



Underground activity in Ontario's construction affects us all

The underground economy in Ontario's construction industry resulted in revenue losses to governments and government agencies of \$1.8 to \$3.1 billion annually during the 2013-2017 period. This was an increase of approximately 30% over the estimated revenue losses for the 2007-2009 period. The illegal practices fueling underground activity are both unfair and economically damaging. The principal driver in the growth of the underground economy is the improper and illegal styling of workers as independent operators when they should be deemed to be employees.

Curtailing the underground economy in Ontario's construction industry will require more concerted enforcement of existing statutory obligations and consideration of new enforcement. @Ontario Construction Secretariat

Construction communications is the key

The efficiency and effectiveness of the construction industry strongly depends on the quality of communications. In issue seven of **As we see it**, we addressed 'over budget, behind schedule'. Improved communication is a key factor in correcting this situation, too.

There four reasons why improvements in communication are needed:

1. Effective communication within the entire building team - the architect, engineer, project manager, general and trade contractors - reduces major project issues.
2. More open communication at all levels could lead to innovations and better technical solutions that would improve the progression of the project.
3. Communications improvements in early phases of the projects would positively influence the quality as perceived by all stakeholders involved.
4. Strengthened communication during briefings can lead to better decision-making and less haste in moving to solutions that could actually impede the project.

Communication is influenced by multiple types of factors. One is the organizational perceived flow - who receives what and when, and the difference between formal and informal communication routes during the design phase. Another is the stakeholders themselves; it is better to keep all parties at all levels informed and immediately address opposing interests that could lead to hidden agendas. Do not let this situation permeate and lead to restricted communication.

One reminder: consider the old adage, "if it is not in writing it did not happen." The industry at all levels and stages needs to improve communications, assisting projects to come in on time and on budget.

Labour Relations Act Review

The construction industry has a defined section in Ontario's Labour Relations Act. The last major review of this section of the Act was in the early 1970s with substantial revisions being made as a result of the Franks report. In the early 1990s George Adams was commissioned to review the 1978 construction-related revisions to the Act with some amendments being enacted. Since then, the Government of the day has only tweaked the Act with political concerns overtaking modernization. It has been 42 years since the last major review of the Act. The Province and the construction industry have evolved since the 1970s – it is time for a major review of the construction section of the Ontario Labour Relations Act.



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