly in relation to the National, Economic, and Additionality criteria.

- Do all prioritized projects need to be "all-rounders" and score well against all of the criteria, or should the goal be to maximize performance against the criteria in aggregate, even if that means some prioritized projects perform poorly against one or two criteria?
- What are the factors that might lead the government to consider listing a project under the BCA as opposed to only providing MPO support via referral, and what is the process that the government undertakes to reach a decision?

These are significant questions that will impact communities, companies, investors, policymakers, and the nation overall. Therefore, within the existing regime created by the BCA and MPO, this paper recommends a more extensive national discussion around the trade-offs arising from the government's multiple objectives. Greater transparency around potential trade-offs will help to optimize project prioritization, while also providing clearer signalling and certainty for private investors.

(5) Conclusions

This paper examines the major projects being considered for listing under the BCA and other projects which have been referred to the MPO. It builds on, updates, and extends previous research by the C.D. Howe Institute on major projects by considering additionality (derived from MPO referral and/or listing under the BCA) alongside the five criteria for project prioritization listed under the BCA.

This paper does not critique the establishment of the MPO and BCA, nor does it make assumptions regarding ongoing regulatory reform initiatives, but rather it takes the roles of the BCA and MPO as given within current regulatory systems and considers how this regime could be optimized.

In order to further deliver alignment with the government's objectives, maximize value for money, and crowd in additional private sector investment, the three major findings of this paper are as follows:

First, major project prioritization decisions to date do broadly appear to align with the federal government's stated objectives, albeit with some variation between projects and over time. The government can build upon this positive start by ensuring its prioritization analysis is evidence-based and transparent.

Second, this paper includes Additionality as a sixth criterion in the analysis, which – although not explicitly a government criterion – does appear to have been considered implicitly in prioritization decisions. The paper recommends that the government be transparent about the need to target additionality, either by adding it as a sixth criterion or including it within its guidance for project selection.

Third, while all five criteria in the *Building Canada Act* appear to be material to project prioritization – as well as the sixth criterion of Additionality – their relative importance appears to vary for different projects. Further debate is merited regarding how to manage trade-offs across these criteria in order to optimize project prioritization decisions.

Appendix A: Methodology

Step One: The full list of projects was derived as a combination of the list identified from previous C.D. Howe Institute research (Jones and Fariha 2026), plus projects which have been prioritized to date, but which were not on that list.

Step Two: This paper takes forward a recommendation from Jones and Fariha (2026), which is to use a sixth criterion. The first five criteria are taken directly from the *Building Canada Act* (and are listed on the MPO website), which are used by the federal government and the MPO to assess which projects should be referred and/or listed (Major Projects Office 2026d). As noted above, a sixth criterion was utilized – Additionality – which is defined in section two of the main paper.

To obtain the project-by-project scores across a wide range of projects (which facilitates a large sample size), a comparative, rapid review approach was utilized. For projects which had been scored against the five BCA criteria in Jones and Fariha (2026), these scores were maintained in almost all cases.[11] New research was undertaken to consider the potential Additionality from MPO referral and/or listing under the BCA (the sixth criterion). For projects which had not already been scored in detail as part of that previous work, new research was undertaken at the level of each criterion (rather than sub-criterion). Each of these projects was scored, by criterion, by choosing a reference project within the same sector and then scoring relative to the score of that reference project.[12] The same considerations as per Jones and Fariha (2026) were used to score each criterion.

Step Three: For each individual criterion, the average score was calculated for prioritized projects and for non-prioritized projects, with the delta calculated as the difference. The delta calculation is core to the analysis in this paper as it provides a quantitative comparison between projects prioritized to date and those that have not been prioritized. The averages were calculated for all prioritized projects and for sub-groups of prioritized projects to inform different levels of analysis (see section four in the main paper). Several sub-groupings were considered: projects referred to the MPO versus projects being considered for listing under the BCA; projects referred and/or considered for listing at different times (see the "waves" in Table 1); and different project sectors.

