



## Project Labour Agreements FAQ

During the 2016 provincial election campaign, both Brian Pallister, PC Manitoba Leader and Merit Manitoba (a non-union contractor's association) have characterized project labour agreements (PLA) as "forced unionization". This information is provided in response to questions we have been getting on this issue.

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### What is a PLA?

PLA's have been around for decades for large public and private sector construction and maintenance projects in Manitoba and across Canada. Under a PLA, projects establish common wage and working conditions for large groups of contractors and a diverse, mobile workforce.

### Why are PLA's needed?

PLA's were introduced to prevent fly-by-night contractor bids on projects offering lower costs using poorly trained and unqualified labour. It was recognized that lowest price does not mean lowest overall cost or best value for the purchaser/customer. By requiring all contractors to pay prevailing wages under one collective agreement, contractors are selected for productivity and quality, not just price.

PLA's also play a key role in increasing the participation of Manitoba workers on Manitoba projects. That means more of the wages from public projects paid to workers stay in Manitoba. PLA's are also effective in engaging Aboriginal workers as was the case during the Floodway Expansion Project.

### Do PLA's prevent some contractors from bidding on projects?

**No.** Any contractor, small or large, union or non-union, is free to bid for work. If they win a tender, they will be required to pay fair wages to their workers and pay a fair share of the cost of training workers.

### Do PLA's increase project costs?

**No.** In fact PLA's consistently deliver higher value to project owners. Unions and unionized contractors partner to invest heavily in training and skill development. This investment delivers the most highly skilled and productive labour force in the industry? Productivity advantages translate into lower costs.

### Who introduced PLA's to Manitoba?

Conservative Premier Duff Roblin, one of Manitoba's most respected leaders, introduced PLA's for large Manitoba infrastructure projects including the construction of the floodway.

### Who trains skilled trade and construction workers?

There are only two main providers of trades training; publically funded community colleges and union funded training centers. Unions partner with their contractors and make significant investments in leading edge training that meets industry demands. In fact, these partnerships have resulted in five jointly funded union training centres in Manitoba. By comparison, our non-union competitors make no contributions to workforce development.

### Why is this investment in training important?

Unlike other professions, the bulk of skilled trades and construction training is delivered in the field. The workplace is a tradesperson's classroom. Unions and their partner contractor community help train the workforce that safely and efficiently builds Manitoba every day. Without this training, Manitoba would not have a skilled workforce required to build essential infrastructure in the future. While the unionized construction industry contributes to this training, the non-unionized industry passes the buck to community colleges and the unionized construction industry.

### Are union workplaces safer?

**Yes.** A 2015 report published in the *Journal of Occupational and Environmental Medicine* reviewed workplace data for 40,000 contractors in Ontario (2006-2012). The study found that union workers are 29% less likely to suffer a critical injury at work and 17% less likely to suffer muscular/skeletal injuries. This represents very significant savings; both in financial and human terms.

### Why does the non-union construction industry oppose PLA's?

The non-union sector contributes virtually nothing towards workforce development. By shifting these costs to the public purse and unions, the non-union sector drives down workers' wages. PLA's prevent non-union firms from using workers from other jurisdictions, temporary foreign workers and unqualified workers on Manitoba projects.

PLA's require them to pay their fair share of training costs and paying fair wages to their workers. This disrupts their business model of maximizing short-term profits while off-loading training and development costs to either the public sector or the unionized construction industry.

Therefore, the non-union sector opposes PLA's and advocates for a free-for-all system that maximizes its short-term profits while enjoying the benefits of public and union investments in the industry.

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