

CECCO

Construction Employers Coordinating Council of Ontario

Council Meeting
Thursday, September 13, 2018 – 8:30 am
6303 Airport Road, 1st Floor Conference Room

AGENDA

1.	QUORUM		Chair
2.	MINUTES		Chair
	• Executive Committee Meeting June 6, 2018	1	
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3.	ONTARIO CONSTRUCTION SECRETARIAT		R. Bronk
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4.	FINANCE		Exec Dir
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5.	LEGISLATION		Exec Dir
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7.	NATIONAL CONSTRUCTION LABOUR RELATIONS ALLIANCE		Exec Dir
	<i>Meeting October 12, 2018 in Toronto</i>		
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	• Council Meeting December 13, 2018		
11.	ADJOURNMENT		

CECCO

Construction Employers Coordinating Council of Ontario

EXECUTIVE COMMITTEE MEETING MINUTES

WEDNESDAY, JUNE 6, 2018 - 1:00 PM
CECCO BOARDROOM
6299 AIRPORT ROAD, SUITE 708

MEETING ATTENDANCE:

Present

Absent

Executive Member	Bryan Arnold
Executive Member	Tony Fanelli
Executive Member	Tom Lachance
Executive member	Mike Verge
Executive Member	Alex Lolua
Executive Member	Don Marks
Executive Member	Andy Pilat
Executive Director	Wayne Peterson

1. MINUTES

The Executive Committee minutes of the March 5, 2018 on a motion duly moved and seconded were approved as presented.

The Committee perused the Council meeting minutes of March 29, 2018 and agreed to recommend their approval.

2. FINANCE

Revenue & Expense

The Statement of Revenue and Expense dated April 30, 2018 was reviewed. The secretary advised that all was tracking as per budget with the exception of Office Equipment Rental, Stationary & Other. He advised that this was the line item where the approved office renovation costs were being held and the renovation cost was in addition to the approved budget. Upon query the secretary advised that we had not applied for the tenant leasehold improvement allowance as yet as we were awaiting a signed back copy of the lease before we applied.

A question was raised as to the financial balance we have in the bank. It was suggested that if it was more than sufficient to meet our monthly requirements that a portion could be moved to

a redeemable short term investment paying an improved interest rate. The secretary advised that this issue will be investigated.

There was a brief discussion on a broader outreach for CECCO and funding means for this undertaking.

Investment Statement

The Investment Statement dated April 30, 2018 was reviewed. It was noted that the market value of our portfolio was \$4,910 below its December 31, 2017 value and \$11,483 below their purchase value.

The secretary advised that he would be investigating the potential of moving some funds out of our bank account and putting it in a easily redeemable investment vehicle paying somewhat higher interest.

Aging Report

The account receivables aging summary dated May 31, 2018 was perused and found to be in order.

3. EXECUTIVE DIRECTORS REPORT

The Committee perused a copy of the Executive Director's report March to May.

4. TRADE GROUP MEETINGS

The secretary advised that the Trade Group meetings planned for June had been supplanted for the Bill 148 Grievance meeting.

It was noted that it was the intent depending on availability to get the two groups together in July.

5. BILL 148

The agenda, attendee list, PEL EBA course of action chart to date and the notes of the meeting were perused.

Tom Lachance outlined the happenings with MCAO and the UA relating to their hearing date of March 31 where they had a tentative agreement relating to Bill 148: No unfair labour practice by MCAO and PEL days where the .8% is to be paid on the base rate plus vacation pay on hours earned. Tom explained that this tentative agreement fell apart on June 4, 2018 when the UA came back looking to enrich the deal. Concerns were raised by Committee members that this deal would have raised the bars for many trades setting a precedent that was beyond their control.

The Committee reviewed the letters sent to Mister D. Ford requesting the PC party commit to

an exemption from Bill 148 and a letter to Minister Flynn requesting an exemption from the scheduling portion of the Bill.

The response from the Ministry of Labour advising that we should resubmit our request for an exemption relating to scheduling once a new Government is formed was reviewed.

The secretary advised that some members expressed concerns that we were lobbying the Government in general and in particular not sending like letters to all four provincial parties. The secretary was directed to stay to course.

6. ONTARIO CONSTRUCTION SECRETARIAT (OCS)

A report issued by the OCS Executive Director relating to a Best Practices Conference hosted by the Manitoba Construction Sector Council was perused as well the OCS's research path forward document.

7. CECCO NEWSLETTER

A copy of the proposed articles for the summer edition of Dispatch was reviewed. The secretary advised that the next issue will be out in early June.

8. LABOUR NEGOTIATION SEMINAR

A draft copy of our fall 2018 Pre-Bargaining Conference agenda was reviewed. The secretary advised that representatives from the MOL Mediation Services branch, Katharine Jacobs and Reg Pearson were confirmed presenters and that he was still looking for a legal-council presentation. Alex Lolua advised that he could possibly secure the services of a legal firm to talk about the legal aspects of bargaining and Tony Fanelli advised that another firm may be available to discuss the carpenters/labours bargaining issues as well as Bill 148.

9. NATIONAL CONSTRUCTION LABOUR RELATIONS ALLIANCE (NCLRA)

The minutes of the NCLRA meeting held on May 11, 2018 were reviewed. It was noted the Bob Blakely head of the Canadian Building Trades Unions (CBTU) was present for a portion of the meeting were discussion ensued as the how the NCLRA and the CBTU may assist each other in joint lobbying efforts.

An email from Warren Douglas NCLRA's secretary relating to an upcoming meeting relating to the proposed Federal Government Asbestos Legislation was discussed. The secretary advised that he would raise the notice at the Council meeting to ascertain interest among our members.

The Committee also reviewed a 2015 chart prepared by the NCLRA displaying their mission and vision as well as key result areas.

9. OTHER BUSINESS

a) Ontario College of Trades (OCOT)

The secretary advised that he attended an Employer Advisory Group meeting called by the OCS. He advised that the meeting was very informative and the start by the College to seek consensus on issues before they we enacted.

b) Council Meeting June 14, 2018

The Committee was informed that the Executive Director of the OCS Robert Bronk and The head of the College of Trades George Gritziotis would be presenting at the next Council meeting.

It was suggested that the secretary contact COCA to ascertain if they would be interested in attending CEECO meetings to advise of their undertakings.

c) Electrical Contractors Association of Ontario (ECAO)

The secretary advised that he met with Graeme Aitken of the ECAO and upon agreement from our Executive Committee ECAO would again become members of CECCO as of July 1, 2018 based on our letter to J. Koller dated March 28, 2017.

After a brief discussion the Committee agreed to honour our March 2017 letter and directed the secretary to advise ECAO as such.

10. NEXT MEETING

Council:	Council, June 14, 2018
Executive	At the call of the Chair

11. ADJOURNMENT

The meeting adjourned at 3:05 pm



3. ONTARIO CONSTRUCTION SECRETARIAT

Our guest speaker Robert Bronk provided an OCS update. Their AGM is going to be held on September 19 -20th , 2018 in Niagara on the Lake at Queen's Landing - details to follow.

A meeting with Doug Ford is being planned in the next 6 months. A third party contractor has been assigned to do a safety study update. It was noted that the original study concluded that the construction industry is 23% safer with fewer injuries. In 2008, trust funds were set up for specific research areas such as health & safety training, local demographics which consisted of the collection of data for local diversity programs with a snapshot of areas by region of the program's success, and lastly a longitude study on apprenticeship retention.

OCS will be co-brand and co-promoting with other organizations. An OCS website union constructionworks.com has great union trade information but needs to be update to raise visibility about unions and giving to the community through fundraising efforts. He mentioned also that Future Build was very successful with attendance of 8000 students. The media company that was hired provided great coverage. Next Future Build Conference will be in Ottawa in 2019 for more information visit their website.

4. FINANCES

For Information Purposes only.

The Statement of Revenue and Expenditures was received and found to be in order.

Cash and investments position as of March 31, 2018 comprised of the following:

Cash	\$ 78,796
Investments (Market Value)	\$394,973

5. NEGOTIATION COORDINATION

For planning July Trade Groups meetings a doodle survey will be sent out to determine availability. Discussions at these future meetings will be focused on reporting and format with emphasis on sharing of information and ideas for upcoming negotiations.

6. LEGISLATION

Bill 148 - May 3rd meeting notes and P.E. L. Day Chart were reviewed. A discussion about the MCAO hearing from Thursday, May 31 highlighted that a tentative agreement was reached. The major points of the tentative agreement being no unfair labour practice and going forward the contractors would pay the .8% allocated for personal emergency leave would be on the base rate

plus vacation pay and paid on hours earned. This tentative agreement fell apart on the Monday when labour came back requesting additional considerations.

Concerns were raised over the tentative settlement as it may be higher than the law requires and would have an effect on other EBAs. It was suggested that as we move forward into negotiations we must do better and while recognizing each EAB's autonomy we must be cognizant of how the deals we make affect the rest of the industry.

A discussion of the Letter sent to Doug Ford regarding Bill 148 ensued. It was recommended that we meet with the new Minister of Labour as soon as possible asking for construction industry exemption to the scheduling and PEL days as legislated in Bill 148. It was noted that our ad-hoc Bill 148 committee would be reconvened to recommend a course of action.

For Information Purposes only, the response letter from the Ministry of Labour re: Letter to Flynn about scheduling, indicating that once the provincial election is held on June 7th a resubmission of our correspondence should be sent in, once the new cabinet is sworn in.

7. ONTARIO CONSTRUCTION USERS COUNCIL (OCUC)

Included in the meeting package are the Minutes of Council Meeting held on April 6, 2018 and the Agenda for OCUC Council Meeting held on Friday, June 8, 2018 for information purposes only. It was mentioned that a lot of facility owners are not interested in this group anymore. It was noted that in the past this was a vibrant owner group that was useful and did add any value to its members.

8. SPEAKER – GEORGE GRITZIOIS – OCOT

Our guest speaker, George Gritziotis is the CEO and Registrar of the Ontario College of Trades presented the main areas of changes and new developments since its 5 year inception, stressing that they are finally listening and promoting the trades. Major topics included enforcement through the hiring of new staff to look at regulatory versus apprenticeship options and he indicated they will develop a 5 year plan for sustainability. A newsletter will be introduced as OCOT is not well communicated. An emphasis on future research is being introduced that will focus on risk to harm elements such as Health and Safety Data, Accreditation Standards, and Prevention (based on experience). Another area of consideration is at comparing exams vs. skill development and doing joint training by engaging employers. Also very important is the utilization of benchmarks such as technical competencies. Overall, OCOT needs to be updated to meet the changing marketplace. Work elements versus scopes will be a big problem if not properly addressed. The speaker suggested it is better to look at work elements especially, the more problematic ones because they are affected across many trades. There are many factors to consider in changing to compulsory certification of the trades in Ontario. There are 11 criteria

to consider such as education, quality of work within the trades, name changes, infrastructure where there are oversights in compliance, for example with utilities companies and the IHSA.

To improve overall communication with OCOT it is essential to setup Employer Advisory groups to resolve issues upfront. An example would be a Building Trades Future Advisory Group and a separate Employer Future Advisory Group with regulators such as the Ministry of Labour, ESA and WSIB to hear issues at the front end.

Ratio review feedback consisted of both positive and negative comments. Some suggestions included the preference to develop trade profiles such as IDW and regional ratios. Assist in stakeholder reviews, such as government analyzing the risk of changing the trade laws. Set precedent for the requirement of heavy governance because presently there is no structure or process. Currently 18-20% of employer's sponsor their apprentices. OCOT's role is to increase this number. For example, by introducing incentive programs. Finally, it is important to consider best practices and bring them all together.

9. NATIONAL CONSTRUCTION LABOUR RELATIONS ASSOC.

Included in the meeting package are the Minutes of NCLRA Meeting held on May 11th, 2018 for information purposes only. NCLRA Strategy 2015 chart was reviewed and mainly set up to be an information sharing group. Some of the recommendations for this group is to conduct cross country surveys mainly because the provinces are too busy. Establish closer ties with building trades. NCLRA should participate in their lobbying efforts on issues of common concern. There are CRA issues because of legislation changes.

In conversation it was advocated that for CECCO to move forward past a certain level it needs to become more high profile and to do so requires better funding. In conclusion, CECCO's mandate is focused more on labour relations and lobbying whereas, COCA is not focused on non-labour relations issues.

10. OTHER BUSINESS

Dispatch

Dispatch Newsletter Summer 2018 Draft was included for review in the meeting package. Upon query as to the circulation of Dispatch it was noted that a copy of Dispatch is emailed to all members and associate members also available on the CECCO website: www.cecco.org/

There was a brief discussion as to a wider circulation of Dispatch with no conclusion being reached.

Labour Negotiations Seminar

Labour Negotiations Seminar will be held on Thursday, November 8, 2018. A Draft Agenda is included for your perusal. There will be 2 legal firms presenting at the seminar. In addition, bargaining strategy speaker Reg Pearson is confirmed and will be speaking about collective bargaining. Representatives from the MOL will be presenting as well as an economic update by the OCS . For the round table discussion, it was suggested that the bargaining committee members be present from each EBA'S to ensure good attendance for this seminar. There will be 2 or 3 follow up bulletins sent out by the end of June.

Ontario College of Trades

For information purposes only, the Proposed Agenda of the Employer Advisor meeting held on May 15, 2018 is included in the minutes with a direct link access to the Agenda as well. It was mentioned that it is a great idea to bring companies together because there is a change of direction for OCOT to keep people informed.

