

November 3, 2017

PROVINCE BEGINS CONSULTATIONS
ON PROJECT LABOUR AGREEMENTS

The Manitoba government has started consultations on procurement practices with a view to reducing or eliminating the costly practice of project labour agreements regarding major government projects, Infrastructure Minister Ron Schuler announced today.

“It was our promise during last year’s provincial election to shop smarter,” said Schuler. “We believe our procurement policies and tendering practices are an area where we can find savings for Manitoba taxpayers as we continue to strive to make Manitoba the most improved province in Canada.”

Under the previous government, the use of project labour agreements, which forces the unionization of all workers, were expanded to an increasing number of major projects, such as the East Side Road Authority, Bipole III and the Red River Floodway expansion. This had the effect of increasing the cost of a project, discouraging some contractors from bidding and infringing on the rights of workers, the minister said.

The Manitoba government is consulting with industry stakeholders and other affected individuals on how changes can be made to get better value for money and respect workers’ rights.

“Using government contracts to forward an ideological approach is not an acceptable practice,” Schuler said. “It is up to companies to decide which labour management strategies work for them, not government.”

Last month, Manitoba Hydro gave notice it intends to terminate its Transmission Line Agreement, a project labour agreement for transmission-based projects, on Dec. 31, 2017. Ending the deal means the decision to use either unionized or non-union staff on Manitoba Hydro transmission projects will be up to the contractor when submitting bids, creating a larger pool of eligible contractors that will, in turn, increase competition for bids and potentially improve prices on major projects.

Manitoba Hydro’s decision was made independent of and without consultation from government, said Schuler.

“We support the decision of Manitoba Hydro in ending these types of forced unionization agreements that add costs to taxpayers and infringe on the rights of workers,” said Schuler.