

**Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget**

**By: CLAC (Christian Labour Association of
Canada)**

- **Recommendation 1:** That the government provide additional targeted and long-term funding to the provinces for front-line long-term care staffing.
- **Recommendation 2:** That the government ensure all capital and infrastructure projects paid for in whole or in part by federal funding be tendered to the construction market using fair and open tendering practices.

CLAC welcomes this opportunity to provide the federal government with two 2021 budgetary recommendations. CLAC is an independent, multisector labour union representing over 60,000 workers. Since 1952, CLAC has offered Canadian workers an alternative to the traditional union approach to labour relations. Based on its commitment to the principles of dignity, respect, fairness, cooperation, and partnership, CLAC continues to advance the interests of workers while it also contributes to the building of healthy and safe workplaces.

The material offered in the body of this submission provides context and support for CLAC's two recommendations provided in the list on the previous page.

Federal Funding for Long-Term Care Front-Line Staffing

The COVID-19 pandemic has exposed long-standing weaknesses in Canada's long-term care (LTC) systems. And our senior residents and their families have suffered death, illness, and loss as a result.

A recent study by the Canadian Institute for Health Information found that as of May 25, 2020, "LTC residents accounted for 81% of all reported COVID-19 deaths in Canada, compared with an average of 42% in other OECD countries."¹ As Prime Minister Trudeau recently noted, "our current system of supporting seniors across this country has not worked," and provinces "have failed to support our seniors."²

Sadly, to various degrees, provincial governments have chosen to underfund their LTC systems for years. CLAC represents over 9,000 Canadian healthcare workers—many of whom work in LTC. In Ontario, CLAC's many letters, op-eds, and submissions over the last 20 years point to chronic understaffing and the inability of operators to attract and retain adequate staff.³

CLAC is not alone in raising these concerns. Nearly every authoritative study and commission in Ontario, for example, has stressed that chronic staff shortages are a primary causal factor in the poor conditions facing many LTC residents.⁴

¹ Canadian Institute for Health Information. "Pandemic Experience in the Long-Term Care Sector: How Does Canada Compare With Other Countries?" Ottawa, ON: CIHI, 2020, 2.

² Prime Minister Trudeau made these comments at a news conference on June 25, 2020. See, Catherine Tunney, CBC News. "Provinces 'failed to support seniors,' Trudeau says following release of troubling new pandemic study," <https://www.cbc.ca/news/politics/long-term-care-challenge-1.5626841>.

³ For evidence and a discussion of these issues, see, CLAC. "2020 Ontario Budget Submission." Cambridge, ON: CLAC, 2020, 6-13, <https://www.clac.ca/Your-Voice/Article/ArtMID/4829/ArticleID/1391/2020-Ontario-Budget-Submission>. See also, CLAC. "CLAC Report to LTC Staffing Study." Cambridge, ON: CLAC, 2020, 2-4. <https://www.clac.ca/Your-Voice/Article/ArtMID/4829/ArticleID/1531/CLAC-Urges-Ontario-Government-to-Make-Significant-Staffing-Changes-in-Long-Term-Care>.

⁴ See, for example, Brian Dijkema and Johanna Wolfert. "People Over Paperwork: Time, Dignity, and Other Labour Market Challenges for Ontario's Long-Term Care Workers," Hamilton, Ontario: Cardus, November 2019, 11-14. <https://www.cardus.ca/research/work-economics/reports/people-over-paperwork/>. Unifor. "Caring in Crisis: Ontario's Long-Term Care PSW Shortage." December 2019. "Thunder Bay Roundtable, May 2018." n.p. https://www.unifor.org/sites/default/files/documents/document/final_psw_report.pdf. Don Drummond. "Public Services for Ontarians: A Path to Sustainability and Excellence." Toronto, ON: Commission on the Reform of Ontario's Public Services, Queen's Printer, 2012, 191-193. <https://www.fin.gov.on.ca/en/reformcommission/chapters/report.pdf>.

The current pandemic has demonstrated that there is a critical need for more front-line LTC staff. Unfortunately, this health crisis has exacerbated the problem.

With the spotlight firmly fixed on the shortcomings of the country's LTC systems, CLAC believes that it is in the public interest for all levels of government to take actions and make the necessary changes that will provide our vulnerable seniors with the LTC they deserve. The federal government can and should play a role in achieving our collective responsibility to care for the elderly with funding that requires and incentivizes provincial authorities to enhance hands-on care, with proper staffing standards or hours-of-care targets.