Federal Asbestos Legislation

Also noted was the upcoming conference call between Canadian Building Trades and the Construction Sector Council on June 19th regarding federal legislation on asbestos. Information would be provided for those who wish to participate.

NEW CECCO Members

There are 25 ICI EBA's but we are still missing some members therefore, we are working hard to get some of these members back. We would like to welcome back the ECAO group who has agreed to join CECCO again.

11. NEXT MEETING

Council – September 13, 2018 – 6303 Airport Road, Unit 102, 1ST Floor Conference Room

12. ADJOURNMENT

The meeting was adjourned at 11:15 a.m.



Board Report AGM & Conference

Prepared by: Christine Allenby, July 31, 2018

Background

The OCS will hold the Annual General Meeting and Conference on September 19 and 20 at the Queen’s Landing in Niagara-on-the-Lake. This year also marks the 25th Anniversary of the OCS and will feature a Gala-type dinner event on September 19th. Previous board members and special guests have been invited to attend. A list of attendees is attached.

Agenda Highlights

Conference Agenda – Wednesday September 19

Day One – Focus on Growing our Share

Growing the union share of work in Ontario’s construction industry is an important goal for labour and management partners alike. Working together our partners can explore innovative, out-of-the-box approaches to capturing new markets.

- 1:00 pm** **Welcome – Robert Bronk**
- 1:15 pm** **Keynote Speaker – “When You Believe, You Achieve”**
Chris Cummins, Ted Talk Speaker
Chris Cummins, Motivational and Ted Talk Speaker, will inspire us to “think bigger” and “act bigger” all the while quieting that inner critic and developing a personal and organizational GPS to take us where we want to be. Chris uses humour and stories and is a true entertainer.
- 2:45 pm** **Break**
- 3:15 pm** **Market Capture Initiatives: A Tool to Enhance Market Share?**
Find out what how the Ironworkers and Rodworkers are collaborating with their contractors to gain new work throughout the province.
- 3:45 pm** **Mega-Projects and Booming Construction Markets – Friend or Foe?**
Industry stakeholders will explore the challenge of staffing big projects while not ignoring their bread and butter and developing important new markets.
Moderator: Cosmo Mannella
Confirmed Panelists: Jim Lyons, Tom Kemp, Jim Vlahos, John Grimshaw
Invited Panelist: Joel Neville, Mark Ellerker
- 4:45 pm** **Closing Comments – Robert Bronk**
- 5:30 pm** **Reception**
- 6:30 pm** **Dinner – OCS 25th Annual Gala**

Agenda Highlights *(continued)*

Gala Dinner

The 25th Anniversary Dinner will take place on September 19th and will start with a reception at 5:30pm. During the dinner, guests will enter the Grand Georgian ballroom to an OCS Historical slide show presentation that is currently being worked on by our summer student, Gerard Mannella. After the meal, the dinner program will be emceed *(to be determined)* and will feature a number of short presentations recognizing current and past board members. These details are still being worked on.

Conference Agenda – Thursday September 20

Day Two – Ontario's Political Landscape

Listen to current affairs specialist and political experts for each of the main parties share their insights and commentary on the recent provincial election, upcoming key municipal races and how the 2019 federal election is shaping up.

7:30 am Breakfast

8:30 am Annual General Meeting *(see below for details)*

9:30 am Break

9:45 am Minister of Labour, the Honourable Laurie Scott – TBC

10:00 pm Keynote Speaker – “Post Election 2018” – TBD

Options being considered: Paul Wells, Andrew Coyne, Tom Clark, Tasha Kheiridden

Short bio and summary to follow...

11:00 am The First 100 Days

After 13 years of a Liberal government, find out about the campaign strategies that resulted in a change of power and how those strategies played a role in the recent provincial election along with the impact those results have had on the first 100 days.

Moderator: Keynote Speaker above

Confirmed Panelists: Amanda Galbraith, Sally Housser, Colin MacDonald

Panel provided by Navigator Ltd., Canada's leading high-stakes public strategy and communications firm. See next page for biographies.

12:00 pm Closing Comments – Robert Bronk

12:15 pm Lunch “To Go”

Annual General Meeting

The Annual General Meeting will take place on September 20th at 8:30am in the Imperial Room.

- National Anthem
- Opening Remarks
- Introduction of Board of Directors
- Approval of Minutes
- 2017 OCS Audited Financial Report
- Appointment of Auditor
- OCS Activities Report
- OCS Draft 2019 Budget/Work Plan
- Approval of Actions of the Board
- New Business
- Election of Directors
- AGM Adjournment



May 31, 2018

Mr. Wayne Peterson
Construction Employers Coordinating Council of Ontario
6299 Airport Rd., Suite 708
Mississauga, ON L4V 1N3

Re: Board of Director End of Term Notice

Dear Wayne,

The term of office on the Board of Directors for the Ontario Construction Secretariat (OCS) for **Don Marks** and **Brandon Pageau** will be completed as of December 31, 2018.

According to the OCS By-law, Board members representing Management are appointed for a three (3) year term by the Minister of Labour on recommendation of "the representatives of the designated bargaining agencies for employers attending the most recent general meeting". Members may serve consecutive terms.

Our next Annual General Meeting will be held on **September 20, 2018** at Queen's Landing, Niagara-on-the-Lake where there will be an opportunity for you to announce the recommended members to represent Management on the OCS Board of Directors for the term 2019-2021.

We appreciate the support and commitment both Don and Brandon have made to the OCS and their dedication to Ontario's unionized ICI construction industry.

Sincerely,

Robert Bronk
Chief Executive Officer

c.c. Don Marks
Brandon Pageau

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CECCO

STATEMENT OF REVENUE AND EXPENDITURES

JANUARY 1, 2018 - JULY 31, 2018

	Year	Projected	Projected	Annual	Actual
	To Date	To Complete	Annual	Budget	2017
	2018	2018	(12 mos)		
REVENUES					
Assessments	\$ 94,771	\$ 60,586	\$ 155,357	\$ 146,357	\$ 142,363
Rent Recovery (NEEA)	\$ 13,282	\$ 11,123	\$ 24,405	\$ 24,405	\$ 27,793
Interest	\$ -	\$ -	\$ -	\$ 3,600	\$ 14,527
Part-Time Salary Recovery (NEEA)	\$ 6,170	\$ 7,287	\$ 13,457	\$ 13,457	\$ 8,667
Other Income (NEEA)	\$ 1,287	\$ 1,243	\$ 2,530	\$ 2,530	\$ 455
Sponsorship	\$ -	\$ -	\$ -	\$ 2,000	\$ -
TOTAL REVENUES	\$ 115,510	\$ 78,996	\$ 193,219	\$ 192,349	\$ 193,805
EXPENDITURES					
General					
Audit	\$ 1,750	\$ -	\$ 1,750	\$ 1,850	\$ 1,750
Consulting	\$ 37,919	\$ 27,083	\$ 65,002	\$ 67,000	\$ 54,166
Fire & Officer & Director Liability Ins.	\$ 2,189	\$ -	\$ 2,189	\$ 2,500	\$ 1,999
Legal	\$ -	\$ 1,000	\$ 1,000	\$ 2,761	\$ 2,444
Meetings	\$ 926	\$ 2,000	\$ 2,926	\$ 2,366	\$ 1,247
Memberships	\$ 5,450	\$ -	\$ 5,450	\$ 5,450	\$ 5,450
Office Equipment Rental, Stationary & Other	\$ 3,146	\$ 4,000	\$ 7,146	\$ 11,200	\$ 7,898
Office Rent & Utilities	\$ 24,527	\$ 29,967	\$ 54,494	\$ 54,494	\$ 45,081
Promotion	\$ -	\$ 600	\$ 600	\$ 4,000	\$ 4,869
Salaries & Employee Benefits	\$ 10,116	\$ 12,000	\$ 22,116	\$ 28,281	\$ 43,892
Telephone	\$ 861	\$ 1,200	\$ 2,061	\$ 4,456	\$ 5,615
Travel & Conferences	\$ 2,296	\$ 1,200	\$ 3,496	\$ 5,000	\$ 2,568
	\$ -		\$ -		
Total General	\$ 89,180	\$ 79,050	\$ 168,230	\$ 189,358	\$ 176,979
Net Revenue (Expense)	\$ 26,330	\$ (54)	\$ 24,989	\$ 2,991	\$ 16,826

CECCO Investment Statement

Investment	Book	Market Value	Market Value	Variance
Fixed Income	Value	31-Dec-17	31-Jul-18	
Cash		\$ 1.49	\$ 1.49	\$ -
NFLD & Labrador Hydro	\$ 50,000	\$ 49,824	\$ 50,296	\$ 472
Province of Nova Scotia	\$ 117,999	\$ 115,046	\$ 115,542	\$ 496
Province of Manitoba	\$ 121,053	\$ 118,668	\$ 118,336	-\$ 332
Province of Quebec	\$ 118,000	\$ 116,940	\$ 114,635	-\$ 2,305
Total	\$ 407,052	\$ 400,479	\$ 398,810	-\$ 1,669



Budget 2019

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	Actual 2017	Budget 2018	Anticipated 2018	Budget 2019
DRAFT				
REVENUES				
Assessments	\$ 142,363	\$ 146,357	\$ 153,500	\$ 151,919
Rent Recovery (NEEA)	\$ 27,793	\$ 24,404	\$ 24,404	\$ 24,689
Interest	\$ 14,527	\$ 3,600	\$ -	\$ 1,000
Part-Time Salary Recovery (NEEA)	\$ 8,667	\$ 13,457	\$ 12,500	\$ 12,550
Other Income (NEEA)	\$ 455	\$ 2,531	\$ 2,400	\$ 2,205
Sponsorship		\$ 2,000	\$ -	\$ -
TOTAL REVENUES	\$ 193,805	\$ 192,349	\$ 192,804	\$ 192,364
EXPENDITURES				
Audit	\$ 1,750	\$ 1,850	\$ 1,750	\$ 1,850
Consulting / Speakers	\$ 54,166	\$ 67,000	\$ 65,000	\$ 72,200
Fire & Officer & Director Liability Ins.	\$ 1,999	\$ 2,500	\$ 2,189	\$ 2,500
Legal	\$ 2,444	\$ 2,761	\$ -	\$ 2,500
Meetings	\$ 1,247	\$ 2,366	\$ 2,900	\$ 4,390
Memberships	\$ 5,450	\$ 5,450	\$ 5,450	\$ 5,450
Office Equipment Rental, Stationary & Other	\$ 7,898	\$ 11,200	\$ 7,146	\$ 9,200
Office Rent, Utilities, Misc repairs	\$ 45,081	\$ 54,494	\$ 55,000	\$ 49,379
Government Relations / Marketing	\$ 1,877	\$ 4,000	\$ 2,000	\$ 6,600
Salaries & Employee Benefits	\$ 43,892	\$ 28,281	\$ 22,116	\$ 25,099
Telephone	\$ 5,615	\$ 4,456	\$ 2,061	\$ 3,655
Travel & Conferences	\$ 2,568	\$ 5,000	\$ 4,000	\$ 5,000
	\$ 2,992			
Total General	\$ 176,979	\$ 189,358	\$ 169,612	\$ 187,823
Net Revenue (Expense)	\$ 16,826	\$ 2,991	\$ 23,192	\$ 4,541

CECCO MEMBERSHIP DUES
Labour Participation In I.C.I Sector Based On OCS Annual Reports
5 Year Average 2013 - 2017

August						
EBA's	Trade	Trade	60,252,320	2019 Budget	Current	Variance
	Hours	Hours	Total Member Hrs.	\$ 187,823	Assessment	
	5 Yr. Average	5 Yr. Average	% of Budget	Base		
	All EBAs	Members		\$ 103,111		
				2019 Assessment		
Boilermakers	1,214,000	1,214,000	0.0201	\$ 2,078	\$ 3,756	-\$ 1,678
Bricklayers	1,826,680	1,826,680	0.0303	\$ 3,126	\$ 7,980	-\$ 4,854
Carpenters	14,027,930	14,027,930	0.2328	\$ 24,006	\$ 23,940	\$ 66
Cement Masons	112,240	112,240	0.0019	\$ 1,500	\$ 1,596	-\$ 96
Demolition	1,753,900	1,753,900	0.0291	\$ 3,001	\$ 1,140	\$ 1,861
Electrical	20,980,790	20,980,790		\$ 24,006	\$ -	\$ 24,006
Elevator	292,000	292,000	0.0048	\$ 1,500	\$ 2,052	-\$ 552
Glaziers	1,507,840	1,507,840	0.0250	\$ 2,580	\$ 2,049	\$ 531
Insulators	1,298,720	1,298,720				
Ironworker	4,333,740	4,333,740	0.0719	\$ 7,416	\$ 9,360	-\$ 1,944
Labourer	7,509,160	7,509,160	0.1246	\$ 12,851	\$ 30,780	-\$ 17,929
Mechanical	10,135,420	10,135,420	0.1682	\$ 17,345	\$ 22,788	-\$ 5,443
Millwright	2,295,110	2,295,110				\$ -
Operating Engineers	3,783,360	3,783,360	0.0628	\$ 6,475	\$ 4,560	\$ 1,915
Painters OPCA	1,281,790	1,281,790	0.0213	\$ 2,194	\$ 2,500	-\$ 306
Painters Other	1,504,710	1,504,710				
Plasters	205,510	205,510	0.0034	\$ 1,500	\$ 1,000	\$ 500
Precast	401,520	401,520	0.0067	\$ 1,500	\$ 996	\$ 504
Refrigeration & AC	648,800	648,800	0.0108	\$ 1,500	\$ 1,000	\$ 500
Rodmen	1,713,930	1,713,930	0.0284	\$ 2,933	\$ 2,496	\$ 437
Roofers	2,399,710	2,399,710	0.0398	\$ 4,107	\$ 2,280	\$ 1,827
Sprinkler Fitters	2,425,280					\$ -
Sheet Metal	4,850,910	4,850,910	0.0805	\$ 8,301	\$ 10,260	-\$ 1,959
Steeplejacks	188,450					\$ -
Teamsters	50,000	50,000	0.0008	\$ 1,500	\$ 1,000	\$ 500
Terrazzo Tile	699,170	699,170	0.0116	\$ 1,500	\$ 1,824	-\$ 324
Total Members	87,440,670	84,826,940	0.9750	\$ 130,919	\$ 133,357	-\$ 2,438
Heavy Construction	\$ 2,000			\$ 2,000		
Industrial Contractors	\$ 2,000			\$ 2,000		
Pipe Line	\$ 2,000			\$ 2,000		
Rescon	\$ 2,000			\$ 2,000		
Roads	\$ 2,000			\$ 2,000		
Sewer & Watermain	\$ 2,000			\$ 2,000		
EPSCA	\$ 5,000			\$ 5,000		
Utility Contractors	\$ 2,000			\$ 2,000		
Formwork	\$ 2,000			\$ 2,000		
Affiliate Total				\$ 21,000		
Total				\$ 151,919		

