

CECCO As we see it

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Industrial, Commercial and Institutional Negotiations



The 2022 Industrial, Commercial and Institutional (ICI) sector's negotiations are progressing. To-date two of the twenty-five trades in the ICI sector have reached negotiated settlements. Several other trades are meeting regionally to discuss desired language revisions in their appendices to the Provincial agreement with the intent of having these discussions concluded prior to meeting Provincially. Late March and April will prove to be a busy time for the Minister of Labour's Dispute Resolution Services who provide conciliation officer assistance when requested. All Employer Bargaining Agencies remain committed to achieving negotiated settlements.

Relating to the 'open period', there are hints of raids being enacted by the Labourers' International Union of North America (LIUNA), possibly altering what union represents which group of workers. 'We'll be monitoring this activity as the bargaining season continues.'

Over budget, behind schedule

These are terms we hear far too often. Recent factors such as working through the pandemic within the required restrictions, labour supply, supply chain issues and material price volatility are part of our current reality. But we heard these terms bandied around long before the pandemic.

We know that construction projects are often complicated and, while there may be uncontrollable factors such as weather, both schedule and budget overruns are usually associated with deeper issues. A number of factors lead to a project being over budget and behind schedule and it is the contractor – the face of the project – who publicly receives most of the blame. In some cases, this may be justified, but certainly not in the majority.

As it relates to budget, contractors bid firm lump sums for a project and their contract price, once agreed by the client, is revised only if there are justifiable revisions to the contract or agreed-to escalation clauses in the contract. One must look to the owner and the design authorities for project cost overruns with issues such as inaccurate project estimates, serious design errors, putting a project out to tender with incomplete project design documents and scope of work revisions during the life of the project. Relating to schedule, the contractor may certainly have some culpability when they participate in poor planning, poor communications, and sloppy project management practices. The owner and design authorities also shoulder fault when there are project revisions such as correcting design errors, incorporating revisions to the initial specification, a design change or additional impacts to the project's schedule.

But if owners want to ensure better control over their project's costs and schedule, they must improve their pre-planning and, with clear communications from the design authorities, allow them the designers the required lead time to provide complete project plans and specifications prior to tendering the project.

Ministerial Appointments

Of critical importance following the upcoming election is who Ontario's Premier appoints as Cabinet Ministers and what portfolios they hold. One would suggest it is common sense to appoint individuals that work well with others, but of prime importance to constituents is that appointed Ministers have at least a basic knowledge of the work their portfolios represent.

Construction is a large sector of the economy; it was a big part of keeping the economy going during the pandemic and has special recognition in the Labour Relation Act.

The construction industry needs to be heard when the Government is determining who will be the next Minister of Labour, Training and Skills Development, and we will certainly be offering our views.



Questions or comments? Ideas for a future issue of **As we see it**? We want to hear from you! Email us anytime at admin@cecco.org.

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