

## **EQUITY IN CONSTRUCTION IN B.C.**

### **BACKGROUND: THE GOOD NEWS AND THE BAD NEWS EXAMPLES FROM THE WEST KOOTENAYS**

#### *What's the "Good News"?*

- The Premier has made a public commitment to achieving economic equality for women as part of his Eight Point Plan.
- The Ministry of Women's Equality is taking on a more active role towards achieving economic equality for women.
- Two government ministers have given written assurances of their support for equity on the Columbia Basin Hydro Projects. In a letter to a WKWA representative dated March 30, 2000, Honourable Joan Smallwood, Minister for Women's Equality stated that "with regard to future projects, I and the Ministry will continue to call on the CPC and the Columbia Basin Trust to hire an Equity Coordinator for these initiatives." In a letter to a WKWA representative dated December 3, 1999, Honourable Corky Evans stated that "As a longer term solution I will discuss with the CPC the process for including all equity considerations in future power projects."
- Major projects are taking place in the region, offering real opportunities to implement equity. Government is investing millions of dollars in the West Kootenays - \$18.6 million for the construction of MV Osprey 2, \$250 million for the Keenleyside 170MW Powerplant Project, and a projected \$125 to \$150 million for the 100MW Brilliant Expansion Project.
- The Columbia Power Corporation provided funding for a one-year Equity Coordinator Pilot Project that started in early March, 2000 and operates under the auspices of the Keenleyside Powerplant Project contractor, Peter Kiewit Sons. The funding includes seed money of \$20,000 for training equity candidates.
- To date, the Equity Coordinator has assisted in the hiring of an electrician apprentice, a batch plant operator, a warehouse trainee and a cement mason trainee. The availability of seed funds for training was instrumental in one of these hirings.
- The Equity Coordinator has also been successful in developing relationships with key individuals in ITAC, Selkirk College and the construction unions. In addition, she has had face-to face discussions of "equity in construction" issues with two government ministers – Honourable Joan Smallwood and Honourable Joy McPhail.
- MV Osprey 2 contractor, Maglio Industries, actively solicited advice and information from local women's organizations to help with equity hire. They provided a streamlined process for receiving resumes of women previously identified as job-ready for construction and distributed job ads to women's centres throughout the Kootenays.
- Public consultation consultants to the Columbia Power Corporation solicited input from representatives of Kootenay WITT and WKWA on their priority issues as part of the pre-application community consultations for the Brilliant Expansion Project.
- The West Kootenay Women's Association and Kootenay WITT have excellent working relations with Castlegar Office staff of the Columbia Power Corporation.

## *What's the "Bad News"?*

### MV Osprey 2

- While final figures on MV Osprey 2 are not yet available,<sup>1</sup> a report from March, 2000 indicated that out of 33,520 hours worked on the project, 615 (1.8%) were worked by white females and 2,141 hours (6.4%) were worked by First Nations males and females. In October, 1999 the Employment Manager of Maglio Industries quoted to WKWA and Kootenay WITT representatives an equity target of 15%.
- One female journey level carpenter was forced to leave the project due to environmental poisoning and the refusal of Maglio Industries to purchase the required respiration equipment (an air pack) that would fit her. The company had respiration equipment available but all of it was too big for this particular woman. While this incident is not being pursued formally as a human rights action, it raises serious questions about whether the Maglio Industries failed in its duty to accommodate an occupational health and safety situation with equity implications.
- On June 2, 2000 WKWA was approached by a woman with post secondary accreditation in woodworking and a background in mechanical work who stated she was trying to obtain employment on the project. She had submitted a resume and had followed up by telephone. She was not hired. Subsequently, WKWA received a report that, at the same time, Maglio Industries hired approximately six young men including one hired to do carpentry who admitted he was inexperienced and had never used a table saw. He appeared for work in inappropriate clothing considered unsafe by the person training him on-site.
- The participation of women was so small on this project that these incidents take on a greater significance than being "just one or two isolated cases". Both incidents were flagrant and serious. Together they resulted in a 50% reduction in number of women in trades occupations working on the site in late May and early June. (Women in trades on-site at that time were 1 welder and 1 pipefitter/labourer.)
- Late in the bid process (prior to evaluation and awarding of the Osprey 2 contract), Maglio Industries asked an equity consultant to provide an equity plan to be included in their bid. The consultant learned later that the equity plan was removed from the final bid "because it was too costly".

### Keenleyside Powerplant Project:

- The Employment Equity Coordinator for the Keenleyside Powerplant Project reported in August to the Women's Working Group that, while she was receiving support from some key parties, she was experiencing some resistance and difficulties in fulfilling her mandate.
- June 1, three months after the start of the Equity Coordinator position, was the first time the Columbia Hydro Constructors (the "employer") provided the Equity Coordinator with a list of women on site.
- The Equity Coordinator is denied access to job orders and can only match women's resumes to job opportunities identified by the CHC. She needs to be linked by computer to the job posting system so that she automatically receives job orders along

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<sup>1</sup> They were requested in late August and the Ministry of Transportation and Highways states that they are forthcoming, pending completion of the final project report.

with CHC. She estimates that if she had had access to the job orders she would have been able to find work for several additional women.

