



For Immediate Release

Maximizing our already limited labour pool

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Irrefutably, a resource boom is on the horizon. The type our province hasn't seen since John Travolta disco-danced to Stayin' Alive. From Site C, mining, forestry, oil and gas projects to the development of a new natural gas industry, getting to yes on even a few of these will create economic prosperity for our province for generations to come.

In B.C. however, getting to yes isn't the only hurdle. The successful completion of any of these projects will be significantly influenced by the labour approach.

The most effective is an open site labour approach, which is distinctly inclusive. This approach maximizes labour productivity, enhances skilled labour capacity and optimizes access to experienced contractor capacity. It is cost efficient, timely and ensures the sufficient supply of workers.

With an open site labour approach, the project is built using a clear and simple agreement that sets out commercial terms and conditions to attract labour and ensure the safe and efficient running of the project. This approach is conducive to the most competitive market pricing and accessing the entire construction labour pool. It has been the standard in B.C. for decades.

Truth be told, since the days of Stayin' Alive, there has been a paradigm shift in the B.C. construction industry. Whereas once the Building Trade Unions held a large portion of the market and a tight grip on labour supply, strikes were the norm. Today, they make up less than 20 per cent of the industry and labour peace prevails.

The shift has moved away from the traditional Building Trade Unions leader's antiquated exclusive labour approach, which was good for a select few but not so good for the majority. By hiring only their members and imposing a one-size-fits-all collective bargaining agreement that restricts labour supply, the Building Trade Unions' closed labour approach discourages competition and perpetuates old unproductive work practices, which lead to higher costs, strikes and lockouts.

In today's competitive global marketplace, their exclusive labour approach is as outdated as bell-bottoms, rotary phones and smoking in bars.

Today, more than 80 per cent of B.C.'s construction industry is made up of a diverse group including progressive unions, contractors and independents. By adopting an open and inclusive approach to labour where all labour groups, including Building Trade Unions, bid on a project as opposed to signing exclusive project labour deals, British Columbia benefits and so do taxpayers.

British Columbia, unlike other jurisdictions, has maintained labour stability in what at times can be a contentious and challenging construction industry. As a result, even recent open site projects like construction for the 2010 Olympic Games, the Port Mann Bridge, the Sea-to-Sky highway, the Canada Line and the Gibraltar and Copper Mountain mines were delivered on-time, on-budget and everyone worked side-by-side regardless of their labour affiliation.

LNG proponents are looking to this inclusive competitive model as recent experiences in Australia suggest an alternate approach is necessary. BC Hydro, which is preparing for the Site C Clean Energy project is also learning that this is the most cost efficient and productive approach.

As final investment decisions are made and as projects get the green light to move forward, we can't afford the Australia LNG experience that is now seeing projects shut down because of exorbitant labour costs and exclusive access to the labour pool. Nor can we afford the exclusive Building Trade Unions deal signed with Rio Tinto for the aluminum smelter project in Kitimat, which is struggling with its labour costs, labour supply and schedule.

Using an open site labour approach and a simple project agreement is a natural fit for B.C.'s labour environment. Competition and inclusion have served our province well in the past and after a sober analysis of the exclusive alternative – it is the only way forward for B.C.'s big projects of the future.

As history shows, proponents opting for this inclusive labour approach will have their project delivered on-time and on-budget with labour stability and peace.

Sincerely,
Philip H.