Step Four: Optimization modelling was used to cross-check the results from Step Three. This involved calculating the weighted average delta (in Step Three) across different scenarios for weighting criteria, and ordering these weighting scenarios in terms of which gave the highest (to lowest) weighted average delta. This provides an alternative approach to revealed preference because the criteria weightings underpinning a relatively

11 For consistency, scores from Jones and Fariha (2026) were used as previously published, with adjustments made only in exceptional cases as supported by the research. In this paper, only two scores were adjusted: Under the first criterion (strengthening Canada's autonomy, resilience, and security), the score for the Arctic Economic & Security Corridor project was increased from 3.6 to 4.5, and the score for the Iqaluit Nukkiksautiit Hydro Project was increased from 2.5 to 3.5.

12 The reference projects in each sector were as follows: Energy networks – North Coast Transmission Line; Energy generation – Darlington New Nuclear Project; Energy projects – LNG Canada Phase 2; Mines – Red Chris Copper and Gold Mine; Ports – Contrecœur Container Terminal; Transport – Arctic Economic & Security Corridor.

Figure A1: Project Assessment Methodology

Source: Author's conceptualization.

high weighted average delta score are more likely to be indicative of the underlying preferences of the decision-maker (relative to weighting scenarios with a lower weighted average delta score). This analysis was used to corroborate the calculations in Step Three.

Step Five: Results were generated across Steps Three and Four – across all prioritized projects and sub-groups of prioritized projects (see Step Three). Analysis was undertaken to consider trends and implications.

Table A1: Sub-Criteria and Key Information/Metrics for Each Criterion

Criterion One: Strengthen Canada's Autonomy, Resilience, and Security

Risk mitigation: The potential for the project to offset a known risk to Canada's autonomy, resilience, and/or economic security, with particular reference to the impacts of US tariffs.

- Provinces and sectors which are economically "at risk" or insecure within the current global environment, including due to trading relations and tariffs (e.g. the US).
- Whether the project specifically seeks to offset a known risk (as noted above), such as via trade diversification.
- Whether the project supports economic security more broadly via strategic geographical positioning.

Potential opportunities: The potential to positively strengthen Canada in relation to autonomy, resilience, and economic security, such as through growth and/or supply chain integration and resilience.

- Sectors with a positive opportunity to expand Canada's economic growth potential.
- Projects that improve the resilience of goods or services which other sectors depend upon, including supply chains.

Criterion Two: Provide Economic or Other Benefits to Canada

Economic benefit: Economic benefits including their estimated magnitude, their reliability, and/or level of certainty.

- Estimated contribution to GDP and economic growth, including multiplier effects.
- Forecast employment impacts during construction and when operationalized.
- Ability to generate government revenue.

Economic additionality: Additional benefits arising from the project for the government, the likelihood of leveraging private sector finance, and the impact on Canadian taxpayers.

- Financial viability/profitability and the likelihood of attracting private finance and crowding in private investment, e.g. from current business cases and any prior proposals.
- Government funding support required to deliver the project and/or associated infrastructure, as well as evidence of funding already committed.
- Implications for Canadian households, taxpayers, and service users.

Timeliness: The timeliness of benefits, based on the assumption that benefits delivered in the short-term are preferable to longer-term benefits, in line with social time preference discounting.

- Anticipated timeline for project development and delivery, e.g. estimates for year of construction and year of operation. This informs the net present value of benefits.

Future proofing: The extent to which a project provides a high likelihood of delivering economic benefits in a range of future scenarios.

- Forecasts for future demand for that sector's project or service.
- Likely sensitivity to market factors, e.g. for mining, prices and project profitability are impacted by global demand-side and supply-side conditions.
- Ability to diversify and serve multiple markets and use cases, including both domestic and international markets, as well as the level of exposure to a single market or customer.