As per resolution passed at Annual Meeting held on March 29, 2018

- 1 Use format as suggested based on the 5 year average of OCS employer reported m/hrs 2013 - 2017
- 2 Minimum dues for any EBA \$1,500 per year
- 3 Affiliate member dues \$2,000 per year



Management's I.C.I. Hours As reported to the Ontario Construction Secretariat

EBA	2013	2014	2015	2016	2017	5 Year Total	5 Year Average
Boilermakers	968,000	1,086,800	1,205,600	1,193,800	1,615,800	6,070,000	1,214,000
Bricklayers	2,172,000	1,924,200	1,800,600	1,637,000	1,599,600	9,133,400	1,826,680
Carpenters	12,492,450	15,663,700	13,546,400	13,823,600	14,613,500	70,139,650	14,027,930
Cement Masons	125,700	108,700	114,400	97,300	115,100	561,200	112,240
Demolition	1,694,300	364,300	3,108,000	1,697,900	1,905,000	8,769,500	1,753,900
Electrical	20,515,350	22,388,700	21,749,200	19,191,500	21,059,200	104,903,950	
Elevator	290,000	290,000	280,000	290,000	310,000	1,460,000	292,000
Glaziers	1,378,300	1,604,900	1,526,800	1,504,600	1,524,600	7,539,200	1,507,840
Insulators	1,715,200	1,150,300	1,053,200	1,176,000	1,398,900	6,493,600	
Ironworker	4,249,700	4,228,600	4,642,100	3,866,000	4,682,300	21,668,700	4,333,740
Labourer	7,519,800	7,598,300	7,371,100	7,337,100	7,719,500	37,545,800	7,509,160
Mechanical	11,249,200	9,884,900	9,784,900	9,209,900	10,548,200	50,677,100	10,135,420
Millwright	2,332,150	2,245,000	2,358,200	2,179,900	2,360,300	11,475,550	
Operating Engineers	3,790,000	3,521,100	3,564,000	4,409,700	3,632,000	18,916,800	3,783,360
Painters	2,744,200	2,833,100	2,742,700	2,761,700	2,850,800	13,932,500	2,786,500
Plasters	183,050	207,100	203,100	216,900	217,400	1,027,550	205,510
Precast	513,800	452,600	422,100	312,700	306,400	2,007,600	401,520
Refrigeration & AC	1,022,700	550,500	452,000	507,000	711,800	3,244,000	648,800
Rodmen	2,011,850	1,868,200	1,693,300	1,390,400	1,605,900	8,569,650	1,713,930
Roofers	2,142,850	2,417,300	2,460,800	2,452,900	2,524,700	11,998,550	2,399,710
Sprinkler Fitters	2,259,900	2,405,600	2,435,300	2,509,300	2,516,300	12,126,400	
Sheet Metal	5,200,050	4,751,200	4,700,800	4,645,700	4,956,800	24,254,550	4,850,910
Steeplejacks	136,050	84,500	152,100	291,300	278,300	942,250	
Teamsters	50,000	50,000	50,000	50,000	50,000	250,000	50,000
Terrazzo Tile	708,850	706,400	679,600	796,600	604,400	3,495,850	699,170
Total	87,465,450	88,386,000	88,096,300	83,548,800	89,706,800	437,203,350	60,252,320

July 2, 2018

Ms. Laurie Scott MPP
Minister of Labour
Ontario Ministry of Labour
400 University Avenue, 14th Floor
Toronto, ON M7A 1T7

Dear Minister Scott

Re: Fair Workplaces, Better Jobs Act, 2017 Changes (Bill 148)

Congratulations on your victory in the provincial election on June 7th and your ministerial appointment. The voters of Ontario resoundingly chose change.

I am writing on behalf of a very large coalition of construction employers to seek relief for the construction industry from the disastrous impacts of the former government's Fair Workplaces, Better Jobs Act, 2017. Our coalition includes the following:

The Construction Employers Coordinating Council of Ontario (CECCO) is a Council that represents twenty trade employer bargaining agencies in the I.C.I. construction sector, totalling 8,000 trade and general contractors.

The Council of Ontario Construction Associations (COCA) is a federation of construction associations; the largest and most representative group of ICI and heavy civil construction employers in Ontario. Our member organizations represent more than 10,000 construction businesses.

The Electric Power Systems Construction Association (EPSCA) negotiates and administers construction trade collective agreements on behalf of employers performing construction industry work for the Bulk electrical Systems on Ontario Power Generation Inc., Bruce Power LP and Hydro One property.

The Ontario Residential Council of Construction Associations (ORCCA) is a council of 17 employer associations who are designated employer bargaining agencies in the residential sector of the construction industry.

The Fair Workplaces, Better Jobs Act, 2017 (the Act) introduced a great many changes to basic working conditions for employers in this Province. Such changes obviously met the needs of many workers in many industries. Prior the final drafting of the Bill we were advised time and time again by the Government of the day that construction would be exempt from this Bill due to the unique nature of the industry. However, this did not occur and certain changes provided in the Act created extremely difficult challenges for the construction industry. We jointly are of the opinion that construction should be exempted from the Act.

As an informal coalition representing management in all sectors of the construction industry we request a meeting to discuss exempting the construction industry from The Fair Workplaces, Better Jobs Act, 2017. While we had assurances from the previous Government that construction would receive an exclusion similar to four other industry groups, in the final writing of the regulations the exemption for construction was not there.

We acknowledge that you are extremely busy but due to upcoming labour negotiations in the unionized construction industry, we suggest it would be prudent to address this matter as expeditiously as possible.

Once again, our congratulations and we look forward to your timely response.

Sincerely,



Wayne Peterson
Executive Director
Construction Employers
Coordination Council of
Ontario



Ian Cunningham
President
Council of Ontario
Construction Associations



Alex Lolua
General Manager
Electrical Power Systems
Construction Association



Andrew Pariser
Vice-President
Residential Construction
Council of Ontario



MECHANICAL
CONTRACTORS
ASSOCIATION
ONTARIO

July 31, 2018

Update: MCAO/UA PEL Arbitration

As you are aware, the MCAO was involved in an arbitration process involving Personal Emergency Leave (PEL) payments under Bill 148. The matter is now resolved as detailed below.

1 -- Background

Under Bill 148, employees are entitled to ten days of PEL, two of which must be paid. However, in the construction industry, employers can get out of this obligation by making a payment of at least 0.8% of compensation (the exact details of this payment are described below).

The MCAO, after consulting broadly, decided that it would be best to implement this 0.8% "exemption payment". However, the UA did not agree. Employers were therefore directed by the MCAO to make the exemption payment. The UA filed a grievance and the matter went to arbitration.

2 -- Decision and Settlement

The Arbitrator ruled that employers have the right to unilaterally implement the 0.8% exemption payment even if the union disagrees. However, the MCAO thought it best to work with the UA to ensure that the 0.8% exemption payment forms part of the Provincial Agreement (both currently and for two more terms). This will create bargaining stability and remove a troublesome issue from the bargaining table.

Accordingly, based on the rules regarding the 0.8% exemption payment calculation established in an arbitration decision involving ESPCA from the same arbitrator, MCAO and the UA reached a settlement setting out the details of the payment. Because of the EPSCA decision, we did not need to have the issues related to the calculation arbitrated again.

3 -- Action required

The MCAO and the UA have entered into a written resolution that effectively eliminates paid PEL in exchange for an exemption payment of 0.8% which, by law, must be retroactive to January 1, 2018. This agreement is now incorporated into the Provincial Agreement.

0.8% exemption payment Calculation: All hours earned – 0.8% of Base Rate + Vacation and Statutory Holiday Pay.

There are important details to the arrangement:

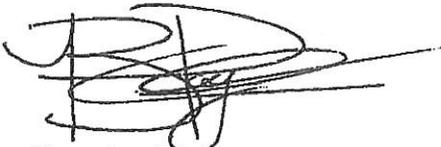
- A. The retroactive payments must be made within 45 calendar days of July 26, 2018 (**September 9, 2018**). This will require some calculation because some contractors are already making the exemption payment, but perhaps not on the full amount required, while others may not be making it at all. Please ensure that the full retroactive amount is paid to employees by no later than September 9, 2018.
- B. Effective immediately, please begin the 0.8% exemption payment, as set out above, for all bargaining unit employees.
- C. For the calendar year 2018, contractors are not required to pay the 0.8% PEL payment to employees who received two paid PEL days by July 26, 2018.
- D. Starting on January 1, 2019, employees will still have the right to 10 *unpaid* PEL days but not to any *paid* PEL days. This is because the continuing obligation to make the 0.8% exemption payments means that there is no need to grant paid PEL days.
- E. All grievances filed against contractors concerning paid PEL are resolved and will be terminated immediately by the UA.

The obligation to make the PEL exemption payment will stop if paid PEL is eliminated or materially modified by the government. We will continue to monitor the situation in case either of these occur.

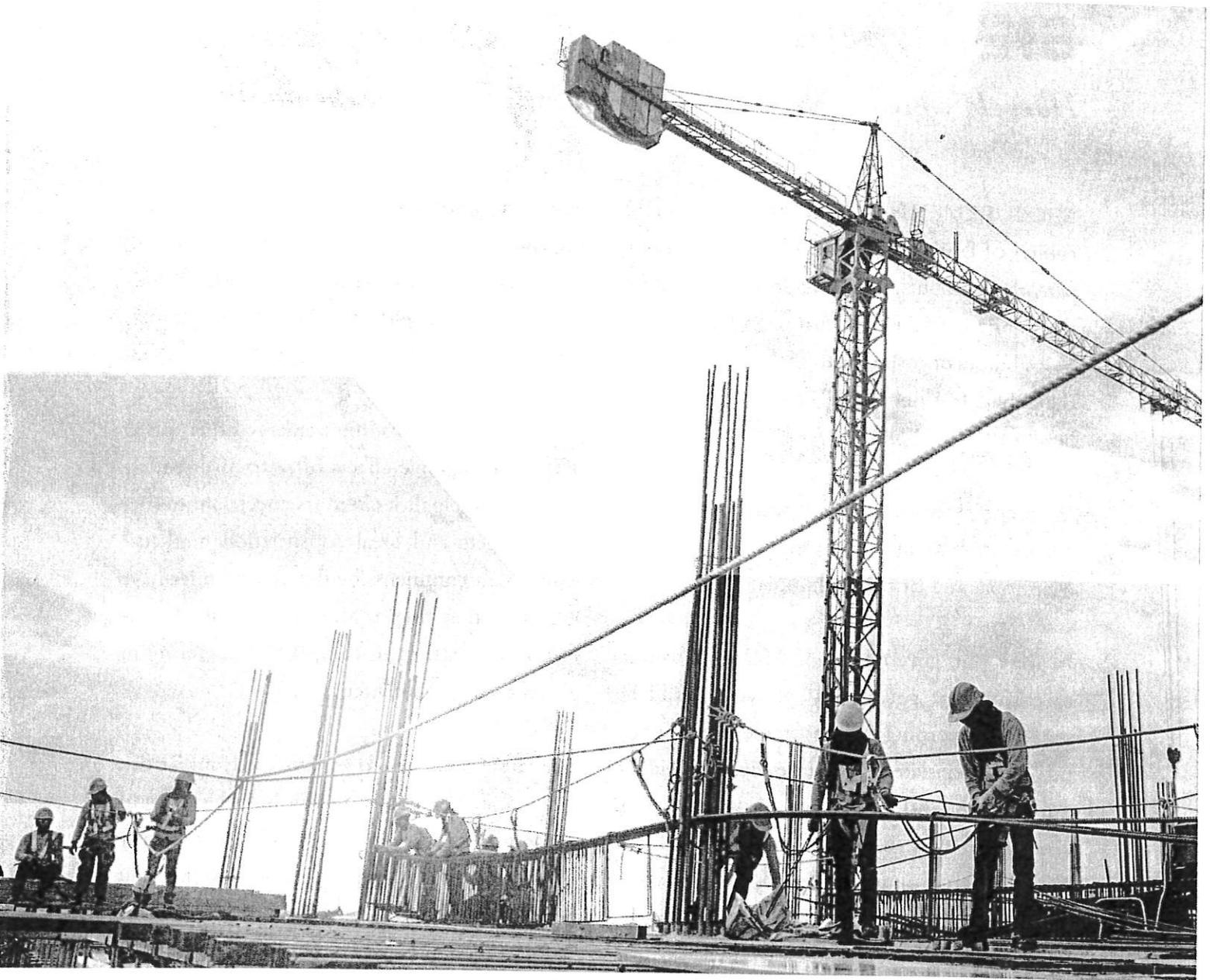
We are now no longer faced with the prospect of employees trying to claim two paid PEL days from multiple employers in the same year.

