

To: Members

From: CCA Staff

Date: December 2018

Subject: Community Benefits Framework/Bill C-344 – Act to Amend the Department of Public Works and Government Services Act and New Community Employment Benefits

Background

Bill C-344 and the new framework from Infrastructure Canada calls for the reporting of workforce composition of at least 3 of 9 target groups for projects of a certain size, variable by province. Our members are concerned that this kind of reporting adds to CCA members' workload and that they may not have this data on their employees. There is also concern that next time around, instead of quarterly or annual reporting on community employment benefits, quotas will be introduced.

Bill C-344, if passed, allows the Minister of Public Works and Procurement to be able to request contractors to produce an assessment as to whether community benefits have been derived from a project. The Minister also gains the right to require bidders on a proposed project to provide information on projected community benefits prior to awarding construction or repair contracts on federal property or public works. This legislation largely mirrors the former Ontario Liberal Government's Infrastructure for Jobs and Prosperity Act of 2015 as well as a number of similar initiatives at the municipal level over the past few years.

Community Benefits definition

Community Benefits could come in a number of different ways. The simple definition is about leveraging public investment to obtain more benefit for the same dollar. It can range from basic reporting requirements, unclear unspecified additions to projects, signed community benefits agreements specific to certain projects and finally social procurement. The Federal framework defines community benefits as being social, economic, or environmental benefits that a community derives from construction, maintenance, or repairs. This definition includes job creation, training, and developing public space.

The position of CCA

- The Canadian construction industry firmly believes in giving back to the communities in which we live, work and invest.
- The efforts of our organization through #CDNConstructionGives, the hundreds of initiatives and charitable works of membership in local communities and our years-long implementation of a diversity strategy should signal to the Federal Government our commitment to community benefits without the need for a formal legislative lens. It is also CCA's position that such legislation has the potential to dilute the competitive bidding process on Federal Government contracts and tenders.
- CCA has a clear policy related to the issue. CCA is opposed to using the procurement of construction services to advance unrelated community benefits and other public policy objectives where they jeopardize the integrity of the competitive bid system.
- If the Government wants community benefits in its projects, then the industry requests that these be clearly laid out in the tender documents, and each contractor have equal opportunity to price the work required. Alternatively, should these additional benefits fall outside the scope of the document, contractors are in blind competition with each other without knowing how their proposed benefit(s) will impact the overall evaluation.
- Further, as the Federal government is seen as a leader, we are concerned that this currently ill-defined concept might lead further implementation of this policy at all levels of government across Canada to extract "community benefits" outside the scope of the project.
- Having quotas and targets at the jobsite may do little to assist with these larger systemic or societal barriers posed by the recruitment issue.
- Finally, the Canadian construction industry is concerned about any legislation that may add further regulatory requirements to access federal infrastructure funding, reducing productivity and increasing uncertainty.

Latest update

Bill C-344 has passed through the House of Commons without amendment. The final vote at 3rd reading on June 13, 2018 was 200-93 with The Liberals, NDP and Green Party in favor of the Conservatives and Bloc Quebecois voting against it. The Bill has since been referred to the Senate where it is sponsored by Ontario Senator Ratna Omidvar of the Independent Senators Group (ISG).

CCA President Mary van Buren and Vice President of Public Affairs Rodrigue Gilbert met with Senator Omidvar just before the organization's Hill Day on the 27th of November, and she has provided assurances of keeping an open mind to amendment and different opinions as the Bill proceeds through the Senate.

The Community Benefits Framework was a cornerstone issue for the groups that participated in the Hill Day and received largely supportive views from the 100+ Senators, MPs and Government Officials that were met with.

CCA continues to monitor the progress of C-344 and is in ongoing dialogue with both Senator Omidvar and the Minister's office at Public Services and Procurement who will ultimately be responsible for its implementation.