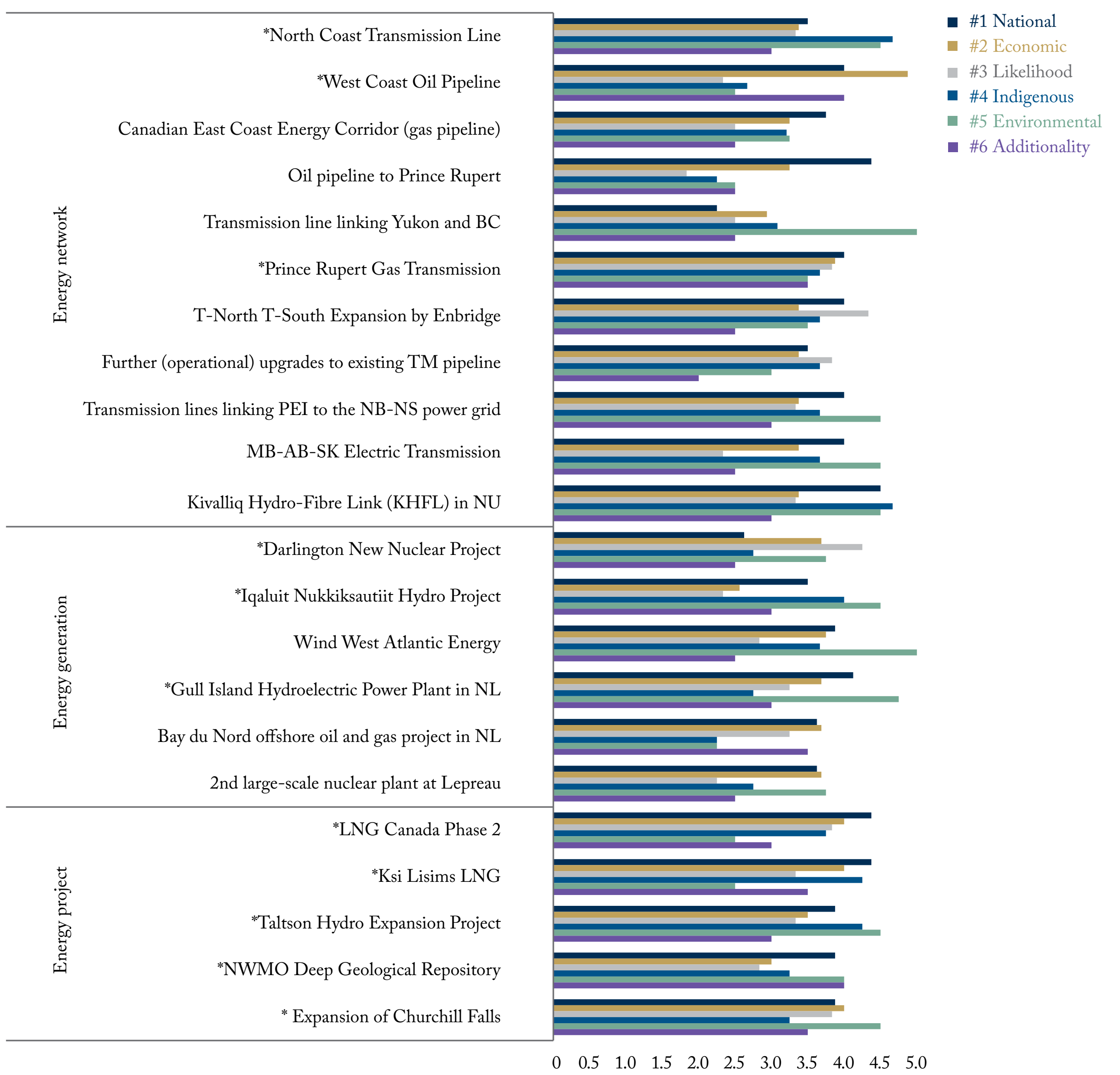
Table A1: Continued

Criterion Three: Have a High Likelihood of Successful Execution
Robustness and Stage of Project Development: The robustness and stage of development of the proposal, including whether the project is well-defined, the robustness of its business planning, and the stage of progress of the project. • The extent to which the project is defined and agreed, e.g. in terms of location and technology. • A project proponent is in place. • The availability of a robust business case. • Stage of progress in terms of completing assessment and consultations, and obtaining approvals, permits, and broader government endorsement. **Precedent**: Precedent for successful project delivery, based on similar past projects and/or historical iterations of the same proposed project. • Approval and implementation timelines of similar projects in past. • Historical strengths and/or recurring challenges.
Criterion Four: Advance the Interests of Indigenous Peoples
Balance: The balance of opportunities and risks, both before and after potential mitigating actions, including consultation, benefit-sharing, and partnership arrangements. • Likelihood of delivering benefits for Indigenous groups, including through measures to support economic reconciliation such as benefit-sharing and/or project partnership arrangements. • Whether positive progress has been achieved to date through Indigenous consultation. • Actions in place to mitigate risks and concerns. **Evidence:** Statements and/or representations from Indigenous groups, where available. • Evidence of support and/or opposition from Indigenous groups for the proposed project. **Precedent:** Precedent where available, for similar projects. • Evidence of benefits delivered historically for projects in similar sectors and/or locations. • Evidence of support and/or opposition for similar projects in the past.
Criterion Five: Contribute to Clean Growth and to Meeting Canada's Objectives with Respect to Climate Change
Balance: The balance of environmental opportunities and risks, both before and after potential mitigating actions, taking into account government priorities, policies, and strategies. • Understanding the counterfactual. • Opportunities to support (and/or risks to achieving) government priorities, policies, and strategies, e.g. forecast impact on emissions. • Environmental assessments, conditions imposed by regulators, and firms' track record in environmental compliance. • Representations from environmental groups. • Possible mitigating actions, such as the use of low-emission technology, carbon capture, utilization, and storage (CCUS).
Source: Summarized from Jones and Fariha (2026).

Appendix B: Scoring Estimates by Project

For the 44 projects considered in this study, scores were estimated for each project across the six criteria (including the five BCA criteria, and Additionality as a sixth criterion). The detailed results for each project and criterion are shown below, with projects grouped by sector. The projects that have been prioritized to date – either through referral to the MPO or consideration for listing under the BCA – are shown with an asterisk.