Should you have any questions, please contact the MCAO office.

Regards,



Brandon Pageau
Executive Vice-President
MCAO



SKIMMING OFF THE TOP

How closed tendering weakens our ability to pursue the public good.

JULY 2018

BRIAN DIJKEMA

CARDUS

SKIMMING OFF THE TOP

How closed tendering weakens our ability to pursue the public good.

PROCUREMENT HAS LONG BEEN THE realm of bureaucrats. They quietly and competently go about purchasing goods required for the public good in ways that align with the responsibilities of governments and in the interest of the public. It is not typically the stuff that makes headlines.

In recent months, however, construction procurement has made headlines in Ontario, Manitoba, and British Columbia.

In May, the government of Manitoba moved to ensure that government projects would be tendered according to procurement best practices, and legislated that “in evaluating bids, a public sector entity must not use, as evaluation criteria, whether the bidder employs unionized employees, non-unionized employees or a combination of the two.”¹ The legislation was an attempt to rectify the use of previous legislation that allowed project labour agreements on past

government contracts to contain clauses requiring contractors to affiliate with, or pay dues to, a subsector of construction unions, and to prevent companies with different labour models from completing public works.²

And in Ontario, headlines emerged this spring about the negative effects of restrictive tendering on municipalities, and its effects on municipal budgets and local construction markets.³ And recent comments by the new premier have indicated that they too are moving in the direction of a return to competitive tendering in government procurement.⁴

The latest headlines to emerge are from British Columbia, whose government is in the midst of modernizing its procurement practices—many of which do need updating. But in doing so it has also signalled the possibility that it will use that process to provide preferential treatment for companies affiliated with certain unions.⁵

1. “Bill 28: The Public Sector Construction Projects (Tendering) Act,” Legislative Assembly of Manitoba, <https://web2.gov.mb.ca/bills/41-3/b028e.php>.

2. For details on those previous arrangements, see Brian Dijkema, “Open Tendering Briefing Note,” Cardus Work and Economics, May 21, 2013, <https://www.cardus.ca/research/work-economics/reports/open-tendering-briefing-note/>

3. “Waterloo Region’s Construction Bidding Process ‘Unfair’ and ‘Uneconomic’: Report,” CBC News, March 1, 2018, <https://www.cbc.ca/news/canada/kitchener-waterloo/region-waterloo-construction-tendering-unfair-cardus-1.4556977>.

4. “Pencils to Paper: Doug Ford to Tender Bids for All Government Operations,” Global News, June 8, 2018, <https://globalnews.ca/video/4262410/pencils-to-paper-doug-ford-to-tender-bids-for-all-govt-operations>; as well as video from one of the unions that are currently disqualified from bidding in Toronto: LiUNA! Local 183 (@liuna183), Twitter, June 5, 2018, 6:12 p.m., <https://twitter.com/liuna183/status/1004169029886435328>.

5. Vaughn Palmer, “Horgan to Pay It Forward with Projects for Trade Unions,” *Vancouver Sun*, March 9, 2018, <https://vancouver.sun.com/opinion/columnists/vaughn-palmer-horgan-to-pay-it-forward-with-projects-for-trade-unions>.

Suddenly, the issue of public procurement—typically the domain of competent, quiet, apolitical civil servants—has been thrust into the political limelight and in the media.

The possibility that certain companies will be given preferential treatment because of their union affiliation, or that community-benefits agreements would be structured in such a way as to tilt the balance in favour of one labour model, has led to a series of tit-for-tat op-eds by various players in the construction industry.

And central to that debate are various assertions about the ability of various contractors, with various labour models, to complete work on time and on budget (or not). A recent editorial in the *Times Colonist* is a case in point. Tom Sigurdson, executive director of the BC Building Trades

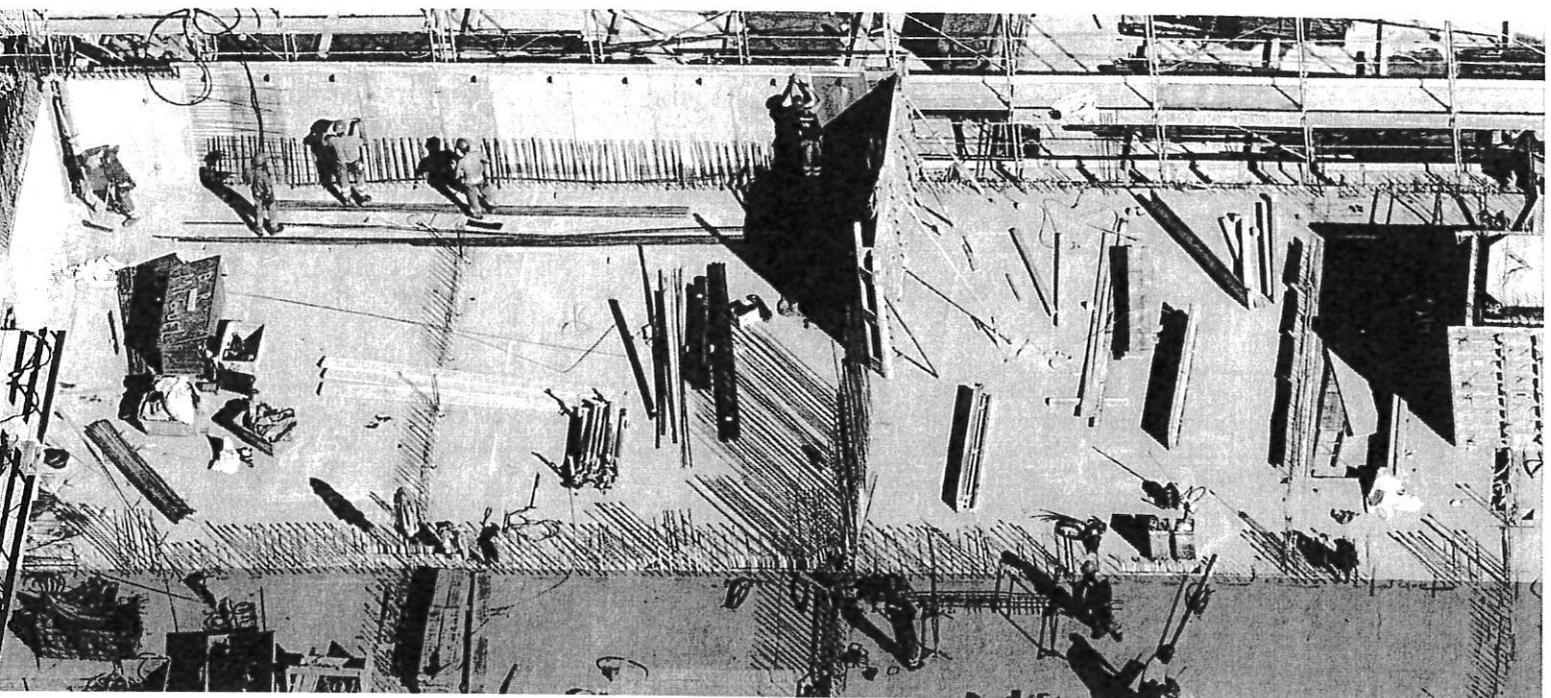
highlighted four open-shop projects in British Columbia that went over budget,⁶ while others have noted that the project touted as an example of the success of procurement which favours the Building Trades itself went way over budget.⁷

What are we to make of this?

This purpose of this paper is to offer a clear-eyed look at these assertions and to show that the reliance on lists of projects that went over- or under-budget on a case-by-case basis is not the best means to evaluate government construction procurement practices. Instead, we will show—using industry benchmarks and best practices—a better view of evaluating procurement practices, and also the effects that diversion from these best practices can have on the industry, workers, and the public good.

6. "Open-Shop Projects Went Way Over Budget," *Times Colonist*, June 28, 2018, <http://www.timescolonist.com/opinion/letters/open-shop-projects-went-way-over-budget-1.23350905>.

7. Chris Gardner, "Horgan Needs to Rethink Project Labour Agreement Intentions," *Vancouver Province*, November 12, 2017, republished in *The Independent*, <https://www.icbaindependent.ca/2017/11/12/oped-horgan-needs-rethink-project-labour-agreement-intentions/>.



PICKING CHERRIES VERSUS SOUND PRACTICES AND INSTITUTIONS

WHAT THE METHOD THAT SIGURDSON and others are employing—the listing of projects that go over budget done by companies affiliated with one type of labour model or another—misses is the fact that a lot of construction projects and contracts (especially big ones) go over budget. The issue, according to scholars, is endemic. University of Toronto scholar Matti Siemiatycki and others note that cost overruns and delays are “a problem that unites the nation” and that they pose “a global challenge,”⁸ with huge percentages of projects going significantly over budget on an ongoing basis.

And lest anyone think that this is simply a problem in the public sector, University of Calgary scholar George Jergeas has shown that the problem is also endemic to megaprojects in the private sector, including those done by highly sophisticated, global companies that are traded on public stock exchanges.⁹

At the same time, it is also true that many projects completed by union, non-union, and alternative union firms are completed on time, and on budget, or even ahead of time and ahead of budget. A line-by-line review of each project

completed in Canada will produce a range of results, and anyone can cherry-pick their preferred examples.

It is important to remember the bigger picture of what it takes to build any project, but especially public construction projects. There is absolutely no doubt that skilled trades workers are

It is important to remember the bigger picture of what it takes to build any project, but especially public construction projects.

integral to public projects. A construction company without skilled carpenters, electricians, scaffolders, labourers, or any of the other trades is an oxymoron. But workers alone don’t build projects. It is construction *firms*—a broader endeavour consisting of skilled trades, capital, accountants, engineers, estimators, logistics managers, safety officers, and many other moving parts—that build projects. Labour matters; it’s a big part of cost, but it’s not the only cost. And likewise, labour is not simply a cost; it is also a function of the productivity of the firm. Different firms organize and deploy workers in different ways.

8. Matti Siemiatycki, Andy Manahan, Ehren Cory, and James Purkis, “Over Budget and Behind Schedule: The Causes and Cures of Infrastructure Cost Overruns,” Institute of Municipal Finance and Governance, Munk School of Global Affairs, University of Toronto, January 21, 2016, https://munkschool.utoronto.ca/imfg/uploads/335/imfg_event_presentation_costoverruns_mattisiemiatycki_jan21_2016.pdf.

9. George F. Jergeas and Janaka Ruwanpura, “Why Cost and Schedule Overruns on Mega Oil Sands Projects?,” *Practice Periodical on Structural Design and Construction* 15, no. 1 (2010): <https://ascelibrary.org/doi/10.1061/%28ASCE%29SC.1943-5576.0000024>.

This means that issues of how workplaces are organized, the amount of workers deployed, the skill and experience of those workers, their ability to work safely, and many other things can add costs; but it can also increase efficiencies and productivity. Some firms will be better at deploying their workforces than others. And that applies to union, alternative union, and non-union firms in different ways.

