

BEFORE

**LEGISLATIVE ASSEMBLY OF ONTARIO
STANDING COMMITTEE ON FINANCE AND ECONOMIC
AFFAIRS**

PUBLIC HEARING FOR

**THE STUDY OF RECOMMENDATIONS RELATING TO THE
ECONOMIC AND FISCAL UPDATE ACT, 2020 AND THE
IMPACTS OF THE COVID-19 CRISIS ON CERTAIN SECTORS
OF THE ECONOMY**

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MUNICIPALITIES, CONSTRUCTION AND BUILDING SECTOR

July 22, 2020

Submissions on behalf of

**CARPENTERS' DISTRICT COUNCIL OF ONTARIO,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS
OF AMERICA**

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**SUBMISSIONS OF
CARPENTERS' DISTRICT COUNCIL OF ONTARIO,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF
AMERICA**

**SUBMISSIONS TO THE LEGISLATIVE ASSEMBLY OF ONTARIO,
STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS**

These are the submissions of Carpenters' District Council of Ontario, United Brotherhood of Carpenters and Joiners of America (the "Carpenters") to the Legislative Assembly of Ontario, Standing Committee on Finance and Economic Affairs (the "Committee") concerning the Municipalities, Construction and Building Sector of the Study of the recommendations relating to the Economic and Fiscal Update Act, 2020 and the impacts of the COVID-19 crisis on certain sectors of the economy.

Introduction

1. The Carpenters' District Council of Ontario, UBCJA, is composed of 16 affiliated local unions of the United Brotherhood of Carpenters and Joiners of America across the Province of Ontario. We represent approximately thirty thousand women and men working in a wide range of skilled trades, including general carpentry, drywall, resilient flooring, concrete formwork, underwater construction, welding, scaffolding, and a long list of other construction related work.
2. Our members work in all sectors of the construction industry and perform tasks as diverse as concrete forming on the highest skyscrapers to welding in the depths of the Great Lakes. The majority of our members are generally employed in the industrial, commercial and institutional (ICI) sector of the construction industry, and, as such, are directly involved in building/maintaining key infrastructure projects. In addition, and particularly in the Greater Toronto Area (the "GTA"), a significant and growing number of our members work in the residential sector of the construction industry.

3. The Carpenters, its local unions, and the various training trusts with which they are involved collectively operate 14 training centres in all regions of Ontario. We, together with our employer partners, provide the multi (normally four) year apprenticeship and other on-the-job and in-class experience and training required to produce skilled journeypersons for all of the *carpentry trades* in Ontario.

COVID-19 and the construction industry

4. As with every other aspect of Ontario's economy, the construction industry was drastically affected by the pandemic. However, unlike many (or even most) industries, construction has been able to keep working, in part at least, throughout the entire health emergency.
5. Initially, all construction projects were considered *essential workplaces* under the various provincial regulations passed pursuant to the *Emergency Management and Civil Protection Act*. This was subsequently changed with the revised definition of essential workplaces that came into effect on April 4, 2020, resulting in certain construction projects being shut down. However, even under the April 4th revised definition, huge portions of our industry continued to operate. Thereafter, effective on May 4th and May 19th, the definitions were changed again with the result that as of May 19th virtually all of construction has been able to open up once more. Currently, our entire industry is effectively working everywhere across Ontario.

Construction sites now

6. Despite the fact that, or maybe because, so much of the construction industry remained working during the pandemic, the situation on construction sites in Ontario has certainly not been *business as usual*. In some ways, the pandemic, and our province's and our industry's responses to it, have been positive.
7. The health emergency resulted in a great many changes to the conditions under which construction workers generally, and members of the Carpenters in particular, work. It is not an exaggeration to state that Ontario's construction sites have never been as clean, as healthy, and as safe, for the workers as they are now. Virtually

every site in this province now has running water (which in a lot of cases includes hot water), sanitary washrooms and wash-up facilities and eating areas which are fit for the workers to use.

