



## **Competition Bureau Urged to Investigate Ottawa Hospital Expansion Deal** *Deal Shuts Out Thousands of Ottawa Area Construction Workers*

**Ottawa (February 6, 2023)** – A complaint urging the Competition Bureau to investigate an exclusive and costly labour deal at The Ottawa Hospital has been submitted by the Progressive Contractors Association of Canada (PCA), whose members build major infrastructure and capital projects.

The complaint centres on an exclusive labour agreement between the hospital and the Unionized Building and Construction Trades of Eastern Ontario and Western Quebec, which prohibits contractors and workers who are not affiliated with these select unions from bidding on and building the hospital's new \$2.8 billion Civic Campus.

"There's something seriously wrong when thousands of Ottawa area construction workers and local companies have no chance to build one of the largest infrastructure projects in the city's history," said Karen Renkema, VP Ontario at PCA. "This is a deal that shuts out local talent, and does not provide good public value. That warrants an investigation."

Competition improves productivity and lowers construction costs. Multiple bids on a project, encourage contractors to innovate and put their best bid forward. This ensures taxpayers get their money's worth. Despite these proven advantages, The Ottawa Hospital entered into a restrictive Project Labour Agreement with select Building Trade Unions. No other Ontario health care facilities have been built using this arrangement.

"The Ottawa Hospital's restrictive PLA is not in the public interest," added Renkema. "It is a clear example of exclusive dealing, tied selling and market restrictions, which run counter to the Competition Act. Local taxpayers, workers and companies deserve better."

A [report](#) by the Independent Montreal Economic Institute, finds that by stifling competition, The Ottawa Hospital's restrictive PLA will escalate project costs by anywhere from \$168 million to \$525 million by 2028. It concludes that "It is unacceptable for a public entity to make taxpayers pay more by granting exclusivity to only a certain group of affiliated workers."

### **About the Progressive Contractors Association of Canada (PCA)**

PCA is a national association of leading construction companies that build major infrastructure

and capital projects. Its members employ more than 25,000 unionized construction workers who are represented primarily by CLAC. PCA advocates for a fair, open and competitive construction market.

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