

First, I want to wish all of our members and supporters a very Merry Christmas and hopes for a great New Year.

As many of you know, this will be my final Year End Report as I will be retiring at the end of June. I'm pleased to report that the search for my replacement is going well and there are candidates that we are looking into. We hope to have an announcement by the first week of March and I'm sure that many of you will be anxious to see who has been the successful candidate.

2019 has been one of the busiest we've had since I came to the OGCA. We started off by moving into our new offices - more spacious, updated, and allowing us to improve our communication and technical abilities to host meetings, webinars and other informational sessions.

All of the staff were invigorated by this new environment. It has had a positive outcome on the staff as well as those who attended meetings. It is nice to have a boardroom where people aren't sitting on each other's laps any longer.

We gained some new staff. Taking over the League of Champions was Marjorie Javier, who is doing an outstanding job of taking the League forward. More on that in a few moments.

Elizabeth Huynh, who is working with David on the safety committee, oversees membership, as well as planning webinars and informational sessions for the members. She has been a terrific addition to our team and works very hard to ensure the success of the organization.

We were very fortunate to gain Steven Crombie to work with David on our government relations files. As the OGCA continues to be one of the most proactive leaders in the construction industry with government at all levels, it was important that we strengthen our ability to respond to the many issues facing our industry today.

Everything from new legislation, new government, challenges to our procurement systems; all of these need more research. Steve has been invaluable in creating research papers and white papers that help prepare David, the Executive, Board members and me for our meetings with government and other leaders in the industry. He has an outstanding ability to get to the core issues, research them and provide them to me and David in very short, succinct papers.

Having Steven on board has certainly strengthened our ability to be the voice for construction, particularly general contractors in Ontario.

There are many things that we were successful in achieving this year. One that has required a significant amount of attention and work was the proposed new CCDC2 document. In

November 2018, we were made aware of changes that were being proposed to this standard contract, perhaps the most used contract in all of Canada, and at that time, we realized that there were significant challenges to the proposed new clauses.

Working with our partners here in Ontario, the OAA and Grand Valley Construction Association amongst others, and contractors from across the country made possible through the creation of the General Contractors Alliance of Canada and the trades represented by the NTCCC, we reached out to CCA with our concerns.

Working closely with the task force commissioned by CCA to deal with the CCDC committee, a great deal of discussion took place up until just a few weeks ago.

I'm pleased to say that through this collaboration and consultation, a better document was achieved. We expect this new contract to be issued in the New Year and we will be hosting information sessions and training sessions on how to adapt to the new terms and clauses that have now been inserted into the contract.

It was clear that OGCA's presence at CCA played a significant role in bringing to the attention of the industry this issue, and I'm pleased by the role that our team played in finding a solution to the challenges presented to us.

This year saw some of the continued success of our events, not just our golf tournament which continues to be sold out, and is well supported by our APP members and our members in general, but the things that we do to promote the industry.

Leadership day continues to grow and be one of the most well-attended events to promote health and safety in the industry, beyond just general contractors, but involving all stakeholders involved in the industry.

Our Safety Awards breakfast once again showcased the phenomenal success of our members towards reducing injuries or accidents and changing the culture of safety in this province. Many of you will have seen the chart which shows that OGCA members track significantly better than not only general contractors in Ontario, but anywhere in Canada. This is something to be very proud of and to continue to build on.

Our Symposium again exceeded our expectations with full attendance sessions, and a high quality of speakers. We were very pleased to host the new Premier of the province Doug Ford who addressed the attendees and was presented with his own League of Champions Jersey in support of health and safety. A great deal of the credit for the success of this event must go to Mary and her staff; she leads a great team and ensures that every time we continue to have the most successful events anywhere.

Our AGM in Muskoka was an unqualified success with one of the largest turnouts of members and sponsors that we have had in many years. I want to thank everybody that worked so hard on it, particularly Chairman Raymondo Mollica and his wife Margaret who worked with Mary to present a fantastic event.

As I mentioned, Elizabeth has worked very hard at strengthening our membership communication. She is working hard this year to help re-launch our webinar and information sessions which you will see continuing to grow in the New Year. She and Steve have helped create new tools and media outreach ability for the organization that will help us communicate with our members and promote our message to the industry and other stakeholders.

As many of you know, government relations has become perhaps one of our largest files, next to safety. Learning from a tool that CCA developed, Steven and David have created our own OGCA social media lobbying tool. This will be launched shortly and it will allow us to have our members directly reach out to their local MPPs and communicate to them the concerns of the industry.