8. In many ways our industry has the urgings and encouragements of Premier, the Minister of Labour and a great many MPPs (from every party) to thank for the conditions which now exist on Ontario jobsites. The Premier, the Minister and MPPs (be they Progressive Conservatives, New Democrats, Liberals or Greens) all clearly showed that they cared and would stand up for Ontario's construction workers by demanding that if our industry was to remain working, then basic health and safety conditions had to be met. These changes to working conditions were long overdue and it is in some ways ironic that it took the worst health crisis the world has seen in 100 years to bring them about. Nevertheless, the improvements which have been made are greatly appreciated by the Carpenters but we believe that it is now vitally important that such improvements not be lost as Ontario's economy/society begins to reopen.
9. During the first part of the health emergency in Ontario (March, April, May and into June), the Ministry of Labour placed a special focus on inspecting construction sites for health and safety concerns. As a result, a great many health and safety related orders were issued. The Carpenters cannot stress enough how important it is to maintain such vigilance now, both for COVID-19 related reasons and for other more general reasons relating to the overall health and safety of Ontario's construction workforce.
10. Ontario's construction industry has been lucky in that the workforce has, for the most part, avoided the worst ravages of the pandemic. Some of this is presumably attributable to the fact that the workers tend to be fairly physically fit (given the physical nature of much of the work) and due to the fact that a great deal of construction work takes place totally or partially in the open air. However, Ontario cannot afford to *rest on its laurels*. Construction workers have contracted the virus, and indeed a member of the Carpenters actually died of COVID-19. Further, our

industry can be particularly susceptible to the effects of this virus given the close conditions in which construction workers work and given that all construction work is transitory in nature and that, therefore, construction workers move from jobsite to jobsite, intermingling with new co-workers, on a constant and consistent basis.

11. In the drywall portion of our industry in the GTA in particular, the Carpenters have been forced to deal with a number of minor outbreaks of COVID-19 amongst our members (and the other construction workers they work alongside with) where the spread of the virus appears to have occurred on jobsites. As of now, such clusters have been identified and dealt with relatively quickly by the unions and employers involved and, as such, the spread has been minimal. Nevertheless, such minor outbreaks are a constant reminder that a single drywaller who becomes infected, for example, has the potential to quickly spread the virus to the other members of his or her crew, and thereafter to members of other crews if the worker is transferred to a different jobsite.

12. Based on all of the above, it is the Carpenters' position that now is the time to cement in place such increased vigilance when it comes to health and safety. We would urge the Standing Committee to recommend that the extraordinary levels of health and safety inspectors/inspections which were made available to the construction industry become the *new normal*. In this way, infections amongst construction workers can be limited and, when they do occur, can be promptly and effectively dealt with to limit the spread. The alternative to maintaining the current higher levels of concern in relation to health and safety runs the risk of our industry suffering serious outbreaks amongst groups of workers who move from jobsite to jobsite and from town to town. That possibility would then obviously put not only our members and all other construction workers in harm's way but would also run the risk of significantly impacting their families and the population of the province more generally.

Getting construction sites going and keeping them going

13. Commencing and continuing actual construction on any projects is dependent upon securing a variety of government permits, permissions and inspections. During the

health emergency, many government offices have not been open and/or have been functioning much more slowly. Accordingly, our industry has suffered as projects have either not started, and/or have not been able to progress, as expected given that the required permits, permissions and inspections have not been received in a timely fashion.

14. Obviously, we all understand why various branches of government have not been able to work as efficiently as normal during the crisis. However, such delays can often be critical to construction projects given the complex financing and time schedules which are involved. Further, these scheduling problems are magnified in certain parts of the province, particularly in northern Ontario for example, given that certain work can only be performed during the summer months due to the weather and/or ground conditions at other times of the year.

15. Given the above, the Carpenters would urge the Committee to make recommendations designed to expedite the permit, permission and inspection processes related to construction to ensure that projects can actually start and keep going (now more than ever given that construction is one of the industries which has been able to keep going despite COVID-19 and thereby positively contribute to the province's overall economy). We will not provide any more detailed requests on this issue as we believe that the government may actually be dealing with this issue through the *COVID-19 Economic Recovery Act, 2020*.