As noted by Ray Pennings already in 2003:

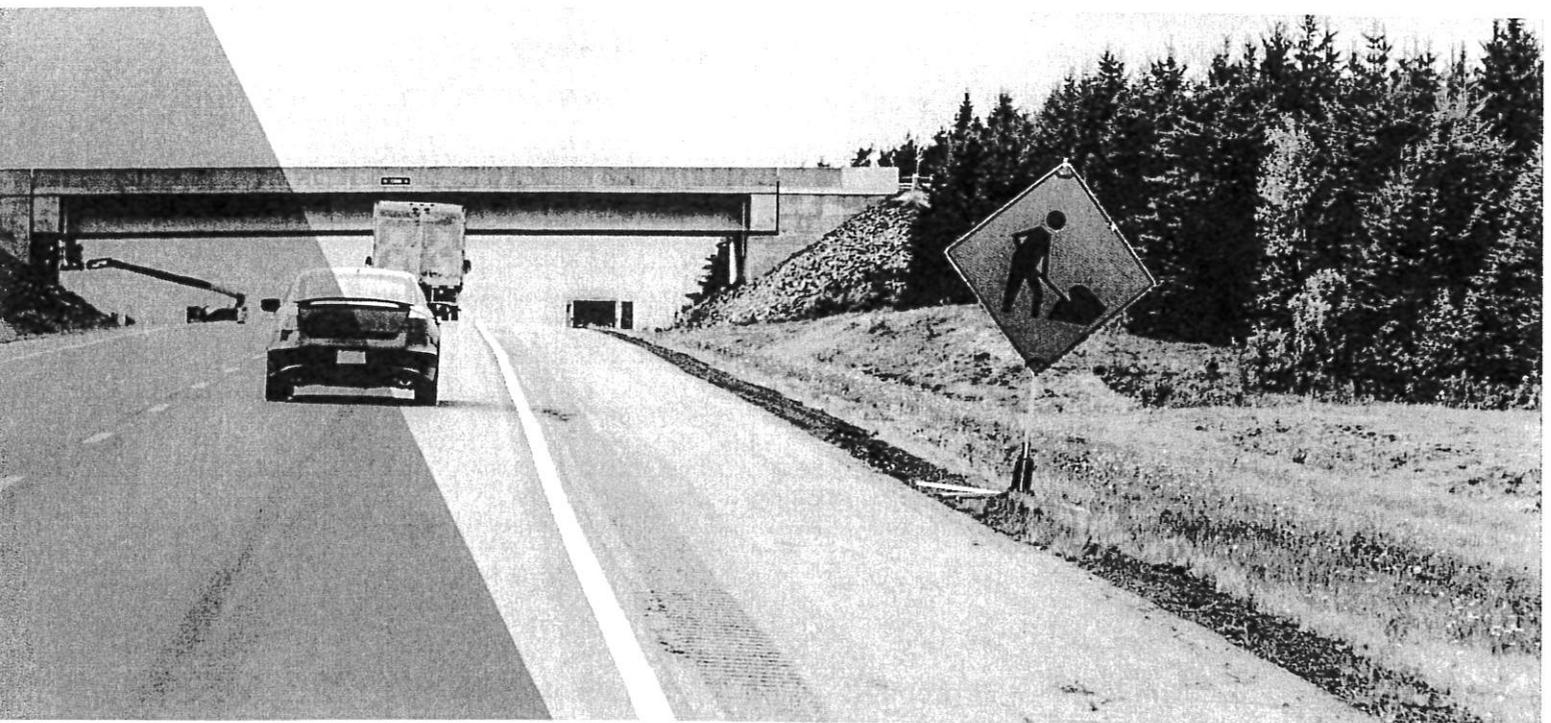
There is a continuum of organizational models, with the pure craft model on one side and a pure multi-craft, wall-to-wall model on the other. Today the presence of multiple labour pools [traditional craft unions like the BC Building Trades, alternative unions like CISIWU, CLAC, CWU, organized non-union pools like ICBA] available to major construction projects

is simply part of the construction marketplace. A construction buyer can put out a tender and realistically expect three bidders who will each employ a different labour pool and model if they win the project.¹⁰

Fair, open, competitive, transparent—all of these matters are articulated not by some narrow interest group, but as core principles that stand behind public procurement.

That reality is even truer in British Columbia—and indeed everywhere in Canada west of Quebec—today than it was a decade ago. And as we noted in 2008, these pools have emerged

10. Ray Pennings, “Competitively Working on Tomorrow’s Construction,” Cardus Work and Economics, July 1, 2012, <https://www.cardus.ca/research/work-economics/reports/competitively-working-in-tomorrows-construction/>.



in response to realities and changes within the construction market as a whole, including changes within traditional models.¹¹

In fact, a look at a recent ranking of Canada’s “Top 40” construction companies shows this reality. *On-Site*, a leading construction magazine, produces an annual list of Canadian construction companies with the largest revenues.¹² Among the top ten companies listed, *every single one of them* has workers who have chosen to affiliate in some way with alternative unions in some jurisdiction in Canada, including British Columbia (FIGURE 1).

Other companies on the Top 40 list are affiliated entirely with traditional unions; others have various aspects of their business that are affiliated in different ways, in different trades, in different jurisdictions, with both traditional and alternative unions; some have portions of their workforce that are unaffiliated. The basic point is that a variety of highly successful companies—all of which do public work in various jurisdictions across the country—work with a variety of labour models to deliver value to their customers (FIGURE 2).

FIGURE 1: TOP TEN CANADIAN CONSTRUCTION COMPANIES WITH LARGEST REVENUE

SNC-LAVALIN	\$9,096,715,000
PCL CONSTRUCTORS INC.	\$8,035,673,000
ELLISDON	\$2,900,000,000
AECON GROUP INC.	\$2,805,000,000
LEDCOR GROUP OF COMPANIES	\$2,040,900,000
GRAHAM GROUP LTD.	\$2,000,000,000
POMERLEAU INC.	\$1,631,000,000
KIEWIT CANADA GROUP INC.	\$1,421,983,000
BIRD CONSTRUCTION	\$1,418,400,000
STUART OLSON INC.	\$1,017,300,000

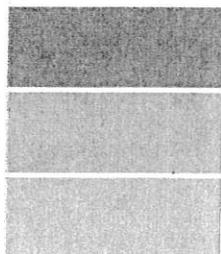
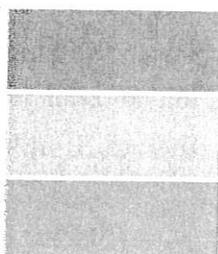
Among the top ten companies listed, every single one of them has workers who have chosen to affiliate in some way with alternative unions in some jurisdiction in Canada, including British Columbia.

Source: “The Top 40,” *On-Site*, June 2018, 3, https://www.on-sitemag.com/wp-content/uploads/sites/31/2018/06/ONSITE_TOPCONTRACTORREPORT-2018.pdf.

11. Ray Pennings, “Why Is Construction So Competitive in Ontario?,” *Cardus Work and Economics*, November 25, 2008, <https://www.cardus.ca/research/work-economics/reports/why-is-construction-so-expensive-in-ontario/>.

12. “The Top 40,” *On-Site*, June 2018, 3, https://www.on-sitemag.com/wp-content/uploads/sites/31/2018/06/ONSITE_TOPCONTRACTORREPORT-2018.pdf.

FIGURE 2: DIVERSE LABOUR MODELS WITHIN THE CONSTRUCTION INDUSTRY

**A. TRADITIONAL
UNIONS****B. ALTERNATIVE
UNIONS****C. ORGANIZED
NON-UNION****D. VARIETY OF
LABOUR MODELS**

A variety of highly successful companies—all of which do public work across the country—work with a variety of labour models to deliver value to their customers.

THE HEART OF THE ISSUE

WHAT THE DEBATE IN BRITISH COLUMBIA about projects going over or under budget is really about is how—under what structures—the government should adjudicate between the various value propositions brought by each model when they tender public work. On what principles should they be guided while doing so? In the case of British Columbia, the principles are articulated clearly in its comprehensive Core Policy and Procedures Manual, which sets the “policy for all aspects of procurement of goods,

services and construction, including: planning; pre-award and solicitation; contract selection and award; contract administration and monitoring; evaluation and reporting.”

What are those principles?

The following objectives for government procurement of goods, services and construction are based on *the principles of fair and open public sector procurement: competition, demand aggregation, value for money, transparency and accountability*.¹³

13. “CPPM Policy Chapter 6: Procurement,” British Columbia, Provincial Government, <https://www2.gov.bc.ca/gov/content/governments/policies-for-government/core-policy/policies/procurement?keyword=procurement&keyword=policy#611> (emphasis added).

Fair, open, competitive, transparent—all of these matters are articulated not by some narrow interest group, but as core principles that stand behind public procurement.

It is competition among an array of different firms that drives value.

In British Columbia, as it was in Manitoba, and as it is in Ontario, the question that is cloaked by media disputes about various projects that go over or under budget is whether it is in the public interest that the government should structure procurement in a way that favours one particular model of labour relations or another. Put differently, the question is whether a government should or should not use the affiliation of a given firm as a criteria for evaluating bids on public work.

And, on that front, one of Canada's leading procurement experts notes,

membership in a particular trade union does not provide an objective criterion for the purposes of public procurement. Trade union membership is a function of the choices of particular members and does not

signify that any objective standard of qualifications has been met by union members. In this way, union membership cannot be relied upon as an industry standard in the same way as membership in a regulated profession or even in a trade association can. Furthermore, union membership is often localized to certain geographic areas. To restrict potential bids in a public procurement process to members of such an organization would mean eliminating a great deal of potential competition on the basis of geography alone. And, as we noted above, restricting competition leads to higher prices.¹⁴

To return to the key economic point, it is competition among an array of different *firms* that drives value.

Within a given firm, the price for a given project is an emergent property of the workers doing the building, the engineers, the logistics planners (those steel girders have to come from somewhere and have to arrive on time for the steelworkers to be productive), the state of the market (in slow times, companies may be willing to take smaller profits to maintain workforces), the profit motive of the company (private firms have different obligations than publicly traded ones), those who do the financing (maybe one company can leverage size or relationships to secure cheaper financing), safety records, insuring,

14. Stephen W. Bauld and Brian Dijkema, "Hiding in Plain Sight: Evaluating Closed Tendering in Construction Markets," *Cardus Work and Economics*, September 9, 2014, <https://www.cardus.ca/research/work-economics/reports/hiding-in-plain-sight-evaluating-closed-tendering-in-construction-markets/>.

and all other aspects of the hugely complicated business of building major infrastructure projects that determines value, cost, and all the rest of it. Firms working in different sectors develop different specialities—some firms, for instance, may specialize in building hockey arenas. Others may excel at water treatment plants. And as the firms develop this expertise, they can tune their operational structures to lower costs for owners while still making a profit. Having a diversity of labour pools changes the composition of firms in ways that introduce unique possibilities for efficient, effective, safe work (FIGURE 3).

So when governments use the procurement process or other tools to favour or disqualify any labour model, it does not just favour or disqualify a given set of workers on the tools, it stacks the deck in favour of certain *firms*. It picks between businesses on the basis of one aspect of their work. Disqualifying a set of firms because their frontline workers choose one labour model over another is akin to disqualifying a firm because they get financing from RBC rather than TD, or from the Canada Infrastructure Bank rather than, say, a pension plan. To quote a scholarly journal that focuses on anti-trust issues: “Although the economic

crisis has prompted some policy-makers to reconsider basic assumptions, the virtues of competition are not among them.”¹⁵

Even taking the most modest of estimates related to additional costs that arise from restricting bidders based on union certification would result in almost a billion dollars worth of savings.

Again, it is competition among a diverse pool of bidders that itself brings a diverse set of elements to their bids that brings value to taxpayers. Reducing that diversity not only puts upward pressure on prices—our studies comparing bidding data in diverse versus non-diverse jurisdictions shows those upward pressures to increase the gaps between winning bids and next bids by over 100 percent,¹⁶ and adds anywhere from 8 to 25 percent on costs¹⁷—but also undeniably leads to a reduction in the diversity of the contractors able to perform public work with the labour model their workers choose. Our research shows that restricting bidding based on

15. Maurice E. Stucke, “Is Competition Always Good?” *Journal of Antitrust Enforcement* 1, no. 1 (2013): 162–97, <https://t.co/u9iX-8DeXD1>.

16. Morley Gunderson, Tingting Zhang, and Brian Dijkema, “Up, Up, and Away,” *Cardus Work and Economics*, December 6, 2017, <https://www.cardus.ca/research/work-economics/reports/up-up-and-away/>.

17. Brian Dijkema and Morley Gunderson, “Restrictive Tendering: Protection for Whom?,” *Cardus Work and Economics*, January 17, 2017, <https://www.cardus.ca/research/work-economics/reports/restrictive-tendering-protection-for-whom/>.

union affiliation reduced the pool of bidders by eighty four percent.¹⁸

To use an analogy from the world of ecological conservation, restricting the diversity of approaches by contractors leads to a type of shifting baseline syndrome; “the phenomenon whereby severe ongoing losses (e.g. in biodiversity) are normalised in the minds of each new generation, thus redefining the ‘natural’ according to an impoverished standard.”¹⁹ In the long run the construction industry as a whole becomes less diverse and innovative. It is thus not simply a matter of economics, but of the health of the diverse set of institutions that provide the conditions for sound markets that can build the infrastructure necessary to help British Columbia and other jurisdictions thrive.

