



Ledcor Group of Companies
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March 20, 2018

Mr. Michael Fleming, Chair
Ms. Sandra Banister, QC, Member
Mr. Barry Dong, Member
Labour Relations Code Review Panel
Province of British Columbia

Dear Mr. Fleming, Ms. Banister and Mr. Dong,

About Us

The Ledcor Group of Companies, with its head office in Vancouver, BC since the 1980s, is an employee-owned, diversified, and vertically-integrated construction company that operates throughout Canada and United States. Ledcor employs over 1500 employees in British Columbia alone, and its over 600 hourly employees are all union members covered by a variety of sector-specific collective agreements.

Ledcor operates in a wide range of industries including the construction of buildings and civil infrastructure, the provision of technical services such as construction and maintenance of communication networks, forestry, mining and marine operations, property development and management, air transportation, and several energy projects including oil, gas, and Liquefied Natural Gas.

Ledcor has been responsible for building several of Western Canada's large-scale construction projects. Ledcor has constructed dozens of buildings of British Columbia since the 1990s, including BC's largest building at the time, Vancouver's Shangri-La Hotel, as well as the Teck Acute Care Center (BC Children's and Women's Hospital) and the Tsawwassen Mills mall. Ledcor was significantly involved in the construction of the South Fraser Perimeter Road, Coquihalla and the Kicking Horse Pass provincial highways.

Ledcor is also one of North America's pioneers in the Green Building industry. It is a founding member of the Canada Green Building Council and is a longtime member of the U.S. Green Building Council. In 2014, the Van Dusen Botanical Garden Visitors Centre, a Ledcor project, was named Sustainable Building of the Year by the World Architecture News.

Ledcor has received several major awards for achieving high-performance in safety; was named to Canada's 10 "most admired corporate cultures" list in 2011, 2014 and 2017 and is consistently ranked as one of the top Canadian employers. Over the past 10 years,



Ledcor and its employees have invested over \$24.1 million in more than 150 charities across North America, as well as supporting communities through various professional development, sustainability, research, and initiatives.

Ledcor is proud to be a "BC-based" company that is part of the fabric of this province.

The Review Process

Ledcor welcomes the opportunity to make this submission to the Review Panel and would welcome the opportunity to meet directly with the Review Panel at their convenience.

We recognize that the call for these submissions is an important first step in this review, along with the town hall meetings that are being planned. However, we respectfully suggest that, should the Review Panel be able to classify areas that it feels need further policy development, the Panel should publicly identify these specific areas so that the labour relations community can make submissions knowing the initiatives that the Panel may be targeting for recommendation. It is our respectful view that this is the best way for the Panel to be assured that it has engaged in a meaningful consultation.

Issues for the Review Panel's Consideration

i. Secret Ballots for Certifications

As explained above, all Ledcor's over 600 hourly employees in British Columbia are currently represented by unions. Ledcor respects its employees' choice to be represented by professionally managed unions active in British Columbia.

Part of this is due to the fact that, with a secret ballot vote, the *Labour Relations Code* ensures that our hourly employees union representation is truly an employee's private and personal choice, free of outside influence. In this way, Ledcor can be assured that its employees' choice to be represented by a union is one that they have freely made, and will be supported by employees.

This is of course important to Ledcor because of our respect for our employee's democratic rights and their right to freedom of association. But it is also important to the health of our company and other businesses in British Columbia. Having a certification imposed on employees that may not actually have the support of these employees (as tested by a secret ballot) may lead to instability and dissatisfaction in the workplace, with consequent loss of employee engagement and productivity.

It has been suggested that the decrease in private sector unionization is due to the secret ballot requirement, and that this requirement should be eliminated. This line of reasoning troubles us, given the fact that a very basic tenet of our democratic system is that the secret ballot is the truest and most accurate way of determining an individual's intent.



If the outcome of this system is that a union has not earned the support of a particular group of employees, then that intent has been expressed. Any suggestion that such a result should somehow lead to the elimination of the secret ballot is deeply concerning and hard to fathom.

We are not aware of any credible evidence to suggest that the certification requirements in the *Code* are responsible for the decline in union representation. Rather, it is our view that any change to the unionization rate, up or down, is impacted by changes to our economy, demographics, and the evolving nature of our workforces.

It is also worth noting that elimination of the secret ballot in our *Wagner Act* model would conflict with the views of the International Labour Organization's Committee of Expert who, in 1994, made it very clear that the exclusive bargaining agent model, in which all employees are included in a bargaining unit irrespective of minority wishes, is only justified if the representative union is "chosen by a majority vote of the employees in the union concerned."¹

Ultimately, if Ledcor employees wish to be represented by a union, the company respects that choice. However, the secret ballot is the only way that we and the Labour Relations Board can truly know that this is their collective wish.

We strongly urge the Review Panel to resist the suggestion to eliminate the secret ballot requirement for certification applications. To do so would undermine public and business confidence in the union certification process.

ii. *Government Imposed Project Labour Agreements*

As the Review Panel will be aware, the government and Crown corporations have at times required that any employees or contractors wishing to perform work on a significant (taxpayer financed) public infrastructure construction project must be governed by the terms of a Project Labour Agreements (PLA) which designates a single "employer" that has entered into collective agreements with identified building trades.

We strongly urge the Review Panel to recommend that such PLA's should not be utilized by the government going forward. The industrial construction industry has evolved significantly since these PLA's began being used, with the vast majority of workers on such projects not being represented by the traditional building trade unions. The use of government-imposed PLA's is no longer appropriate, if it ever was.

¹ *Freedom of Association and Collective Bargaining, Report III (Part 4B), International Labour Conference, 81st Session, 1994, Geneva, para. 240*



Firstly, there are significant concerns about the efficiency and cost of projects that use this model, a model which stifles competition by effectively eliminating any company that does not have (or is not prepared to have imposed on it) a collective agreement with the traditional building trade unions.

Secondly, these PLA's remove the ability of employees to make a choice as to whether they wish to be represented by a trade union of their choice when working on these taxpayer-funded projects. This right, which is fundamental to the *Wagner Act* labour relations model and underpins the *Labour Relations Code*, should not be taken away by a government, particularly in light of the freedom of association rights in the *Charter*.

iii. Labour Mobility

There has been some public commentary at times about "out of province" workers performing work in BC, and some calls for restrictions on the movement of these workers.

The Review Panel should also take into account the potential breaches of the Canada Free Trade Agreement and the New West Partnership Trade Agreement that such limitations would represent.

We urge the Review Panel to recommend against any restrictions on the movement of workers across provincial boundaries.

Conclusion

Ledcor has grown significantly in the last 20 years, providing well-paid union jobs to an increasing number of British Columbians. This growth is due in part to the stable labour relations environment in BC. It is our view that the *Labour Relations Code* is not in need of any material change and has been a very effective and balanced foundation for the labour peace and prosperity we have enjoyed in this province. We respectfully urge the Review Panel to be very cautious about upsetting the balance that has led to the strong and sustainable economic climate for employers and employees.

Sincerely,

Ron Stevenson

A handwritten signature in black ink that reads "Ron Stevenson".

President, Ledcor Group of Companies