CLAC appreciates the additional \$19 billion restart funding that the federal government has provided to the provinces. It is encouraging that some of this money was directed to LTC, but, unfortunately, this assistance is temporary and insufficient.

In our view, long-term, targeted federal LTC funding is required to give our seniors the care they need. In particular, money provided by the federal government should be directed to addressing the shortage of front-line LTC workers, especially personal support workers (PSWs), who provide 80 percent of the hands-on care to our seniors.⁵

Ontario, for example, has 0.57 full-time equivalent staff per operated bed.⁶ This is one of the lowest LTC staffing levels in the country. A 2019 report from Unifor found that Ontario LTC "homes can be short five to 10 PSWs in every 24 hour period."⁷ Other LTC facilities reported that they were "short 20 to 50 PSWs."⁸

Clearly, actions, including additional targeted long-term funding to address staffing deficiencies in LTC, are urgently needed. Therefore, CLAC offers this recommendation:

Recommendation 1: That the government provide additional targeted and long-term funding to the provinces for front-line long-term care staffing.

Fair and Open Tendering and Community Benefits Agreements

CLAC supports government efforts to build stronger communities and include underrepresented groups in community construction projects. Through programs such as Indigenous initiatives programs, apprenticeship and training programs, and its partnership with Women Building Futures, CLAC has provided pathways into the skilled trades for underrepresented groups. In addition, through its Building Communities program, CLAC has supported numerous community causes and initiatives.

CLAC takes community benefits seriously, and our organization supports such efforts. To be clear, CLAC supports community benefits agreements (CBAs) if the process used to create and implement such agreements is fair, open, and inclusive. Access to government infrastructure and

⁵ Brian Dijkema and Johanna Wolfert. "People Over Paperwork," 11.

⁶ CLAC. "CLAC Report to LTC Staffing Study," 2.

⁷ Unifor. "Caring in Crisis," 5.

⁸ Unifor. "Caring in Crisis," 5.

procurement projects should be open to competitive bidding, governance by a fair tendering process, and nondiscriminatory in terms of union affiliation.

Unfortunately, this is not the case in many Canadian jurisdictions. The British Columbia government, for example, has used CBAs to direct work on public infrastructure projects to a select list of 19 Building Trades Unions.⁹

BC's use of CBAs to create such a labour monopoly is unfair, counterproductive, and costly. Under the current regime, many workers, who by their own choice do not belong to one of the favoured unions, are excluded from the opportunity to work on government projects that provide community benefits to their fellow citizens.

Fiona Famulak, president of the Vancouver Regional Construction Association, recently highlighted the negative impacts of such a policy: "The [BC] government's Community Benefits Agreement is an unfair and discriminatory policy that shuts out 85 per cent of the construction workforce from working on certain public infrastructure projects."¹⁰ In her view, "The CBA [in BC] is a bad public policy that needs to be halted."¹¹

CLAC agrees that such unfairness contradicts and undermines the spirit and intent of CBAs, which are supposed to be inclusive, provide work opportunities to all, and benefits to the entire community.

Restrictive and exclusive CBA tendering policies and practices also restrict worker choice. In BC, workers are required to join a particular union to gain access to government work. This deprives some workers of representation by any union that is not part of the 19 favoured unions that have a partnership through the CBA with the BC government.

Such a policy has serious consequences for workers. CLAC member Dawn Rebelo, who is a trainer at the Site C project in northern BC, expressed her concerns to a reporter: "The vast majority of B.C.'s construction workers would have to change their union membership and put their pension and benefit packages on hold in order to work on public projects. That isn't right."¹²

Dawn has expressed the significant negative impacts of BC's CBA policy. BC's approach is highly restrictive, exclusive, unfair, and disrespectful to the union and nonunion construction workers who form the majority of the construction workforce in BC.

Furthermore, BC's CBA tendering policy is counterproductive. According to a 2020 BuildForce estimate, by 2029, Canada's construction industry "will need to recruit, train, and retain some 307,300 new workers."¹³ Governments and the private sector are already struggling to find

⁹ For the CBA and this list see, "A Community Benefits Agreement between BC Infrastructure Benefits Inc. And Allied Infrastructure and Related Construction Council of British Columbia." Victoria, BC: AIRCC/BCIBI, Harmonized CBA, 2019, 56-57. <https://engage.gov.bc.ca/app/uploads/sites/396/2019/04/July-2018-Community-Benefits-Agreement.pdf>.

¹⁰ David Weir. "CBA legal challenge heads to B.C. Court of Appeal." Vancouver, BC: Vancouver Regional Construction Association, June 2020. <https://www.vrca.ca/blog/2020/06/26/cba-legal-challenge-heads-to-b-c-court-of-appeal/>.

