

April 24, 2004

Fact Sheet: Project Labour Agreement

Fact: Project labour agreements are common on many large scale infrastructure projects in Manitoba and Canada.

Fact: Project labour agreements apply to individual construction projects and only for the duration of the project. Examples of other successful agreements include:

- Simplot Fertilizer Plant Construction and Expansion (1960s & 1990s) – Brandon
- Hudson Bay Mining Improvement Project (1990s) – Flin Flon
- Tembec Paper Mill Expansion (1990s) - Pine Falls
- Highway 407 Construction (1990s) – Ontario
- Vancouver Island Highway Construction (1990s) – British Columbia
- Co-Op Oil Refinery (1980s) – Regina
- Wayerhauser Paper Mill (2000) – Prince Albert
- Manitoba Hydro (close to a dozen projects since the 1960s) – Manitoba
- Confederation Bridge (1990s) – Prince Edward Island

Fact: Project labour agreements have a proven record of helping deliver large projects on-time and on-budget. In addition to this goal, the Manitoba Floodway Expansion Authority (MFEA)'s objectives in negotiating a single labour agreement are:

- orderly, efficient and effective completion of work
- labour peace for the life of the project
- local hiring and equity provisions
- comprehensive job training - in particular women, aboriginal and Metis youth
- fair representation of employers and employees
- predictable labour and administrative costs
- dispute resolution mechanisms
- equal access to bids for union and non-union contractors
- enhanced workplace safety
- increased productivity

Fact: MFEA has initiated on-going direct stakeholder meetings over the coming months. A day-long stakeholder session was held on April 12, 2004. The meeting gathered views on the size of contracts to be let for floodway work, employment equity & job training and framework of a project labour agreement.

Fact: MFEA has asked Mr. Wally Fox-Decent to help facilitate ongoing discussions and solutions further to the April 12 meeting.

Fact: The labour agreement will be a public document. In addition, MFEA will require that regular progress reports on the performance of the agreement be made public over the course of the project.

Fact: The labour agreement must be completed in time for the 2005 construction season and provide for project completion by 2009. MFEA will negotiate the most cost effective arrangement possible on behalf of taxpayers.

Fact: No final decisions have been made regarding the mix of union and non-union workers that will eventually work on the construction site. This will be the subject of ongoing discussion.

Fact: No final decisions have been made to let project work out in one large bid or a series of smaller contracts. This will be the subject of ongoing discussion.

Fact: The project labour agreement is only contemplated to cover the work being done by the Manitoba Floodway Expansion Authority – and does not include the flood protection works to be undertaken by the City of Winnipeg as part of the project.

Fact: The terms of the labour agreement will be completed within the context of the current legislative framework of Manitoba and Canada.

Fact: Over the last year, the Government of Canada and Province of Manitoba have announced \$240 million to begin work on the floodway expansion - more than one-third the total project cost. Canada has recognized the project as a national priority.

Fact: Following the 1997 "flood of the century", Canada and Manitoba invested \$130 million in flood protection measures - \$110 million for rural residents of the Red River Valley.