- The Columbia Hydro Constructors is not providing adequate equity reports and is not sharing with all interested parties the equity reports that it does produce. It is not providing any reports to the Equity Coordinator or the Equity Targets Committee. This situation has occurred despite the fact that a copy of an acceptable sample report (by Highway Constructors Limited) was provided to the Columbia Power Corporation by an equity group representative at an equity target setting meeting in March, 2000. The CHC has provided equity reports, albeit inadequate, to the Ministry of Women's Equality since January, 2000. It appears that these reports pertain to all CHC projects in the province.<sup>2</sup>
- A draft funding proposal by the Equity Coordinator to the Industry Training and Apprenticeship Commission (ITAC) for entry level trades training was strongly opposed by three unions.
- The Equity Coordinator was unable to obtain information on women working on the Brilliant Upgrade project until the CPC intervened.
- The Columbia Hydro Constructors failed to hire a TQed First Nations carpenter from the Shuswap, even though the catchment area for First Nations is the province of B.C.
- The number of women working in trades occupations on-site has stayed roughly the same since March according to reports by the Equity Coordinator. The March/April report identifies 7 women in trades. The August report shows 5-6 women in trades, although one electrical apprentice is currently in school. During this period the overall on-site workforce has averaged 218. Therefore, the women in trades participation rate has stayed constant at 3.2%.<sup>3</sup>

#### Brilliant Expansion Project

- A Pre-Application Consultation Report to Stakeholders summarizing the views of stakeholders consulted in early 2000, contains no references to equity, even though:
  - A Project Introduction document used during the pre-application consultations for the Brilliant Expansion Project contained the following references to equity:
    - "The negotiated labour contract includes employment objectives for aboriginal people, women in non-traditional trades, visible minorities and people with disabilities" and
    - "Training and apprenticeship programs initiated through other CPC/Trust joint venture projects will continue on this project, along with opportunities for new trainees."
  - WKWA and Kootenay WITT representative provided verbal and written submissions to CPC consultants in the pre-application consultations indicating that equity was a strong priority issue,
  - Minister Evans, who is responsible for the CPC, gave a written commitment to WKWA that he would discuss with CPC the process for including all equity considerations in all power projects.

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<sup>2</sup> Currently, the CHC only has projects in the Columbia Basin but previously had projects outside the region.

<sup>3</sup> There has been some turnover of women employees during this period so that, while the numbers haven't changed, there have been some new hires.

## **EQUITY IN CONSTRUCTION IN B.C. WHAT'S THE PROBLEM AND HOW TO FIX IT**

### ***What is the Problem?***

- The Keenleyside Powerplant Project, the MV Osprey 2 and the Brilliant Expansion Project provide disappointing evidence of actual progress towards equity on government-sponsored construction projects under unusually favourable circumstances. (See *BACKGROUND: The Good News and the Bad News*)
- Favourable circumstances include having a paid equity group representative able to “watch dog” the employment processes and suggest interventions, a local WITT (Women in Trades and Technology) organization with knowledgeable and experienced representatives, supportive politicians and staff, some supportive staff in government agencies and a few pro-active private sector individuals.
- These favourable circumstances are difficult to achieve and are unlikely to be replicable throughout B.C. for each new government-sponsored construction project.
- These examples show that under favourable conditions, implementation of equity can be impeded, discouraged, taken off the agenda or not achieve results on the ground.
- The gap between commitments and results is in implementation.

### ***What are the Key Factors that make the Problem Persist?***

- It is possible to impede equity through passive resistance. Given the cultural attitudes and practices prevailing in the construction sector, employment equity requires pro-active facilitation and accountability.
- Many key players in the construction industry, construction unions and some government agencies are not supportive of equity or see it as a low priority. Some of these players have roles in policy-making, employment decision-making, control over budgets etc., that provide them with opportunities to not facilitate equity.
- Some measures that support equity, such as equity language in collective agreements, rely on construction unions and employers to initiate or implement them.
- There are no incentives for government, industry or unions to support equity. Nor are their penalties for failing to do so. While there are business and worker benefits from a diverse workforce, these benefits alone don't appear to motivate all key parties.
- Measures that have proven effective are not used consistently, even by government. For example, Equity Integration Committees that bring key players (contractor, unions, equity groups, project “owner”, training agencies) together regularly throughout a project have proven effective at identifying and resolving equity issues and problems. This is just one example.
- Little or no continuity of expertise. Each new project requires a new (or mostly new) group of people to become familiar with equity issues and learn how to implement equity effectively. While groups province-wide need to become educated and build ownership of their equity issues, some continuing expertise (from different viewpoints - equity, industry, labour, government) is needed for cost-effective results.
- No accountability. Currently, non-profit, typically under-resourced, equity groups provide the actual monitoring of equity on government-funded construction projects. This is neither an effective nor appropriate mechanism.

