

GENERAL CONTRACTORS' SECTION

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Chris Rick, PCL Constructors Canada Inc.

First Vice-Chairman,
Paul Richer, PCL Constructors Canada Inc.

Second Vice-Chairman,
Craig Lesurf, Vanbots Construction Corporation

Past Chairman
Paul Charette, Bird Construction Company

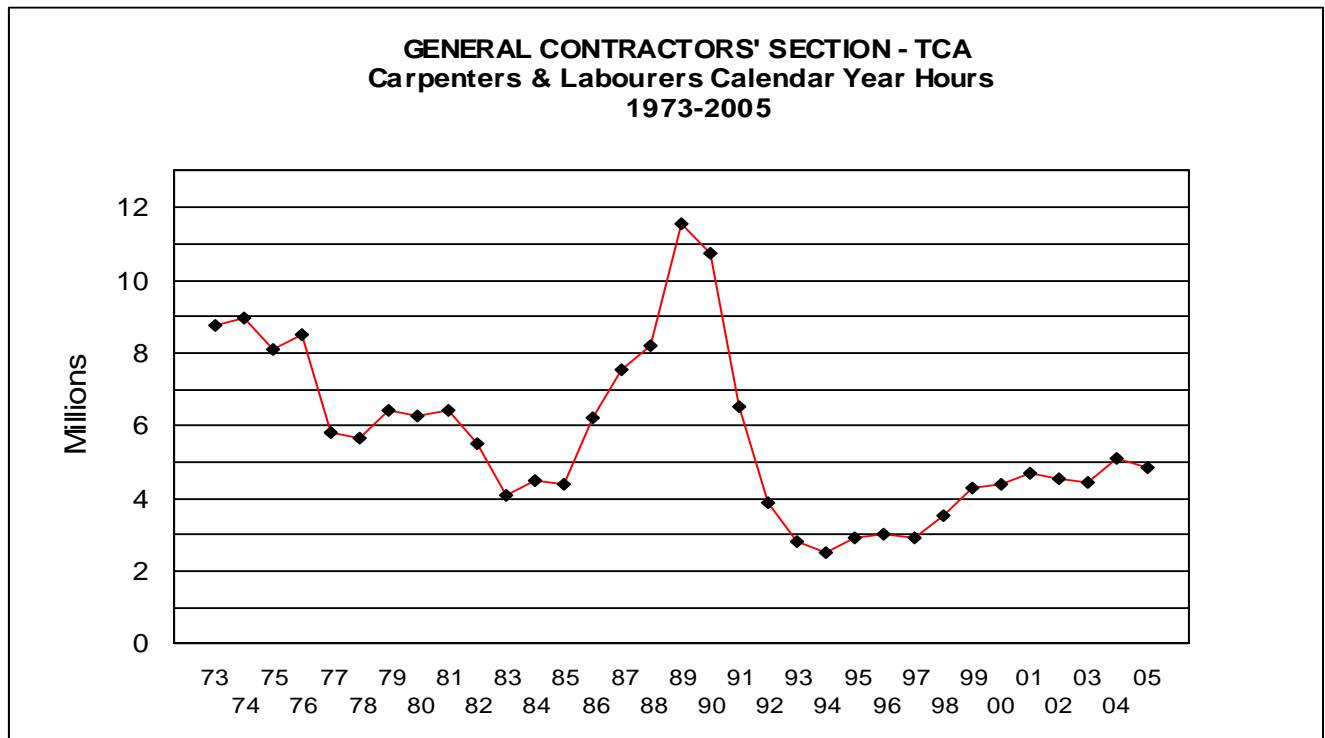
ADVISORY COMMITTEE

Chris Rick	PCL Constructors Canada Inc.
Tony Patullo	Avenue Building Corporation
Paul Charette	Bird Construction Company
Steve Aquino	Bondfield Construction Company Limited
Andrew Dalton	Dalton Engineering & Construction Ltd.
Renato Tacconelli	Eastern Construction Company Ltd.
Mike Visconti	EllisDon Corporation
John Pretty	V.K. Mason Construction Ltd.
Sam Manna	Ontario Formwork
Paul Richer	PCL Constructors Canada Inc.
Craig Lesurf	Vanbots Construction Corporation
Brian Foote	General Contractors' Section

CIVIL TRADE HOURS

A graph setting out the historic record of hours reported to the Section on behalf of Carpenters and Labourers employed on Industrial, Commercial and Institutional construction in the Greater Toronto Area follows.

GENERAL CONTRACTORS' SECTION - *continued*



While the total of Carpenter and Labourers' hours reported to the Section were marginally down for the year ending December 31, 2005 total hours including those reported on behalf of Operating Engineers and Cement Masons remained unchanged year over year. For the second fiscal year, the Section experienced a significant surplus of income over expenses.