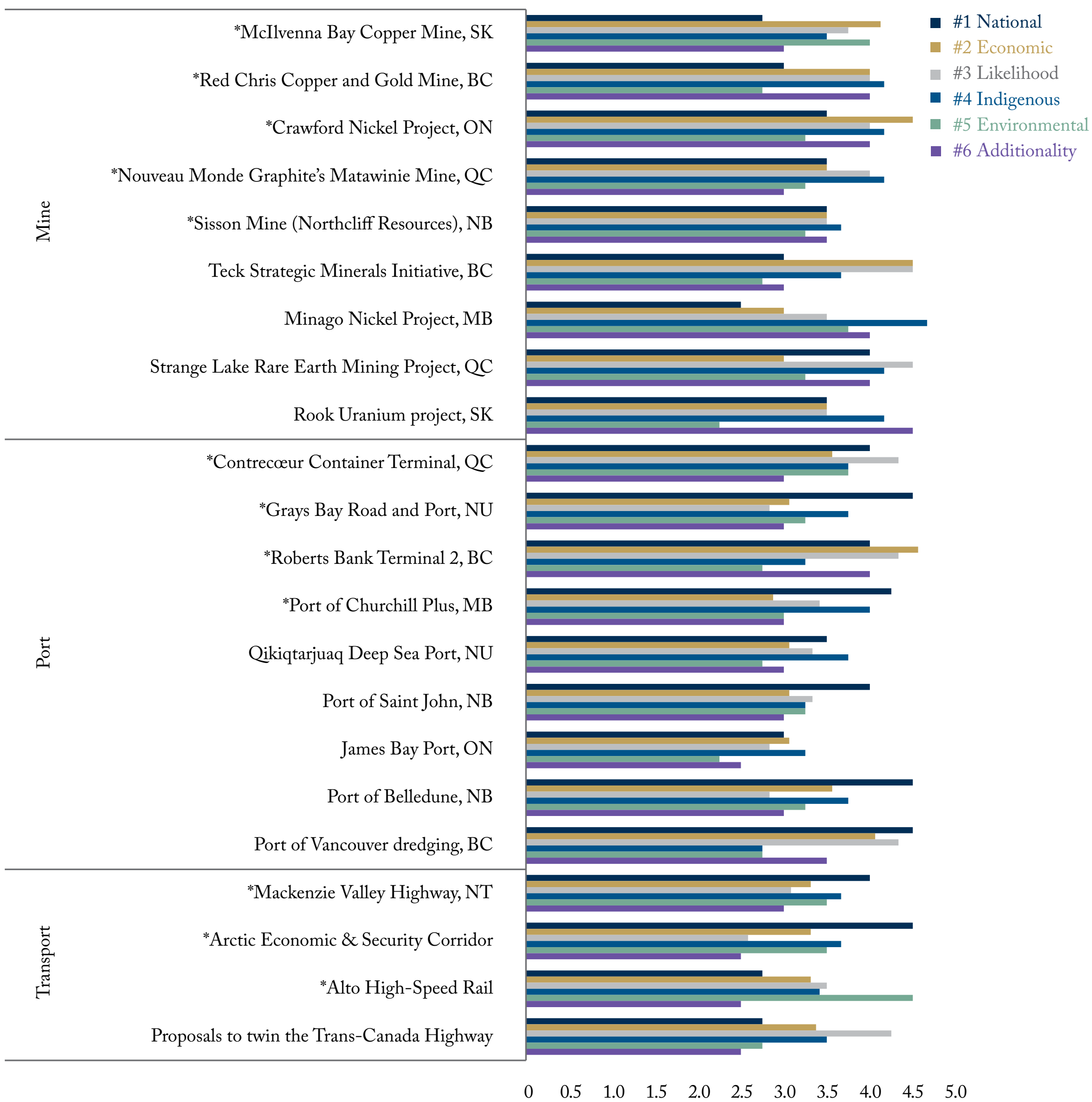
Figure B1: Estimated Project Scores Across the Six Assessment Criteria



* Indicates where a project has been referred to the MPO and/or prioritized by the government.

Source: Author's calculations.

