

## **BC Infrastructure Benefits Q & A Vancouver Regional Construction Association July 15 Event**

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### **Introduction**

BC Infrastructure Benefits (BCIB) was invited by Partnerships BC and the Vancouver Regional Construction Association to meet with construction industry representatives for an information session on July 15, 2019. The event was billed as an opportunity to discuss BCIB operations and procedures. The tone of our presentation was of respect, dialogue, education and partnership.

The following information is a compilation of the questions posed during the session and additional questions delivered to BCIB from the Vancouver Regional Construction Association's President.

Responsible management requires ongoing responsiveness and the ability to adjust and improve on a continuous basis. Our organization is constantly asking how this is working, how can we make it better, and who needs to be in the room. BCIB is a responsive, collaborative and engaged organization and we invite contractors and subcontractors to reach out to us directly so that we can have the necessary discussions in order to build strong, transparent relationships.

Please visit our website [www.bcib.ca](http://www.bcib.ca) for continual updates or reach out to Greg Johnson, Director of Industry Relations [gjohnson@bcib.ca](mailto:gjohnson@bcib.ca).

### **BC Infrastructure Benefits – General Information**

- BCIB is the Crown corporation formed to operationalize the Community Benefits Agreement (CBA).
- The objective of the CBA is to provide benefits to the communities where projects are being delivered, to address BC's skilled trades shortage and to "develop and maintain a skilled workforce."
- In the case of select public infrastructure projects that will be delivered using the CBA, the "project owner" has created a framework to address the skilled labour shortage across the province. BCIB has the responsibility and privilege of operationalizing this framework.
- BCIB's goal is to put people at the centre of the public infrastructure projects that will be delivered using the CBA. The model is anchored on three key objectives:
  - Mobilize and grow skills for the province
  - Priority hiring
  - Project stability
- The province is facing an increasing labour shortage – now and in the long term. BCIB's approach to working to mobilize skills where public infrastructure projects are taking place enables the province to identify and grow the skilled labour necessary to keep the province growing.

- Growing a skilled labour force for BC will be enabled by complementing and expanding the work already underway by many in industry – focusing on equity employment for Indigenous communities, women and other underrepresented groups. BCIB has many critical levers to mobilize the workforce effectively and efficiently – including but not limited to:
  - Strong local, on the ground partnership and recruitment strategies
  - A contractual agreement with 19 affiliated unions across a broad spectrum of skilled trades
  - Access to skilled trade databases and dispatch capacity locally, regionally, provincially, nationally and, if required, internationally
  - The relationship with the unions enables marginalized and underrepresented groups a coordinated approach between BCIB and the respective union supports to ensure the necessary resources are in place and easily accessible to grow a skilled and diverse workforce
- These levers and relationships allow BCIB unmatched access to skilled labour. First and foremost, in communities through the combination on the ground outreach and recruitment and localized partnerships with key construction and union representatives.

- The Employee Experience:

As the employer of all employees on projects being delivered using the CBA, BCIB is committed to a safe and impactful work experience.

As such, all employees will have the opportunity to:

- Complete their baseline construction safety training (CSTS-09) for free
  - Supervisors receive specialized supervisory training
  - Cultural Competency training – including local Indigenous knowledge, history and historical context of Canada’s relationship with Indigenous peoples to support the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Calls to Action by the Truth and Reconciliation Commission’s final report
  - Complete the Be More Than A Bystander training – a collaborative effort between the BC Centre for Women in the Trades (BCCWITT) and the Ending Violence Association of British Columbia, of which BCIB is a proud partner
  - Through the relationship with the unions – support to identify and successfully complete their apprenticeships to build more ticketed tradespeople across the province and opportunities to be dispatched to non-CBA projects when possible
  - Access to the network of BCIB public infrastructure projects through the commitment of priority rehires for previous BCIB employees
  - Other training and education contextual to project location and the infrastructure purpose
- In addition to BCIB, the province has created a Community Benefits Office which is tasked with formalizing the Community Benefits Framework.
  - When a public infrastructure project will be delivered using the CBA, BCIB begins engagement immediately as a key stakeholder alongside the Ministry responsible, the Province’s project team and the contractors engaged in the procurement processes.

- BCIB understands the complex nature of public infrastructure initiatives and respects the opportunity to work hand in hand with contractors, public agencies and content experts to develop the most efficient, cost effective and impactful application to ensure the Community Benefits Agreement enables a legacy for British Columbians, our communities, our businesses, and the workforce and their families.

## Question and Answer

The following represent a mix of questions posted during the presentation and created after by the VRCA's leadership and submitted to BCIB.

- 1. Local companies will choose not to bid on CBA projects due to the lack of details/associated risk; non-local companies will do the work then return to their place of origin, a move that does not result in community benefit.**

BCIB's first project is currently operational. BCIB has received support from local communities, contractors and subcontractors. As with many large, complex public infrastructure projects, national and multi-national companies are often the prime contractors.