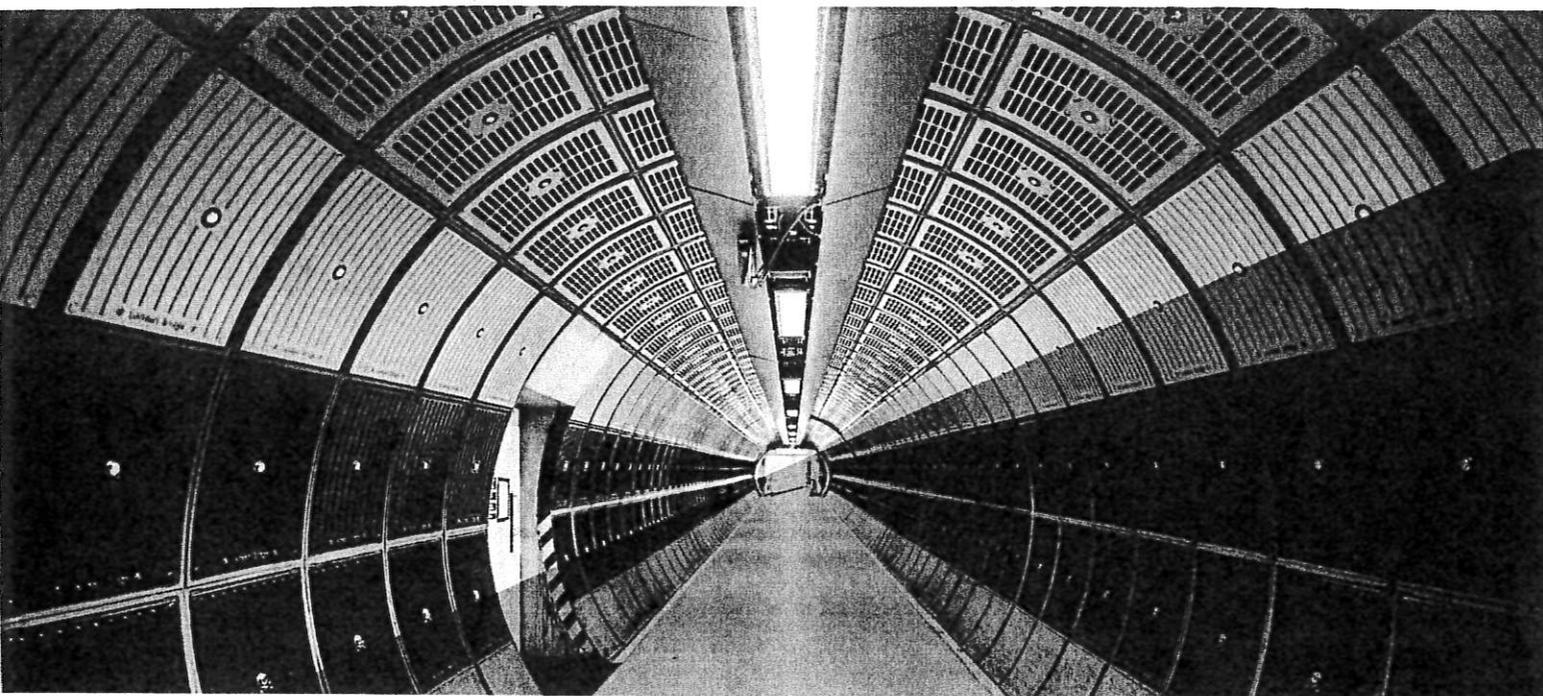
A review of another industry list brings the broader social picture to light. *ReNew Canada: The Infrastructure Magazine*, produces an annual “Top 100” list, which highlights the one hundred biggest infrastructure projects in Canada.²⁰

The top two projects in Canada—the Bruce Power Nuclear Refurbishment and the Darlington Nuclear Refurbishment, worth a combined \$25.8 billion—are both subject to closed tendering based on union affiliation. Other major projects, including Keeyask Hydroelectric Project on the Lower Nelson River in Manitoba (\$8.7 billion), the Bipole III transmission line (\$5.04 billion) in Winnipeg, the Port Lands Flood Protection and Enabling Infrastructure (\$1.25 billion), the Deep Geological Repository by OPG in Kincardine (\$1 billion), Stage 1 of the Region of Waterloo

18. Brian Dijkema, “No Longer the Best: The Effects of Restrictive Tendering on the Region of Waterloo,” *Cardus Work and Economics*, March 1, 2018, <https://www.cardus.ca/research/work-economics/reports/no-longer-the-best-the-effects-of-restrictive-tendering-on-the-region-of-waterloo/>.

19. I’m grateful to the phenomenal Robert MacFarlane for alerting me to this term. Robert Macfarlane (@RobGMacfarlane), Twitter, May 22, 2018, 11:00 p.m., <https://twitter.com/RobGMacfarlane/status/999168127740104705>.

20. “Top 100 Projects for 2018,” *ReNew Canada: The Infrastructure Magazine*, <https://top100projects.ca/2018filters/>.



ION LRT (\$818 million), Union Station Revitalization Project (\$800.7 million), and the Woodward Wastewater Treatment Plant (\$340 million). This does not include projects where the city of Toronto (currently under significant restrictions) is a partial owner, or is involved in ancillary construction (as it is on some Metrolinx projects, which constitute a major portion of major projects in Ontario), or on non-ICI work (like the \$2.44 billion Gardiner Expressway rehabilitation) (FIGURE 3).

All told, about \$43.75 billion worth of work is currently under restrictions in Canada, and that just from a list of the *largest* projects. It grows as you take into account the billions of dollars worth of smaller projects that don't make this list. Even taking the most modest of estimates related to additional costs that arise from restricting bidders based on union certification would result in almost a billion dollars worth of savings.²²

FIGURE 3: PROJECTS AFFECTED BY RESTRICTED TENDERING²¹

RANK*	PROJECT	LOCATION	COST
1	Bruce Power Nuclear Refurbishment	Bruce County, ON	\$13,000,000,000
2	Darlington Nuclear Refurbishment	Bowmanville, ON	\$12,800,000,000
6	Keeyask Hydroelectric Project	Lower Nelson River, MB	\$8,700,000,000
9	Bipole III Transmission Line	Winnipeg, MB	\$5,040,000,000
44	Port Lands Flood Protection and Enabling Infrastructure	Toronto, ON	\$1,250,000,000
53	Deep Geological Repository by OPG	Kincardine, ON	\$1,000,000,000
60	Region of Waterloo ION LRT (Stage 1)	Waterloo, ON	\$818,000,000
61	Union Station Revitalization Project	Toronto, ON	\$800,700,000
98	Woodward Wastewater Treatment Plant	Hamilton, ON	\$340,000,000

*Rank refers to placement in *ReNew Infrastructure Magazine's* Top 100 Canada's Biggest Infrastructure Projects.

21. The Manitoba projects listed here are subject to closed tendering for existing work per section 4 of Bill 28: The Public Sector Construction Projects (Tendering) Act," Legislative Assembly of Manitoba, <https://web2.gov.mb.ca/bills/41-3/b028e.php> which states "Nothing in this Act limits or affects the operation of an agreement, including a collective agreement, to which a public sector entity is a party that is in effect on the day this Act comes into force." See Bill 28: The Public Sector Construction Projects (Tendering) Act," Legislative Assembly of Manitoba, <https://web2.gov.mb.ca/>. Conversely, the Region of Waterloo, subject to closed tendering since 2014, tendered work for its ION LRT when the Region was open. We include it here now as any future work related to LRT that is owned by the Region will be subject to closed tendering.

22. $43.75 \text{ billion} \times 2\% = 875 \text{ million}$. However, the city of Toronto's estimate of 2 percent is almost certainly erroneous as we show here: Brian Dijkema, "Tuning Up Ontario's Economic Engine: A Cardus Construction Competitiveness Monitor Brief," Cardus Work and Economics, April 9, 2015, <https://www.cardus.ca/research/work-economics/reports/tuning-up-ontarios-economic-engine-a-cardus-construction-competitiveness-monitor-brief/>.

Hypothetically, if British Columbia were to move to restrict bidding on projects in which it, or BC Hydro, is the owner, and we were to account simply for those projects listed in the top one hundred, we would add \$9.385 billion for the Site C Clean Energy Project, \$3.5 billion for the George Massey Tunnel Replacement project, \$1.093 billion for the John Hart Generating Station Replacement Project, \$872.7 million for Highway 1 upgrades from Kamloops to Alberta, \$748 million for the Ruskin Dam and Powerhouse Upgrade, \$600 million for the Gordon M. Shrum Generating Station refurbishment, which would account for an additional \$16.2 billion of projects in British Columbia alone (FIGURE 4). The low estimate of 2 percent means an additional \$324 million of additional funds needed to complete these projects. Adding the more likely range of 8–25 percent additional costs to these projects would add

\$1.3–4.05 billion onto British Columbian citizens' shoulders. Effectively, British Columbians would be losing out on costs equivalent to two generating stations up to an additional George Massey tunnel. It is the loss of this broader social capacity that highlights the underlying *social* problem with closed tendering.

IT'S THE MORALITY, STUPID

THIS BROADER SOCIAL LENS BRINGS clarity to another, more basic problem: the moral case that workers should not be penalized for their private choices, and that companies should not be penalized for the freely exercised rights of its workers.

Workers have a constitutional right to associate with whomever they wish. We have labour

FIGURE 4: PROJECTS POTENTIALLY AFFECTED IF BC POLICY CHANGES

RANK*	PROJECT	LOCATION	COST
4	Site C Clean Energy Project	Peace River, BC	\$9,385,000,000
15	George Massey Tunnel Replacement	Vancouver, BC	\$3,500,000,000
51	John Hart Generating Station Replacement Project	Vancouver, BC	\$1,093,000,000
58	Highway 1 upgrades	Kamloops, BC to Alberta	\$872,700,000
65	Ruskin Dam and Powerhouse Upgrade	Mission, BC	\$748,000,000
76	Gordon M. Shrum Generating Station Refurbishment	Hudson's Hope, BC	\$600,000,000

*Rank refers to placement in *ReNew Infrastructure Magazine's* Top 100 Canada's Biggest Infrastructure Projects.

boards to adjudicate whether they've done so properly. It is the provincial labour board's responsibility to determine whether the choices of workers were made freely. If they aren't, they have legislative authority to impose penalties. That is the appropriate venue for determining issues of labour relations. The government, in its purchasing procedures, should not—cannot—penalize workers for exercising that right.

Workers have a constitutional right to associate with whomever they wish... The government should not penalize workers for exercising that right.

Governments have a legal, but more importantly a moral obligation and responsibility to treat all of its citizens equally, and to provide neutral space for the existence of a plurality of institutions that operate freely according to the interests of their members. To disqualify a firm whose workers have made a choice to join one union or another is completely contrary to the purpose of government, whose job it is to rule for all, and which has a constitutional obligation not to discriminate against people for exercising their rights.

Cardus has noted in the context of Ontario that polarizing the labour relations environment

with massive swings that change with each successive left or right government accomplishes little for workers, the economy, and society as a whole.

This is the cumulative effect of 10 years of rocking the boat left then right. Some may argue we have more balance than before. But balance in labour relations is very much in the eye of the beholder. Rather than moving the province towards a more cooperative, democratic approach based on mutual trust and respect, the changes, if anything, have intensified an already hostile labour relations atmosphere. . . .

Across the political spectrum, most agree that the relative merits of a market economy far outweigh those of a managed economy. Most would also suggest market values alone should not determine labour and living standards. Labour is not just another factor of production. Considerations other than just supply and demand must be brought to bear when dealing with fellow human beings.²³

Ultimately, it is this that lies at the heart of debates about closed tendering. And it would behoove those who govern to keep this in mind as they consider how to build their provinces to serve the good of all, not just a few. ^

23. Ray Pennings, "Has Harris Really Changed Things?," *Comment*, May 1, 2001, <https://www.cardus.ca/comment/article/has-harris-really-changed-things/>.

AUTHOR

BRIAN DIJKEMA is Program Director, Work and Economics, at Cardus. He has worked in labour since 2005. His background in labour research, collective bargaining, day-to-day representation give him unique insights into the world of work and labour policy and its broader social implications. He has long been an advocate for a more cooperative approach to labour relations which sees the mutual benefit of successful and profitable enterprises and respect for workers. His research and work has been featured in major policy journals in North America, and he is often invited to present on Parliament Hill, to contribute to newspapers and periodicals, and to speak to industry and professional associations to inform and shape policy. His advocacy work for trade unionists in Cuba—where he worked to free unionists imprisoned by the Cuban government—and China, where he advocated for free trade unionism, also give him an international perspective on the world of work, and labour policy.

ABOUT CARDUS

CARDUS is a non-partisan, faith-based and registered charity dedicated to promoting a flourishing society through independent research, robust public dialogue, and thought-provoking commentary.

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Ontario Construction Users Council

COUNCIL MEETING

Agenda, Friday September 14, 2018

Board Room E, Centre for Health and Safety Innovation,
5110 Creekbank Road, Mississauga, ON; L4W 0A1

- | | | | |
|-----|--|-------|----------|
| | <i>Breakfast available (All Welcome)</i> | | 8:00 AM |
| 1. | Opening Remark by the Chair, Introduction & Safety Moment | | 8:45 |
| 2. | Approval of Agenda (The Chair be authorized to modify the order of discussion) | | 8:48 |
| 3. | Approval of Minutes – June 8, 2018 | | 8:52 |
| 4. | Approval of Revised Constitution | | 8:55 |
| 5. | Presentations I:
Utility Infrastructure Awareness: KNOW Before You Dig
Grant Piraine and Adam Sampson - Own Your Safety Inc. | | 9:00 |
| | | BREAK | 9:45 |
| 6. | Subcommittee reports: | | |
| | 6.1 Education | | 10:00 |
| | 6.2 Health & Safety | | |
| | 6.3 Labour Relations | | |
| | 6.4 Recruitment and Board Report | | |
| | | BREAK | 10:25 |
| 7. | Presentation II:
Changes in Industrial Safety now and in future
Hugh Fairweather – Safetyscope Inc. | | 10:30 |
| | | BREAK | 11:10 |
| 8. | Presentation III:
Company Profile Update
Paulina Barnes - The State Group Inc. | | 11:15 |
| 9. | New Business and Next Meeting – October 26, 2018 | | 11:55 |
| 10. | Adjournment and Lunch (<i>All Welcome</i>) | | 12:00 PM |

2018 Council Meeting Date: Oct 26 and Dec 14
 Danny Chui, P. Eng., FEC. Appointed Executive Director, Tel: 647-376-6118
 E-mail: dchui.ocuc@outlook.com



Ontario Construction Users Council

MINUTES OF COUNCIL MEETING – June 8, 2018

Location: 5110 Creekbank Road, Mississauga, ON

Member:

Eric Hopkins	Metrolinx
Michael Nieznalski	Toronto Transit Commission
Danny Chui	Exhibition Place, City of Toronto
Robin Granger	Retiree (OPG)
Ian Worte	Ontario Construction Secretariat
Ian Cunningham	Council of Ontario Construction Associations
Tracey Smith	Ontario Power Generation
Vlado Dimovski	Toronto Transit Commission
Ian Munro	Ontario Power Generation
Ward Metzler	DuPont Canada

Guest:

Dan Pastoric	Alectra Utilities
Peter Bartz	Toronto Transit Commission
Jason Cohen	CAD MicroSolutions Inc
Jason Colucci	CSSP Inc.
Yuting Chen	University of Toronto
Dan Bechberger	York Region
Fraser Hewitt	York Region

1. Opening Remark by the Chair, Introduction and Safety Moment

OCUC Chair Eric H started the meeting at 8:47 AM and he commented on the provincial election as the blue way and some exciting things happening in the next four years in the government. As for the safety moment, young workers get into work place with hope, passion and enthusiasm. Experienced workers like you and I, should direct that interest and enthusiasm to the correct direction such as worker safety since young worker group has the highest rate of injury; but not to kill or diminish that passion and desire. We need to give these young people the proper training and instruction and direct that enthusiasm to the proper channel and safe environment. He asked the group to introduce themselves.