Infrastructure spending

16. The Carpenters believe that it is vital to Ontario's economic recovery from the COVID-19 crisis that government spending on infrastructure projects is at least maintained at the pre-crisis levels and, more preferably, that such funding be increased as much as possible. In stating this, we obviously recognize that all levels of government have had to spend huge amounts on any number of items and programs as a result of the health emergency and that such expenditures were completely unexpected. We also realize that government, and in this case the provincial government in particular, does not have a bottomless pot of money available to it. Nevertheless, the Carpenters

would assert that there are good and valid policy reasons for maintaining infrastructure spending in these difficult times and that, when used creatively, spending on infrastructure could have significant additional advantages to our province as we attempt to emerge from the crisis.

Jobs now

17. It has long been recognized by almost all economists that spending on infrastructure creates jobs. Since the Great Depression of the 1930s, governments at every level have, in times of economic crisis, looked to the construction industry to put people back to work quickly through publicly funded building works. This is as true now as it has ever been with Ontario looking to restart its economy after the (hopefully) worst ravages of the COVID-19 crisis. In this respect, the government can be certain that every dollar spent on infrastructure projects in Ontario will create jobs right here in our province.

Why infrastructure

18. In making the above statements, the Carpenters are not in any way suggesting that the government simply spend money on *make work schemes*. The infrastructure projects which we believe should now be encouraged and supported through government spending are related to the existing and/or immediate future needs of our province. Many such needs have already been identified and prioritized. For example, it would appear that there is a common consensus that Ontario must increase and modernize its public transportation systems. Accordingly, prioritizing spending on such projects now will not only help employment in Ontario but will also ensure that our province benefits from such infrastructure improvement sooner rather than later.

19. The Carpenters would also assert that prioritizing spending on infrastructure is important and of added value during these difficult economic times given how such spending can be targeted. Infrastructural needs exist across the province. Accordingly, such spending can be designed to ensure that every part of Ontario benefits and, if necessary, can be further refined to ensure that parts of the province

which may have been particularly hard hit by COVID-19 can be stimulated at a greater level.

20. In making the above submissions concerning the province-wide possibilities for infrastructure spending as an economic stimulant, the Carpenters wish to clarify a common misconception with respect to infrastructure projects. In the minds of many in government and much of the general public, “infrastructure projects” are often viewed as being huge public works which generally only benefit large cities or urban areas. This is true of some, and perhaps of the most prominent, infrastructure projects but infrastructural improvements have infinite possibilities and can range from the smallest to the largest of projects. In this respect, the stimulus which spending on infrastructure could provide to Ontario’s economy should not be viewed as being limited to a few big cities. Every town and rural area also has potential projects which could proceed, and thereby help restart their local economies, if government funding is made available.

21. One example of such potential micro-targeting of government funding has arisen directly from the COVID-19 crisis itself. Long-term care homes exist across the province, in both big cities and small towns. The current crisis has made clear just how many of these facilities need to be seriously renovated and/or how many new long-term care homes need to be built in the next few years, in every part of Ontario. Such government funded and supported improvements/expansion to our LTC facilities could therefore benefit every part of the province while making life better for Ontario’s seniors at the same time.

Not just jobs for now but advantages well into the future

22. Spending on infrastructure is sometimes criticized on the basis that it only provides a short-term fix through temporary jobs. It is true that all infrastructure projects, no matter how large, are eventually completed and, as such, all of the workers who build them will eventually be laid off and will have to move on. However, it is not necessarily the case that such projects (brought about by government spending) cannot also provide long-term advantages to Ontario. It is the possibilities offered by such

magnifying effects to the overall benefit offered to our province by such government stimulus which perhaps excites the Carpenters the most.