Traditionally, these contractors pull from a pre-selected group of subcontractors to build a project. BCIB represents a unique opportunity for *all interested subcontractors*, including Indigenous and small-to-medium size subcontractors, to actively bid on projects that they would otherwise be unable to because of limited access to skilled labour and stable labour costs. BCIB enables contractors and subcontractors to have transparent, reliable pricing for labour *and* access to unmatched skilled trades, training and education.

- 2. Because BC is at full employment:**

- **BCIB and/or the 19 unions will need to hire non-local workers, a move that will not result in community benefit.**

Local labour mobilization and recruitment, alongside other supportive levers, is a priority for BCIB. Local hires are part of the priority hiring mandate, and extends to Indigenous, women and equity seeking groups. BCIB's first project, near Revelstoke, received 300 online applications within two weeks. Our communities have skilled workers ready to work, and BCIB is here to mobilize and dispatch them. We will do this through on the ground, community and regional partnerships.

Community benefit is not only defined by local employment. Every project leaves a legacy, including local subcontractor opportunities and local spending for projects. Communities also benefit from diverse work crews engaging in their communities during construction, creating important spaces for reconciliation, breaking down stereotypes and assumptions and exposing skilled workers to new regions of the province.

- **The 19 unions are already trying to poach workers from active construction sites, a move that undermines the contractor's investment in their crew, training, safety record and productivity.**

The AIRCC (19 affiliated unions) is a key partner that is working with BCIB to mobilize and develop the skills in local communities and support members to journey through their apprenticeship program. BCIB has no knowledge of any of the practices asserted in this question.

- 3. The plan that BCIB will have a full-time presence on site for the duration of a CBA project establishes an extra layer of bureaucracy and protocol that negatively impacts risk, productivity, safety and cost of construction.**

As the employer and through collaboration with contractors, BCIB has established the appropriate and necessary support on-site for all CBA projects. The on-site presence enables a safe and productive work environment for all members of the team, including women, indigenous and other equity seeking groups. BCIB is working hand in hand with contractors on-site to allow for an immediate response to any operational requirements and to respond to contractor needs and requests.

- 4. The worker stands to potentially lose, if they are hired by BCIB, dispatched on a basis that is not full-time and need to find additional work, a situation that is not clear from a tax and benefits perspective.**

BCIB will not mandate how individual companies manage their employees. The individual will become an employee of BCIB when working on the project. It is up to companies if they want workers to remain an employee of their company at the same time and/or work on other projects.

BCIB is not a tax and benefits specialist, therefore individual contractors and employees are responsible for their own tax and benefit questions. BCIB is happy to engage with its employees to discuss its benefit package when working on CBA projects.

- 5. If a CBA project stops for three weeks, will BCIB pay the workers while they sit idle for three weeks in order to ensure they come back?**

Firstly, BCIB is working hand in hand with contractors to develop forward looking scheduling and dispatch of employees.

Second, as a BCIB employee and member of a union, if there was a gap in the skilled labour requirement for one project, the individual can be dispatched immediately to another site through the union.

Third, as with any construction project, timing and labour needs sometimes require adjustments. Like all contractors, we value our employees' time and skills and therefore will keep them on where possible.

- 6. Given that British Columbia is operating at full employment, where will BCIB find the workers needed for CBA projects without poaching workers from their current employers?**

BCIB will engage and recruit locally, on the ground in the communities where these projects are taking place. Most importantly, BCIB will focus on underrepresented groups who are often

overlooked, for example, women, Indigenous peoples and other equity-seeking groups. Currently women represent less than 4% of the overall skilled trade workforce in this province, and only 1% are on the tools.

BCIB and the AIRCC are committed to providing the workforce through the hiring process outlined in the CBA, which includes sourcing skilled workers across Canada and internationally, if required. If BCIB, after having exhausted all sourcing options, is unable to fill an Employee Request, and the contractor identifies available employees to BCIB, then BCIB will hire them.

**7. What ability will a specialized contractor have to bring its entire (specialized) crew onto a CBA project?**

If the contractor is providing work that the appropriate affiliate union is not able to provide, it is considered a speciality application and they can receive a permit.

**8. How will contractors know whether the workers dispatched to them will be local or from outside of BC?**

BCIB and the AIRCC are committed to transparent hiring processes and procedures. Please refer to the PowerPoint that was delivered during this presentation for details on each employee group.

Overall, BCIB is with the project from procurement to completion, working lock step with contractors at each phase of the planning and implementation process. When contractors give BCIB their interim labour forecast, BCIB will have a good idea about what can be filled with local labour and what *may* require labour from across BC and beyond.