¹¹ David Weir. "CBA legal challenge heads to B.C. Court of Appeal."

¹² Richard Zussman. "Construction workers call on B.C. government to scrap the Community Benefits Agreement." Global News Report, November 19, 2019. <https://globalnews.ca/news/6189674/construction-workers-call-on-b-c-government-to-scrap-the-community-benefits-agreement/>.

¹³ BuildForce Canada. "Construction & Maintenance Looking Forward: National Summary Highlights, 2020-

enough skilled labour to complete existing construction projects. Using CBAs to restrict which workers can work on government construction projects eliminates potential labour sources when that labour is most needed.

If the federal government was to adopt BC's approach to CBAs, the current lag of \$2 billion in infrastructure spending, noted recently by the Parliamentary Budget Office, would likely increase, and even fewer infrastructure projects would be completed.¹⁴ In our view, using CBAs as a means to favour some workers and exclude others is counterproductive.

Finally, CBAs with restrictive and exclusive tendering policies are costly. The BC government acknowledges that its CBAs will raise the cost of its infrastructure projects by four to seven percent.¹⁵

Some have projected or suggested that the actual costs are much higher. For example, the Canadian Federation of Independent Business has estimated that the extra costs of the CBA for the \$1.4 billion Pattullo Bridge project could be "between \$130 million to \$259 million."¹⁶

Ken Baerg, Canada Works executive director and a close observer of the situation in BC, recently claimed that "the reality is that the first few projects tendered under the CBA program in B.C. have sky-rocketed in price."¹⁷ Other studies that have examined the costs of restrictive tendering practices elsewhere have estimated the additional costs of such practices to be 8 to 25 percent.¹⁸

Such estimates and early observations do not bode well for the majority of workers and taxpayers in BC and elsewhere.

At the federal level, CLAC is concerned about how Bill C-344, if passed by the Senate, will be applied. Our concern arises from CLAC's experience with the unfair tendering practices and exclusive implementation of CBAs in British Columbia. Therefore, CLAC puts forward this recommendation:

2029." Ottawa, ON: BuildForce Canada, February 2020, 2.

https://www.buildforce.ca/system/files/forecast_summary_reports/2020%20National%20Constr%20Maint%20Looking%20Forward.pdf.

¹⁴ Nora Nahornick, Sarah MacPhee, Caroline Nico. "Update on the Investing in Canada Plan." Ottawa, ON: Yves Giroux, Parliamentary Budget Officer, June 2020, 3. <https://www.pbo-dpb.gc.ca/en/blog/news/RP-2021-008-S--update-investing-in-canada-plan--point-plan-investir-dans-canada>.

¹⁵ *Times Colonist*. "New model for B.C. projects to boost costs by up to 7%." *Times Colonist*, July 26, 2018. <https://www.timescolonist.com/news/local/new-model-for-b-c-projects-to-boost-costs-by-up-to-7-1.23381679>.

¹⁶ Canadian Federation of Independent Business. "The Cost of BC's Community Benefit Agreements." https://www.cfib-fcei.ca/sites/default/files/2018-7/Community%20Benefit%20Agreement%20Costing%20BC%27ers%20more_1.pdf. For the BC government report on the projected costs of Pattullo Bridge project see, BC, Ministry of Transportation and Infrastructure. "Pattullo Bridge Replacement Project Cost Report, January 2018." <https://engage.gov.bc.ca/app/uploads/sites/331/2018/02/Cost-Report.pdf>.

¹⁷ Ken Baerg. "Industry Perspectives Op-Ed: Favouring Unions is 'bad for Canadian workers, bad for communities'" *Journal of Commerce*, Op-Ed, June 24, 2020. <https://canada.constructconnect.com/joc/news/government/2020/06/industry-perspectives-op-ed-favouring-Unions-is-bad-for-canadian-workers-bad-for-communities>.

¹⁸ Brain Dijkema. "Skimming Off The Top: How closed tendering weakens our ability to pursue the public good." Hamilton: Cardus Work and Economics, July 2018, 9.

Recommendation 2: That the government ensure all capital and infrastructure projects paid for in whole or in part by federal funding be tendered to the construction market using fair and open tendering practices.

In this submission CLAC has offered two recommendations. We appreciate the opportunity to offer our pre-budget input. Should you have questions or require further consultation, please reach out to Wayne Prins, CLAC's executive director @ wprins@clac.ca or 780-916-1982.