23. Our industry, and our particular trades, are built around a system of learning on the job through apprenticeships. As such, for the Carpenters all construction projects do not simply represent *another building being put up* but are also *real world classrooms* in which actual and practical learning for the future takes place each and every day. Because of this, our Union would urge the government to maximize the advantages of every dollar spent in building the infrastructure which our province needs by also stressing the learning opportunities which such government stimulated projects can provide.
24. It is commonly recognized that Canada's and Ontario's trades' workforce is aging rapidly. Accordingly, our industry needs young people to enter it in order to replace the aging existing workforce. Simultaneously, many young Ontarians are looking for entry points into the working world and/or are looking for good paying and meaningful work. This is especially so at present where unemployment rates have skyrocketed due to COVID-19 and many industries (including many industries where young people often work), such as retail and hospitality for example, will not be able to quickly return to pre-COVID-19 levels of employment. Given these two existing imperatives, the need of the construction industry to train new trades persons and the need for young people to find gainful employment, we believe that the government should use *the power of its purse* to make the most of this situation.
25. In this respect, the Carpenters would urge the Committee to recommend that the government incentivize training on all construction projects which it funds. The awarding of contracts for construction work is obviously done by competitive public tender. However, bids are not evaluated simply in relation to bottom line prices. Infrastructure Ontario, for example, routinely takes into account a number of factors when determining which bid it should accept. These have included such factors as prior work successfully completed, production schedules and prior health and safety records. Accordingly, there is no logical reason why contractors bidding on

government funded construction work could not also be required to submit proposals concerning training opportunities for new entries into the trades as part of their overall bids and as one of the factors upon which competing bids are to be judged.

26. Such an approach, designed to encourage our industry to bring in more young people for training through recognized apprenticeship programs, could provide huge opportunities for all parts of Ontario. This would especially be the case if such an initiative were also to be combined with requirements designed to favour local community hiring. In many urban areas within Ontario, some young people may feel marginalized and giving them an opportunity to enter trades may help to overcome this. However, such initiatives could be equally beneficial to smaller towns and more rural parts of the province. In such areas, many young people often feel that there is no future where they have grown up and that they must leave, however reluctantly, to earn a decent living. If young people in these sorts of areas could simply get a start within an apprenticeship on projects that are helping to improve their own communities, then small towns and rural Ontario stand to benefit not only from the actual buildings that they put up but also by encouraging their youth to stay in those parts of the province with newly learned skills which will allow them to earn a decent living.

27. Further, the Carpenters believe that the COVID-19 situation also provides a unique opportunity for Ontario to reevaluate the importance of apprenticeships within the overall education system of our province. We believe that the *earn while you learn* approach which our apprenticeship programs provide has always been of great value but this value may well now be greater than it has ever been given the ongoing implications of the virus.

28. Obviously, the immediate future is still unclear but it would seem that traditional educational facilities and learning methods are going to be significantly changed as a result of the virus. As of now, it seems likely that a great deal of post-secondary educational institutions, including community colleges, will have to switch to online delivery methods. While this may work with respect to many more theoretical and

academic courses, it has major limitations when it comes to more practical programs such as carpentry (and all of the trades). It is unclear to us exactly how community colleges will be able to offer and teach carpentry (and other trade) courses in the immediate future given the requirements for social distancing, etc., and even if such courses can be offered, how many students will be able to be enrolled. However, with our industry still working, and in fact needing workers, learning opportunities through apprenticeships can continue and can, in fact, be increased on Ontario's safe worksites on which COVID-19 risks have been significantly reduced.

29. Finally, the magnifying beneficial effects of infrastructure spending to our province as a whole are also not necessarily simply limited to training opportunities. The government can also actively spread the benefit of infrastructure spending by emphasizing those aspects of building design which do, or could, be of particular value to Ontario.

30. In this respect, the Carpenters would stress the multitude of opportunities offered by new construction techniques involving mass timber and/or cross-laminated timber as replacement materials for concrete. Constructing buildings out of these innovative new wood products could not only provide benefits to those areas of the province where the buildings are being erected but could also provide valuable stimulus to parts of northern and eastern Ontario by offering the possibility of an expanded market for value added products which our province's lumber industry is capable of manufacturing.

Conclusion

31. Obviously, this Committee will have much to think about given the devastating impacts of COVID-19 on Ontario's economy. We do not envy your task. However, the Carpenters wish to stress that with all of the problems there also exists the possibility of producing economic planning solutions which offer both the chance of assisting our province emerging from the immediate crisis as quickly as possible while also providing economic advantages to Ontario, and particularly its young people, well into the future. In this respect, we emphasize that we are here to work with the government

and would be more than willing to answer any questions or provide any further information which the Committee (and/or its individual members) might have or need.

ALL OF WHICH IS RESPECTFULLY SUBMITTED by Carpenters' District Council of Ontario, United Brotherhood of Carpenters and Joiners of America.