**9. In the presentation, BCIB talked about the percentage of a crew that will be named hires, named requests and BCIB/AIRCC dispatched workers, but the CBA contract refers to absolute numbers. Why the difference?**

Article 8 of the CBA clearly outlines the formula for how name hires, name requests and BCIB/AIRCC dispatched workers are coordinated and sequenced. The percentages discussed in the presentation were to help with understanding the application of article 8. Every CBA public infrastructure project will have different formula outcomes. Generally, as the size of the crew increases, the number of named hires increases.

**10. Do suppliers of services, such as portable toilets, or companies delivering product to a CBA project, need to be unionized or require a permit?**

Companies that are onsite for short periods of time providing equipment maintenance, for example, will need to secure a permit. Small, short-term work is not subject to the CBA. For clarity, the CBA provisions do not apply to work that is short-term and/or is for the purposes of delivery to site.

**11. Off-site prefabrication is expected to account for upwards of 20 per cent of the materials used on projects. Does the CBA apply to prefabrication facilities?**

Article 4.400 of the CBA provides for the exclusion of all supplies, materials, preassembled units,

precast, fabricated and modularized components that may be sourced globally. These items are out of scope of the CBA. Materials included within the scope of the CBA are those fabricated at a domestic facility purpose-built for the applicable project

**12. What is the purpose of having a BCIB representative on site, full time? What's the associated cost? Who pays for them?**

As the employer and through collaboration with contractors, BCIB has established the appropriate and necessary support on-site for all CBA projects. The on-site presence enables a safe and productive work environment for all members of the team, including women, Indigenous people and other equity seeking groups. BCIB is working hand in hand with contractors on-site to allow for unmatched access to skilled and diversified BC labour.

Contractors only pay for direct labour costs associated for skilled trade workers. These labour costs are transparent and available in the CBA.

**13. The reality of a construction site is that future labour requirements are assessed on an as-needed basis e.g. overtime is determined 12-24 hours in advance of being required). How will BCIB navigate that process given that it requires 3-6 months look-out schedules and 72-hours notice to place their order for workers with the hiring hall?**

BCIB representatives on the site coordinate and award overtime in collaboration with the contractor on the spot.

**14. In today's tight labour market, companies pay living-out allowances (LOA) to bring non-local workers onto a project. If a contractor loses its local labour to BCIB, it will need to fill the void created in its workforce with non-local labour. Who will pay the associated LOA to help stabilize the contractor's workforce? If an LOA needs to be paid to non-local workers to work on a CBA project, will that cost be borne by BCIB, who is recruiting the labour, or the contractor?**

BCIB recruits and employs all the labour on CBA projects. The contractor is responsible for pricing LOA to the project owner, as they are with all projects.

**15. Contractors who work on multiple projects can deploy their workers across a number of sites and therefore keep their workforce employed. Since BCIB has only one site, what happens if it doesn't need a worker for five days a week? What does the worker do with the rest of their time? What are the tax implications to the worker of being employed by two employers, receiving two sets of benefits etc.?**

BCIB will not unilaterally transfer an employee from one contractor to another.

The CBA allows for the transfer of employees upon agreement between BCIB, the contractor and the involved employee. Refer to Article 7.600 of the CBA.

Section 5.2 (c) of both the BCIB-Contractor Agreement and Subcontractor Agreement require contractors and subcontractors to give consideration of requests from BCIB for the transfer of Employees. Employees cannot be transferred without the agreement and consent of all parties.

BCIB will always have on the ground support at all project sites and will work collaboratively with contractors to ensure seamless, transparent communications and integrated work teams.

It is important to note that BCIB has a network of projects that workers can participate in. For example, in the Metro Vancouver area, BCIB will be building two very large public infrastructure projects: the Pattullo Bridge Replacement Project and the Broadway Subway Project.

**16. In its presentation, BCIB said that the understanding and interpretation of the CBA is continuing to evolve, and that the presentation to VRCA members on July 15 was different from the one made to Southern Interior Construction Association members on June 12. What changed and/or what did BCIB learn in the past month that resulted in a change to the information presented?**

BCIB recognizes that each public infrastructure project that is applying a CBA is complex and unique in and of itself. Therefore, from the start, BCIB is part of all the procurement and collaborative discussions with proponents to ensure that operationalizing the CBA is effective and efficient, meeting both the goals of the agreement and the nuanced requirements of the respective projects. As each project progresses in operational planning stages, BCIB works alongside the key stakeholders to enable the CBA, which may include making some amendments and clarification to the agreement as needed.

**17. How does PBC/BCIB rationalize the risk, inefficiency and associated cost of working out operational details of a CBA project when a CBA project has already been awarded and has started?**

The complexity of public infrastructure projects reflects the unique nature of each operation to complete these public initiatives. BCIB provides the enabling tools for contractors to address these fluid needs through its unmatched access to labour, while also mobilizing and growing local, diverse workforces. BCIB has the expertise and critical stakeholder relationships to ensure that the objectives of the agreement and the pressing priorities of the contractor can be aligned and mutually achieved.

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