Our second lobby day was even better and larger than the first one; even Queen's Park staffers said they had not seen a lobby day as large and successful as ours in some time.

We attended Queen's Park with over 30 representatives, including Board and APP members, to discuss the Skilled Trades shortage dilemma here in the province. At our reception, we were pleased to have Mike Holmes and his son speak to the gathering. This was a fantastic event and created terrific contact for our Association with the members of the House.

David and Steve continue to work very hard reaching out to various MPPs and Ministers to frequently set up meetings to move our interests forward. They've been particularly successful in creating a fantastic relationship with the Minister of Labour Monte McNaughton.

As I mentioned, Steve has been superb at creating research papers and white papers to help prep David and I for the challenges that we face when meeting with government and bureaucrats.

One of our key battles over the years has been reprisal clauses, an egregious process used by some owners to intimidate contractors not to use their legal rights when faced with a dispute.

Steve's research into this created a new avenue where we are seeing, for the first time, some glimmers that we may be able to move this forward. Despite the disinterest of some, he has managed to gain interest and raised this issue within the Queen's Park backbenchers. Along with the help of one of our APP members, Glenn Ackerley, we have made a unique case to support the fact that these clauses should not be allowed.

In particular, it was Steve who found out that the City of Toronto does intend to create a counsel/committee to determine which adjudications filed under the new Construction Act may or may not be frivolous.

If they decide that it was a frivolous adjudication, they intend to invoke the reprisal clause and ban contractors from bidding.

This raises the issue that under provincial law, contractors and subtrades may, at times, be required to file an adjudication and in so doing, risk being disqualified from future bids because of the reprisal clauses that some municipalities use. We are doing everything in our power to bring this forward to the current government and ask that this unfair, unbalanced, prejudicial system be banned in Ontario.

Members who follow the updates and reports that we publish in our biweekly newsletter know that one of the issues that we have dealt with the most is the new Construction Act. This piece of legislation, more than any other, will send ripples through our industry for years to come. It is widely believed to be the most significant change to how we do business in decades.

Our team, drawn from our APP members, Board members and members in general, has worked on this extensively for over 12 years. We are the only organization that has issued two guide manuals to its members, specifically aimed at helping them interpret and prepare for these changes in legislation. There will be changes federally as the federal prompt payment is now legislated and will proceed.

The strength of the OGCA team is unmatched anywhere, and I want to thank all those who volunteered their time and efforts in helping us create the guides, responded to the initial review by Bruce Reynolds and Sharon Vogel, and those who stood with us in going to speak to the federal government on this issue. More importantly, this one issue has led to a greater respect between generals and subtrades, and the birth of a new era of cooperation that can only improve things for everyone in this industry.

I have mentioned our APP members several times, the Associated Partners Program. I believe I should say a few more words about their contribution to our success.

Two years ago, we launched this program. There were those who thought we had weakened the OGCA's voice, that somehow these partners would bear undue influence on how the OGCA operated.

I think everybody who has stayed true to the OGCA has seen that the absolute opposite has occurred. These partners have allowed the organization to grow and prosper in a way that it has not been able to do for many decades.

They are true partners who respect our organization and believe in its goals, beliefs, its ethics, and in its leadership of the industry. They have steadfastly stood by us and supported us both financially and with professional knowledge that they make available to the organization and to its members, mostly pro bono.

There is no question in my mind that, from the very beginning 19 years ago, when I was asked to change the outlook of the organization to make it proactive, to make it the leader of the industry, I knew then and I continue to believe that this can only be done through the cooperation and collaboration with our industry partners. Whether that is other associations with whom we have partnered to form the CEC or the CDAO as well as other industry partnerships, or with the stakeholders who support our businesses, they are our partners and we cannot survive or do business anywhere without their support.

I want to thank those who have led and continue to lead the APP, building it and strengthening it, and I want to thank all the members for their belief in this organization and the support they have provided, not just to the organization but to its members. We owe you a great deal of thanks.

There is no question that our organization is the leading organization when it comes to health and safety in the construction industry. We have been instrumental in creating change and driving the belief that cultural change is essential to the success of eliminating accidents and deaths.

Our safety committee, chaired by Craig Lesurf, is one of the most active and professionally staffed anywhere. Not only are there members of the OGCA but representatives from Metrolinx, WSIB, IHSA, as well as other stakeholders who sit side-by-side with us to address the many issues facing us in the health and safety field. This is because of our belief that safety is not proprietary and that everybody is part of the solution.