2. Approval of Agenda

Agenda was emailed to all members over a week ago and no comments were received. Eric asked to delete item No. 4 for the Approval of Revised Constitution and substitute it with Reviewing the New Website. **Motion to approve the Council agenda; Moved by Ian C as amended and Seconded by Robin G. Motion carried.**

3. Approval of Council Minutes – April 6, 2018

Minutes were sent to all members by emails over a week ago and no comment was received. **Motion to approve the Council minutes; Moved by Ian W and Seconded by Ian C. Motion carried.**

4. Reviewing of Website

A tour of the new website was done. All existing members are required to register again. The request for registration was sent to all members yesterday.

5. Presentation I:

Dan Pastoric – Alectra Utilities

Dan Pastoric is the Vice President of Strategic Growth & Special Projects at Alectra, which serves approximately one million customers across a 2,200 sq. km service territory and 15 communities in Ontario. It is the largest municipal owned electricity distribution company by customer count.

Dan Pastoric has been in the energy sector since 1982. He has over two decades of experience in senior executive roles within the public and private sectors of the electricity industry. Dan was appointed to the Ontario Government's Market Design Committee with the mandate to redesign the electricity sector. He has served on the inaugural Board of Directors of the Independent Market Operator (now known as the IESO) and was elected Chair of the Board's Industry Stakeholder Committee. Dan joined Enersource in 2008 as its EVP & Chief Operating Officer. During his tenure, Enersource won two LDC Performance Excellence Awards in 2009 and 2015. Dan became the energy industry's first Chief Customer Officer, responsible for increasing shareholder value in both the regulated and non-regulated businesses. At Alectra, he is responsible for Mergers and Acquisitions, Corporate Strategy, Community Energy Initiatives and Special Projects. Dan is a Registered Professional Engineer in Ontario and holds a Bachelor of Electrical Engineering degree, Masters in Business Administration degree and a Charter Directors designation from McMaster University.

Dan's presentation would be posted on the OCUC website and all members can review. The main focus is on transforming the energy market in Ontario. He sighted that the reason for higher energy costs was mainly due to aging infrastructure and complexity of the energy market. To stay current, the energy industry must need to be transformed due to increasing customer demands, technological disruption and search for growth. Companies that do not adapt the market and trend would disappear. In January of 2017, Alectra merged with PowerStream, Horizon Utilities and Enersource and acquired Hydro One Brampton; 4-way consolidation of equals to 1500 employees and \$425.6 million in net synergies over 10 years. With a \$255 operating cost per customer, it is projected reduction of \$40 operating costs per customer. Many LDCs are considering option. Over 50% of the top 20 LDCs have taken some actions to share services or be active in the market to improve service, increase efficiency and reduce costs. Next merger include Guelph Hydro by January 2019. Alectra's Vision "We will be Canada's leading electricity distribution and integrated energy solutions provider, creating a future where people, businesses, and communities will benefit from energy's full potential." And its Mission "We provide customers with smart and simple energy choices, while creating sustainable value for our shareholders, customers, communities and employees.

6. Subcommittee Report

6.1 Education

Eric H mentioned that due to the turn around situation of the finance, the board is contemplating on setting up an OCUC scholarship or bursary for students and trade people. Robin G is doing some research on this topic. The new website is the most important bridge on this initiative in the future providing liaison and reaching out opportunities. It could be available for trade people, or college and university studying construction or construction management with the health and safety as well as having diversity in mind.

The other part is the research project that we are doing with the U of T civil department. The program is mainly safety bench marking with contractors for private or public constructions. One is benching marking you against yourself and the other is you against your industry. It is confidential for you to know only but is useful for you to know where you are in term of safety in your organization and in your worker culture. There is such similar program out there in CII and CURT which is in US data and definition which is not useful for Canadian companies.

6.2 Health and Safety

Michael N reported that MOL is focusing on working at height training. Also there is focusing on site specific training as well, not just in the classroom. Other areas are Inspection of components with defects; setting up equipment correctly; using the system accordingly to manufacture manual; and observing minimum clearance. Training must be done within last three years.

Michael N also reported on the 2018 MOL report to PLMHSC - MOL REPORT TO LABOUR-MANAGEMENT NETWORK – June 2018 MEETING for the period from April 16 to May 15, 2018 as follows:

Section 1: Month Fatality was zero; Critical Injury was 29; total 29 for the period as compared to the same period last year of 0 and 17 respectively; increased by 12 (i.e. 71%).

Section 2: MOL Current Event: 2018-19 Blitz Schedule; Health and Safety Enforcement Annual Report: April 2016 to March 2017 overview; Prevention Annual Report: April 2016 to March 2017 overview; and Health and Safety Representative Training.

Section 3:

Court Bulletin 1 – A worker suffered critical injuries while working as part of a crew pouring concrete into formwork during the construction of the walls of a single family home on August 10, 2016. The injury was due to the pumper truck was not set up according to the specifications in its operator's manual. It occurred when one of the pumper truck's outrigger hydraulic legs sunk about three feet into the ground, tipping the truck and moving the boom arm of the truck suddenly into a wall, injuring the worker who was operating the hose. The worker suffered critical injuries. The company was fined \$70,000 plus 25% victim fine surcharge as required by the Provincial Offences Act.

Court Bulletin 2 – A worker received critical injuries after a kettle with molten asphalt sealant was spilled. The injured worker was a member of a crew performing road maintenance. While travelling a short distance between sites, workers were instructed to ride in the back of a truck. The truck also contained a functioning kettle with molten asphalt sealant with a temperature of about 165 degrees Centigrade (about 329 degrees Fahrenheit). The truck stopped abruptly and the molten material in the kettle spilled onto one worker, causing serious injuries. The company was fined \$70,000 plus 25% victim fine surcharge as required by the Provincial Offences Act.

Section 4: Total accumulated Fatality from January 1 to May 15 was 8 and Critical Injury 80 in 2018 compared to 7 and 75 respectively in 2017.

6.3 Labour Relations

Ian W mentioned about Bill 148. Bill 148 has been making headlines since it was passed in November of 2017. Most of those headlines have dealt with the minimum wage increase to \$14 per hour as of January 1, 2018, \$15 per hour as of January 1, 2019. Bill 148 also implemented many other changes to employment legislation which includes: equal pay for casual, part-time, temporary and seasonal employees; increase in vacation entitlement for certain employees; protected personal emergency leave, including paid sick days; protected and partially paid, domestic or sexual violence leave; and ban on requirement of workers to wear elevated (high) heels. The personal emergency leave is the one item that has the door wide open for abuse or potentially misinterpreted. Now the law requires the same job protection for all workplaces, regardless of size, so long as the employee in question has been employed for seven (7) days or longer. This sick leave also requires two (2) out of the ten (10) days to be paid and bans employers from requiring a 'sick note' from a doctor when taking this leave.

6.4 Recruitment and Board Report

Predicting the mass of workforce required by Metrolinx and OPG in the next few years, Eric H raised the concern on labour needs and soon. All owners want a good talented work team. He is not concern of the A, or B, or C team; he is worry about the q, r, z teams that they are going to get. How

do owners address that in respect to health and safety as well as quality and productivity? We need to start discussing these issues and concern with the union, the trainers, the owners and all the associations. The other major factor is the baby boomer retiring rate will be larger and larger in the next 5 – 10 years. Robin G commented that how to train the new work force in a reasonable rate to catch up with the retiring rate. Training in any trade requires 3 – 5 years of education and employment to be a full qualified journeyman. Cultural issue also plays a role in preventing young people from going into trade and getting their hands dirty; however how attractive money there is in the trade.

7. Presentations II

Peter Bartz – TTC’s experience with drug and alcohol testing

Peter Bartz is the Program Lead for the TTC’s Fitness for Duty Program. He has been with the TTC for seven years, and has a background in Labour Relations and Business Administration. He has been involved in the Fitness for Duty program for four years and took over the program in 2015. In 2017 he oversaw the development and implementation of the random testing portion of the TTC’s Fitness for Duty policy. Currently he oversees the Fitness for Duty team, and is involved in the ongoing policy arbitration for the program.

TTC is the 3rd largest transit in North America behind Mexico City and New York. TTC does not have legislation in place in relationship to drug and alcohol testing. Most agencies have mandated alcohol testing for their operators and sometimes for their maintenance and construction staff as well. TTC has four different bargaining unions in the operations, total about 15,000 employees with 3 quarters being unionized. Three classes of employees that included the safety sensitive, specified management which is also risk sensitive and designated executive. The first two groups are held to the same standard and therefore subject to the drug and alcohol testing. A 2011 incident prompted push for random testing and review in 2015 lead further push for random testing and in 2016 it was approved in principle and implementation was executed on May 8, 2017. The principles of random testing: meant to be part of a comprehensive program with extensive support; companies considering Random Testing require sophisticated Occupational Health Departments equipped to liaise with employees and personal physicians; and random testing is meant to act as a deterrent for employees to come to work under the influence and to incent them to seek support prior to a triggering event. TTC’s random testing is the use of oral fluid technology (“swab”) and a calibrated breathalyser. It has expert evidence that supports the notion that a positive test at TTC cut-offs demonstrates a recent use and likelihood of impairment. TTC is only concerned with activities that can impact fitness at work and employer has the right and duty to protect safety of all employees. There are concerns of the set legalization of marijuana in the fall without the roper safety and testing mechanisms and common concern of employers is that it has not enough attention paid to workplace safety. TTC is involved in lobbying efforts to raise employer concerns and the need for proper safety legislation.

8. Presentations III

Jason Cohen – CAD MicroSolutions Inc – Industry 4.0 - Disrupting the construction trades with virtual and augmented reality

Jason Cohen | Director of Digital Experiences | CAD MicroSolutions Inc.- Jason is a leading Virtual Reality (VR) and advanced visualization expert, working with products and systems that enable real understanding of information and data, with 3D interactivity giving every project a new dimension. Jason leads the Digital Experiences Department at CAD MicroSolutions pushing the innovation envelope with immersive display technology, including the latest in Augmented and Virtual Reality. Even as a child, he was fascinated with virtual worlds, electronic entertainment, and storytelling. He knew one day virtual reality would become REALITY and be the dominant way people communicate and interact in the new digitally augmented reality of today we now call XR (Extended Reality).

Industry of the world evolved in 4 stages: 1st Mechanisation, water and steam power; 2nd Mass production assembly line and electricity; 3rd Computer and automation and now 4th Cyber physical systems. The fourth wave in industry, known as Industry 4.0, is underway connecting the physical world to the digital. Manufacturers are developing smarter, better-connected machines that use big data, machine-to-machine communication and machine-learning technology to optimise productivity. This Industry 4.0 can be represented by a cycle with the starting point as simulation, clockwise to system integration to internet of things to cybersecurity to cloud computing to additive manufacturing to augmented reality to big data to autonomous robots and back to simulation again and so it goes round and round. Jason described the revolution of the virtual reality from the early 1939 to now going through different phases of development until the breakthrough of “Oculus” on March 28, 2016. People can wear those headsets and reach out and touch the reality object and participate in action of what is being played out in the headset. CAD MicroSolutions Inc. is the leader in this advance field of invention. VR industry market sectors include manufacturing/robotics, shipbuilding, aerospace and defence, and automotive. In construction, VR is primary in engineering and power. It involves with design review, visibility check digital twinning/BIM, styling, virtual walkthrough, collaboration, safety reviews, and simulator and training. VR technology used throughout a project can result in better design, efficient planning, enhance marketing, aid public consultation, improve training, rehearse maintenance, integrate meta data, and foster understanding and communication. 4D BIM-Building Information Modelling, is the Step-by-step 3D visualisation of a construction methodology, Digital twinning has emerged as a major new approach to design and maintenance in the fourth industrial revolution, transforming the full life cycle of a product. Digital twinning, the mapping of a physical asset to a digital platform, is one of the latest technologies to emerge from Industry 4.0 through the VR technology. It uses data from sensors on the physical asset to analyse its efficiency, condition and real-time status. Data collected by digital twins are predicting breakages or obstructions before they happen to save money and time during production or construction. In industry or manufacturer, before any problem arises, people can order parts and components to reduce the risk of downtime caused by broken machinery or system. Digital twinning also allows manufacturers to edit a virtual prototype throughout the production process. This model reduces development time and costs as the final construction improves efficiency after analysing simulations. As well in construction, using digital twins means always having access to as-built and as-designed models, which are constantly synced in real-time. This allows companies to continuously monitor progress against the schedule laid out in a 4D BIM model. The current limitations of the technology are resolution, comfort, interface tool, ergonomics, haptics and locomotion. Augmented reality is the integration of digital information with the user's environment in real time. In AR, the digital twin must be able to follow the product's location and movement. Images overlaid with real-time sensor data can be used in augmented reality applications to facilitate product maintenance and field service. The VR/AR arms race is on.