EDUCATION PROGRAMS

In 2006 the General Contractors' Section continued financial support of students in the new 4-year degree program in construction management at George Brown College. For the second year a \$20,000 contribution was made to a scholarship fund for first year students in this degree program.

At the Secondary School level the General Contractors' Section continued its support of the T.C.A. Speakers Bureau promoting managerial positions in the construction industry at the high school level. Paul Richer and Tom Howell represented the Section on the Mayors Committee promoting construction industry employment for disadvantaged youth from targeted areas of Toronto. The Carpenters Local 27 Joint Apprenticeship and Training program and the Section participated in the sponsorship and delivery of a significant promotional evening aimed at increasing employment opportunities for new first-year carpenter apprentices.

GENERAL CONTRACTORS' SECTION - *continued*

GRIEVANCES

As in 2005 major disputes handled by the General Contractors' Section centered on jurisdictional and sector issues. In June, the Labourers' International Union of North America imposed trusteeship on Labourers Local 183, which trusteeship was subsequently upheld in a number of hearings before the Ontario Labour Relations Board. As a result, talks have commenced between representatives of the Carpenters and the Labourers with regard to certain jurisdictional matters including the Collective Agreements applicable to projects and whether they fall within the I.C.I., the residential or heavy engineering sectors. There has been agreement to adjourn certain of the cases before the Board pending the outcome of those discussions. Late in the year the Labour Board issued a decision on two major wind farm electrical generating projects - one north of Sault Ste. Marie on the shores of Lake Superior and the other on Lake Erie. The Board determined that where the sole use of the project was to supply electricity to the provincial grid that the work fell within the electrical power systems sector of the construction industry. However, the projects in question were not on the property of the former Ontario Hydro and accordingly are open to individual project negotiations. That decision would suggest that where the primary use of the generating facility is for an industrial enterprise such as a petro chemical plant that the work would fall within the I.C.I. sector. Another sector case currently before the Labour Board involving a gas turbine generator may clarify this latter issue. Once again we would urge employers represented by the Section to contact staff for an opinion with regard to any questions as to the sector applicable to a project.

COLLECTIVE BARGAINING

Industrial, Commercial and Institutional

All twenty-five province-wide single-trade Collective Agreements covering Industrial, Commercial and Institutional construction expire on April 30, 2007. One early Agreement has been concluded with the Bricklayers and provides for a \$3.20 increase over the three years May 1, 2007 to April 30, 2010. The contract includes a review process following the conclusion of all bargaining with a proviso that any increase with the Operating Engineers and/or Ironworkers which exceeds the above-noted settlement will be averaged and applied to the latter years of the Bricklayers contract.

The Carpenters Employer and Employee Bargaining Agencies also commenced early negotiations and by November 15, 2006 had concluded all non-wage matters in dispute. While the parties were not able to reach an agreement on a wage increase for the three year period it is anticipated that Union and management will meet again in the new year.

GENERAL CONTRACTORS' SECTION - *continued*

Residential - Greater Toronto Area

The majority of workers employed on both low-rise and high-rise residential construction in the Greater Toronto Area are represented by Labourers Local 183 who have committed to uninterrupted work through April 30, 2010. Any matters in dispute between Local 183 and the various employers groups during 2007 will be submitted to binding arbitration. Other negotiations involving specialty trades in the residential sector will be conducted in the normal manner, however, as a result of a 2000 amendment to the Labour Relations Act any strike or lock-out would be limited to the six week period - May 1st to June 15, 2007.

Teamsters Ready-Mix Delivery Contracts

Ready-Mix Delivery Contracts in the Greater Toronto Area remain in place through the spring of 2008.

WELFARE, PENSION AND APPRENTICESHIP PROGRAMS

As last year, health benefit programs where the General Contractors' Section appoints employer trustees remain in a very positive financial position. Multi-Employer Pension Plans (MEPPS) have seen some improvement as a result of strong market returns in 2005 continuing through 2006 to date of writing. Currently the Premier and the Minister of Finance have appointed a Committee with representation from the Premier's office, the Minister of Finance, the Financial Services Commission of Ontario (FSCO) and industry representatives including employer and Union trustees as well as professionals including actuaries, lawyers and administrators servicing MEPPS. The Section is represented on that Committee. Their objective is to work towards a compromise between the current requirement to test MEPPS as if they were terminating on the date of review versus the former system of going concern testing where the plan is considered to be ongoing.

General Contractors' Section - Staff Succession

At the Annual General Meeting of the General Contractors' Section of T.C.A. on November 30, 2006, the Section's Chairman, Chris Rick, confirmed the succession plan in place since 2000. Effective January 1, 2008, Tom Howell will assume the position of Director of Labour Relations with Brian Foote moving to a reduced work week and assisting in hiring and training a Construction Labour Relations Officer to assume Tom's former duties. In 2009 Brian will move to an advisory role and a further reduced work week, retiring at the end of 2009.

Brian M. Foote
Director of Labour Relations
General Contractors' Section