One of the strategic goals we had for several years was to see that our rates were reduced. For many years, General Contractors have been paying higher than normal fees to help deal with the unfunded liability.

Thanks to that sacrifice, the unfunded liability was paid off more quickly and much faster than anyone anticipated.

It was then expected that, as promised because of our sacrifice and cooperation, our rates would be significantly reduced. Had it not been for your organization attending meetings and hearing what was being said, those reductions would have been less than what you would have expected.

Thanks to the hard work of David and his team, when the first announcement came out, we pointed out the discrepancy in the reduction. That was quickly changed, and since then, further reductions have followed.

There is no doubt in my mind, having been part of this, that had it not been for your organization speaking out on your behalf, things might've turned out much differently.

The COR program continues to grow and expand as more and more owners adopt it as the standard by which they judge health and safety on their tenders.

Recently, the government announced its new Accreditation program and WSIB its Safety Excellence Program. We played a major role in ensuring that the COR program was included and recognized by the Ministry of Labour and WSIB. These announcements included the plan to recognize those firms that show excellence and invest in the health and safety programs such as COR.

At every turn, you will see your organization continuing to promote health and safety, sharing information and working to find better ways to communicate those messages.

One of the key tools that we created to help change safety culture is the League of Champions. The League has continued to grow, and is now a standalone organization.

It has its own steering committee made up of members of the League and currently chaired by our own Craig Lesurf. We are near to completing incorporation for the organization which will formally have it stand on its own. Since going on its own, membership has increased to the point where it is now able to fund its own operation. This is a terrific accomplishment and we have great expectations on where the League will be going.

They have created a strategic plan, and to help change safety culture in this province, members will see major advancements on how the League operates and the help that it can provide to those who join in the New Year.

The League also plays a major part in our outreach to students at both the elementary and high school level, as well as colleges and universities. In January, the League will be participating in a major event at George Brown College, which will include many of our members and supporters of health and safety.

As mentioned, we have been extremely active in the health and safety field. Not only did we bring COR to the province of Ontario, we continue to work with IHSA to improve it. We were instrumental in ensuring that it was recognized by the Ministry in their recent announcements. We have launched Safety Pass - an orientation program for trades and others that is being adopted by a number of major owners. Following on that, the safety committee team worked

hard on a new program for subtrades that has been completed and is now being tested with a number of subtrade organizations that have shown terrific interest in adopting it. These safety guidelines prepared for subtrades will help them when working with you, our members, and go towards creating a safer environment for all.

There are still challenges, particularly at the WSIB. We are looking forward to the reports that have just been completed on the WSIB operations and how they affect the industry.

Our greatest challenge is in regards to the rate framework. Once again, your organization stepped up to challenge the idea that the ICI sector and the Homebuilder sector were the same and should be merged into one rate group.

We obtained a letter from the WSIB assuring us that this would be reviewed and changed in 2021. Unfortunately, it appears that the promise made in writing may not be kept.

This will be one of the most important topics that we address in the New Year and we will continue to push hard on it to ensure that our members are recognized for all the hard work they do in health and safety.

There is much more I would like to talk about: our role in helping eliminate the College of Trades and what comes next; the work that we do with Metrolinx and Infrastructure Ontario; the issue of Community Benefits; working with the OAA and others to develop new and better guidelines for procurement and tendering practices for owners. It should not be forgotten that we are playing an even greater role on the national stage. We were instrumental in creating the General Contractors Alliance of Canada and through that, are having an impact on the federal prompt payment legislation that was developed in Ottawa.

Many of you have taken advantage of the knowledge and expertise that we can provide in helping you and I'm always grateful to hear where we have been able to assist members in disputes, or to help them with questions on interpreting contracts, help them with their health and safety, and make them more successful.

There is no question that your organization is a proactive and recognized leader amongst industry associations, buyers of construction, and government leaders.

I am very humbled by the fact that you have allowed me to lead you over these last 19 years. It has been a tremendous journey and one that I have enjoyed immensely. This is one of the greatest industries to be in and I am proud to have lived in it, worked in it, and represented you - the General Contractors of Ontario.

I am confident that the organization we have built, the team we have in place, and the new leader coming in, will continue to take the organization even further.

That team composed of Mary Wademan, David Frame, Elizabeth Huynh, Steve Crombie, Judy Hollins, Cheryl Brown, and Marjorie Javier are one of the best groups of people I have ever had the pleasure to work with and they are serving you well and will do so for some time to come.

Again, thank you for your support and your belief in this organization. Together, we have made a difference and will continue to do so for a long time.

Clive Thurston
President