- Inadequate training dollars. It is acknowledged that training programs are needed to assist equity groups to “achieve the qualifications necessary to compete for employment”.<sup>4</sup> These programs need to be linked to real employment opportunities.

### *Why Should We Fix the Problem?*

- Women and other equity groups deserve their fair share of employment opportunities afforded by the provincial economy especially those made available by government.
- The BC Government has made a commitment to achieving economic equality for women.
- The construction sector is particularly resistant to the integration of women into its workforce. It stands out as a sector in need of administrative and political support for equity.
- There needs to be a systemic, across-the-board, response because case-by-case efforts aren't effective. Also, sole reliance on individual good will in this complex environment can produce strained working relationships between different players (equity groups, unions, employers and government) whose continuous cooperation and initiative is required to achieve results. A “carrot” would help everybody.
- Construction is a large economic sector that provides workers with good wages.
- Workforce demographics show that construction will require a significant number of new recruits in future. This is a good time to promote equity hire.
- Government has the ability to influence industry practices through the terms of construction contracts that it awards.

### *How Can We Fix the Problem?*

- 1. Require contractors on all government-funded projects to use a consistent, effective reporting system on equity.**

This is feasible. The B.C. Transportation Financing Authority paid for a computer program that was developed and used by Highway Constructors Ltd. to generate equity reports for the Island Highway Project. To be effective the reports must present data so as to meet users' needs simply and directly, without necessitating further requests or calculations to get the desired information.

- 2. Develop effective contract compliance incentives that get significant weighting in the bid evaluation system for government contracts.**

There are several key elements for effective incentives. Equity plan requirements should get substantial weight in the evaluation of bid proposals. Project evaluations should include an assessment of equity implementation. There also needs to be a simple method of linking contractor performance on one project to subsequent bids on government contracts. There are a number of approaches that

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<sup>4</sup> Wording from Article 19.600 of Collective Agreement between Columbia Hydro Constructors Ltd. (CHC) and the Allied Hydro Council (AHC)

could accomplish the desired results. We would be pleased to discuss specific ideas and help identify equity expertise that could assist in developing a successful program.

**3. Provide adequate and timely training funds to support equity objectives.**

Government provides a leadership role in training BC workers to meet industry and labour force needs. This includes supporting apprenticeships, entry level trades training and Women in Trades and Technology (WITT) programs. WITT programs provide a necessary link in the successful integration of women into physically demanding work that is potentially isolating and emotionally difficult. For industry, this can be a cost-effective recruitment filter and workforce retention mechanism.

**4. Promote and educate employers and unions about the business benefits of equity.**

Government is aware of the benefits of equity. In the short term, and to promote the new equity incentives, it needs to promote the benefits to industry players. For example, given construction workforce demographics and turnover, equity can be a tool to bring in new, high quality workers into the construction trades.

**5. Provide funding for ongoing equity expertise so that each new project doesn't reinvent the wheel, both for the contracting parties and contract evaluation personnel in different government ministries.**

This expertise would preferably be independent or quasi-independent of government. The experts could provide such services as advising contractors on how to develop and implement equity plans, educating employers and unions, and advising or training government teams on how to evaluate equity proposals and implementation.

One vehicle for knowledge transfer is an Equity Integration Committee. It could be required as part of an equity plan for a project. Such a committee would involve local participants from all relevant parties (contractor(s), unions, equity groups, government, training institutions etc.) as well as dedicated experts representing different perspectives. Just as apprentices rely upon journey level colleagues to learn their trade, local participants can learn "what works and what doesn't work" in implementing equity. This model allows local groups to build on proven strengths as they tailor equity policies and practices to meet local needs. Equity Integration Committees are also effective monitoring tools thereby increasing contractors' likelihood of success in implementing equity plans.

**6. Establish consistent processes within government to evaluate equity proposals and monitor and evaluate implementation. Ensure that the people carrying out the processes are trained and committed to government's equity objectives.**

In addition to having good evaluation processes, government needs to have consistent, expert involvement in Equity Integration Committees. Marcia Braundy, equity representative on the Island Highway Project has provided the following testimony to the importance of government participation on such committees.

**“Re. the Equity Integration Committee of the Island Highway Project**

Participation on the Equity Integration Committee included representation from the Ministry of Women's Equality and the Transportation Financing Authority (the agency responsible for administering the government funds) as well as the employer, unions, and contractors on the jobs. The government representatives provided an important policy function. They reported back to very senior levels, and were able to identify and resolve, through policy change or pressure, elements of practice when they appeared as stumbling blocks. It was significant that these representatives were supportive of the equity initiative, consulted regularly with the advocacy groups who were at the table for clarity on the issues, and were willing to take the challenges forward to their senior people, who, in turn, were willing to act. This assistance from government and advocacy groups, during and after the meetings, provided the Equity Coordinator with the support she needed to succeed in a difficult environment.”

*Marcia Braundy*

*Women in Trades and Technology*

***What is our Specific Request Right Now?***

- **A meeting with the Premier and key Ministers to discuss these issues, identify potential commitments and strategize actions.**