9. New Business – None

10. Adjournment – Council meeting was adjourned at 12:05 PM

NOTE: The above minutes were intended to reflect only the general discussions at the time in the meeting. However, they may not necessary had been recorded fully and exactly what were discussed. Please contact Danny Chui within 72 hours to report any discrepancy after receiving these minutes. Minutes are generally posted on the OCUC website www.theocuc.com after they were approved.

**Minutes prepared by:
 Danny Chui, P. Eng., FEC
 Appointed Executive Director
 Tel: 647-376-6118; Email – dchui.ocuc@outlook.com**

Thoughts on coordination:

- Rather than have the EBA's populate the Status of Negotiation Chart CECCO would populate the chart based on telephone conversations with each EBA.
- CECCO will commence calling each EBA bi-weekly starting November 5, 2019 to discover any happenings related to that trade's negotiations and will distribute the Status of Negotiation Chart by weekly at this point.
- CECCO will commence calling each EBA weekly starting January 21, 2019 with the Status of Negotiation Chart being distributed weekly.
- Tied to the December Council meeting there will be a round table discussion as to the status of negotiations and what further information the EBA's would like to see.
- There will be trade group meetings scheduled for early January to flesh out any common themes from each EBA negotiation discussions with their counterparts.
- Timely face to face meetings are required to achieve a better understanding of what is happening but they will only be successful if the EBAs attend.
- The Status of Negotiation Chart will be reworked to provide greater detail on issues i.e. money for language.
- We need buy in from each EBA to make CECCO's coordination successful.
-

DISPATCH

Management's Voice for Unionized T.C.T. Construction

Message from the Executive Director

Summer Reflections

Reflecting on happenings occurring over the summer, the most significant is perhaps the Ontario Labour Relations Board ruling relating to EPSCA and the Fair Workplace – Better Jobs Act (Bill 148).

While the decision clarified a number of issues, it was disheartening to read that if the employer chooses the 0.8 per cent Personal Emergency Leave (PEL) option, it is based on the hourly rate plus vacation pay on hours earned, not hours worked. Previously, it appeared clear from all discussions with the Ministry of Labour – and as advised in the government's new Employment Standards Act Interpretation Manual – that pay calculations for PEL days did not include overtime.

Not to be missed was the election of our new Ontario Progressive Conservative Government. It is critical to the well-being of our industry that CECCO actively meet with the new ministers to inform them of who we are and explain our role within the construction industry. We also want our new government to understand that through consultation with our group, they will be better informed when making critical decisions affecting the direction of the construction industry and the impacts on the many people within it.

I would like to take this opportunity to welcome the Electrical Contractors Association of Ontario back into the CECCO family. ECAO's Executive Director, Graeme Aitken, and Labour Relations Manager, Jodi Travers, are extremely capable individuals who will certainly add strength to our EBA network.

We are now only eight months away from contract expirations. I am sure labour is currently in the throes of communication with its membership to determine any industry concerns and prioritize a list of industry 'wants.' I trust our EBAs are meaningfully engaged in clarifying the changes required to ensure our segment of the construction industry has a healthy future. If you have not already done so, please ensure the lines of communication are open with your labour counterparts.

I believe that our senior labour and management reps know the true state of our industry, and will work in unison to ensure a fair and equitable settlement that will improve our joint position in the marketplace going forward.

– Wynne Peterson

Some Thoughts on Bargaining Set-up

As the industry prepares for the 2019 round of collective bargaining, following are some thoughts on setting up your upcoming negotiation meetings.

WHERE SHOULD THE MEETING BE HELD? Depending on the size of your combined committees and state of the negotiations, a third party location – such as a hotel – could be advantageous. If at all possible, pick a location where no other Employer Bargaining Agency (EBA) may be conducting negotiations simultaneously. Ensure there is sufficient space to accommodate all participants and provide a “break-out” room with comfortable furniture, refreshments, snacks and windows. You want your committee to be relaxed and comfortable. Additionally, you want wish to have AV equipment on hand to present information to the group.

If it is a small group, meet at your contact's office or a third party location. It is difficult to walk out of your own office should discussions not progress well.

WHEN SHOULD WE MEET? Most likely your bargaining committee members have businesses to run, therefore Tuesdays to Thursdays are probably preferable. This allows your committee to ensure their companies start and finish the week off under firm control.

HOW LONG SHOULD WE MEET FOR? Generally, two days for any one meeting allows you to get sufficient ground covered and sets a time line to encourage both parties to move forward. In most cases, two days does not allow for any “flair-ups” to take hold.

HOW LONG DO WE MEET? Unless you are in the final stages of reaching a settlement, the best suggestion for meeting length is maintaining common business hours, such as 8 a.m. to 4 p.m. Going into the evening after you have been negotiating all day only leads to frustration and short tempers. The most important thing to accomplish in your bargaining session is the elimination of any stress on your committee.

Please advise CECCO of your thoughts on this article. We would be happy to share any tips and/or commentary you may have to offer.

Fine-Tuning Your Negotiating Skills

Now that the bargaining meetings are set, here are some negotiating skills to assist you:

- **Listening skills** – Listen carefully and observe the other side's behaviour. Be advised that poor listeners miss opportunities.

- **Analytical skills** – Analytical skills are basic for problem-solving situations.

... continued on page 2

Negotiating Skills

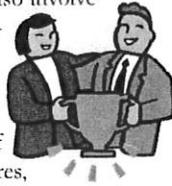
The Levers of Influence

“Pull Skills” for upgrading your negotiating skills include creating a rapport, implementing authentic listening skills and utilizing skillful questioning techniques.

These “Pull” skills also involve the effective use of non-verbal communication tools. One creates rapport with proper posture, tone and volume of voice, eye contact, gestures, facial expressions and how you occupy the space.

Carefully consider how you want to build the relationship with someone whom you will be negotiating with.

- This article is an excerpt from a LinkedIn Slide Share program focused on Negotiating Skills.



CALENDAR OF EVENTS

September 13 –
CECCO Council Meeting

September 19 & 20 –
Ontario Construction Secretariat
(OCS) Annual Meeting & Conference

November 8 –
CECCO Pre-Bargaining Conference

December 13 –
CECCO Council Meeting

For more information and /or meeting location, please contact CECCO at (905) 677-6200.

THE CONSTRUCTION EMPLOYERS COORDINATING COUNCIL OF ONTARIO

DISPATCH

The Construction Employers Coordinating Council of Ontario (CECCO) DISPATCH newsletter is published two times per year and spearheads the association's communication efforts. It is designed to ensure members are kept abreast of current CECCO undertakings, as well as relevant educational opportunities and industry news.

CECCO

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Fine-Tuning Your Negotiating Skills

- **Be professional and control your emotions** – A loss of control could cause you to think irrationally, to lose negotiations and can lead to unfavourable results.
- **Communication skills** – To succeed in business negotiations, you have to communicate clearly and effectively.
- **Be patient and respect the other side** – Always be respectful to your opponent. Be patient even if the other side is not. Your behaviour during business negotiations make impressions so keep calm, and use tact and diplomacy. One of the aims of negotiations is to make good business relationships.
- **Problem-solving skills** – It is very important to have the ability to identify the problem and to find a way to solve it.
- **Persuasive skills** – Use both verbal and non-verbal persuasion and influencing skills.

CECCO MEMBER PROFILE

Andrew Sefton

Ontario Painting Contractors Association

Andrew Sefton, executive director of the Ontario Painting Contractors Association (OPCA), has always been hungry to learn and grow. As such, he actively participates in industry opportunities which lead to the betterment of not only the association he represents, but the construction industry as a whole.

“I am constantly on the look-out for opportunities for improvement within the construction industry,” he said. “Whether it’s participating in business meetings with my industry peers or conversing with OPCA members, each opportunity offers a chance to learn and grow.”

Making his start in the not-for-profit sector in 2001, the 48-year-old came to OPCA in 2007. Sefton sure had some big shoes to fill as he was the prime candidate to replace Maureen Marquardt, who had diligently served the interests of the association for 20 years.

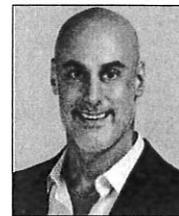
“Assuming leadership following such a highly-regarded 20-year veteran certainly was daunting,” he said. “However, with the support of the OPCA and IUPAT leadership, the transition was made so much easier.”

According to Sefton, his favourite aspect of being OPCA executive director is his affiliation and contact with the members. Although he represents painting contractors, Sefton continually embraces any new opportunities which can lead to the betterment of all construction sectors.

“OPCA contractor members are a group of great individuals and business owners who have an eye toward the betterment of the industry, their association and their respective businesses,” he said. “I continuously benefit from the learning opportunities offered by my peers and the contractors I represent.”

One of the opportunities to learn from his peers comes from Sefton’s involvement with the Construction Employers Coordinating Council of Ontario (CECCO).

“Participation in organizations such as CECCO help fulfill the constant vigilance, function and focused engagement required to address the continuing regulatory and legisla-



tive challenges faced by the construction sector,” he said. “I have participated in CECCO since 2007 by attending meetings, annual conferences and special events. It’s a great opportunity to learn from industry peers.”

With 2019 bargaining on the horizon, Sefton said that his priority is to ensure consensus is achieved which supports organizational and industry strategic objectives. Although there are new challenges which must be faced in the upcoming discussions, the availability of historical data and traditional industry best practices help shape the OPCA’s negotiating strategy.

“The OPCA engages contractor members to complete a member collective bargaining survey the summer prior to the actual collective bargaining,” he said. “The responses we receive from this survey are consolidated and presented to the Board of Directors for review and prioritization. Once priorities are identified, OPCA legal counsel prepares written positions for presentation to members of the Collective Bargaining Unit (Appendix B: Interior Systems Contractors Association and Acoustical Association of Ontario), as well as the International Union of Painters and Allied Trades DC46.”

According to Sefton, OPCA has many seasoned veterans of the collective bargaining process who have spearheaded past success. He is confident this group will once again achieve success in the coming year.

“OPCA’s participation in the arbitration protocol in 2013 – 2016 bargaining did not result in measurable monetary or language gains,” he said. “However, the process fundamentally altered historical bargaining patterns and contributed not only to management success in 2016 – 2019, but will play a role in future negotiations as well.”

Established in 1976, the Ontario Painting Contractors Association is a provincial trade group representing unionized painting and wall-covering contractors involved in the ICI sector.



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To: ALL MEMBERS AND ASSOCIATE MEMBERS

Bulletin #11-18

Date: June 25, 2018

IMPORTANT NOTICE 2018 PRE BARGAINING SEMINAR

I am aware that as we move into I.C.I. bargaining the true and tried seasoned members of your bargaining committees feel they know it all. ***Been there, done that.*** As an individual who has been through numerous bargaining rounds nationally and six provincially you never know it all. There is always something that can be learned.

On November 8, 2018 we are providing the opportunity for your bargaining committee members, old and new to become a little better informed.

We have lined up a number of first class program:

- Ministry of Labour Mediation Services – Dayna Firth and two of her conciliation officers
- Ontario Construction Secretariat Economic Update – Katharine Jacobs
- Negotiation Legal Requirements – Patrick Moran, Hicks Morley
- Bargaining Considerations – Reg Pearson, Former Deputy Minister of Labour
- Negotiation Roundtable - an opportunity to share your negotiating committee's thoughts and concerns on the upcoming round of bargaining, as well as discussing how CECCO can better assist your bargaining efforts.

When: Thursday November 8, 2018 – 8:30 am – 1:30 pm
Where: 6303 Airport Road, Main Floor Conference Room
Who Should Attend: As many as of your bargaining committee as possible

Light breakfast and lunch will be available.

This is important to the health of our industry. Mark it in your calendar now!

GET YOUR BARGAINING COMMITTEE ENGAGED

Ministry of Labour

Ministère du Travail

Office of the
Assistant Deputy Minister
Operations Division

Bureau du
sous-ministre adjoint
Division des opérations



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August 29, 2018

Dear Stakeholder:

We invite you to participate in the Ministry of Labour's Workplace Health and Safety consultations taking place in October 2018.

This year, the ministry's Operations Division and the Prevention Office are hosting back-to-back consultations. We are looking for your feedback to help keep Ontario workers safe and healthy while at work.

These discussions will be an opportunity to help shape the future direction of the ministry's Safe at Work Ontario strategy for 2019/20. Your feedback will help improve the effectiveness of our Safe at Work Ontario campaigns and enhance the compliance support we offer.

We will also provide you with an update on some of our activities (ongoing and planned) in response to the feedback we received from you in the January/February 2018 Safe at Work Ontario consultation sessions.

In addition, the Ministry's Chief Prevention Officer is developing Ontario's Occupational Health and Safety Strategy for the next 5 years, and would like your input to identify and address emerging priorities.

There will be in-person sessions taking place in the Greater Toronto Area. We are also hosting web-based consultations if you are unable to attend an in-person session. As space is limited, please visit <https://sawo.eventbrite.com> to register for the session(s) of your choosing and secure your spot.

If you have questions or comments, please email the ministry at SAWOC consultations@ontario.ca.

Ensuring continued engagement with our stakeholders is vital to the success and improvement of workplace health and safety culture in Ontario. I hope you will accept this invitation to participate in the dialogue.

Sincerely,

(Original signed by)

Leon Genesove

Ron Kelusky

Acting Director
Occupational Health and Safety Branch
Ministry of Labour

Chief Prevention Officer
Prevention Office
Ministry of Labour