Figure B1: Continued

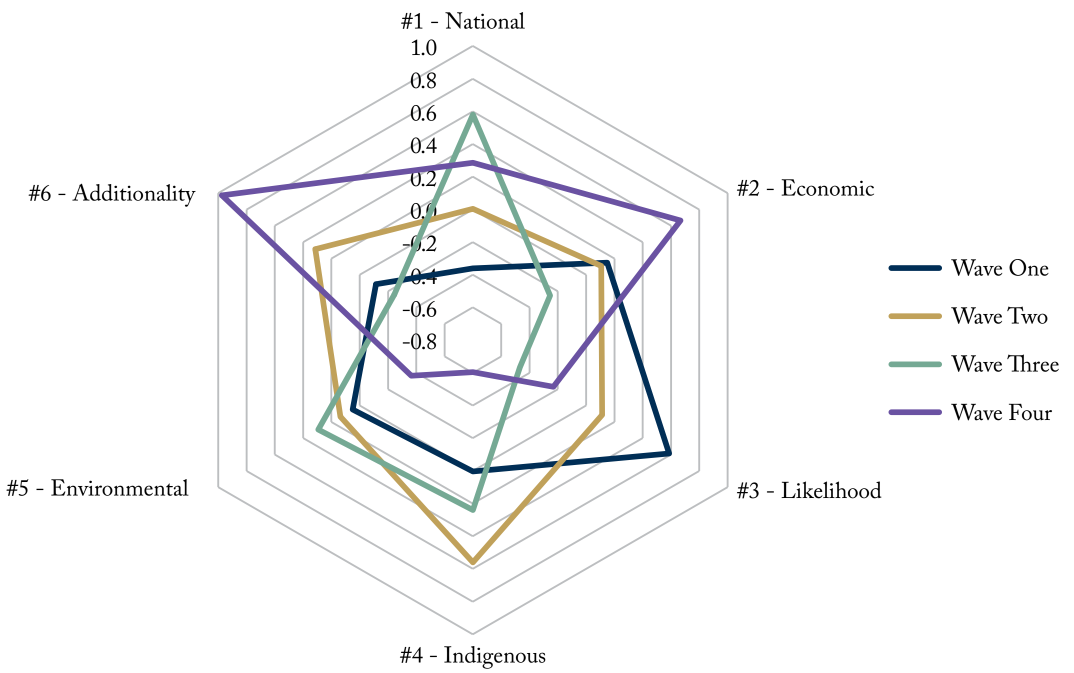


* Indicates where a project has been referred to the MPO and/or prioritized by the government.

Source: Author's calculations.

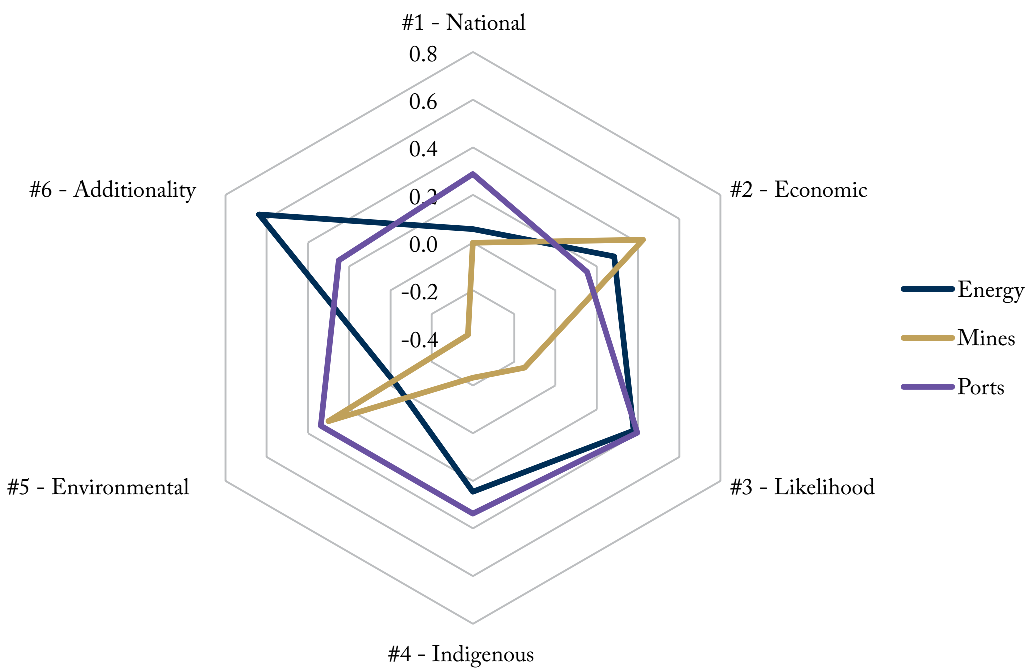
Appendix C: Disaggregated Analysis

Figure C1: Score Delta by Criterion and Wave of Prioritization



Source: Author's calculations.

Figure C2: Score Delta by Criterion and Sector



Note: This figure groups together electricity networks, energy generation, and other energy projects (e.g. LNG terminals) within the "energy" group.

Source: Author's calculations.

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