



# DISPATCH

*Management's Voice for Unionized I.C.I. Construction*

## Message from the Executive Director

### CECCO Success Based On Two Prime Objectives

**C**ECCO's success is based on two primary objectives – labour relations coordination and serving as a common voice for unionized I.C.I. construction contractors across Ontario. Over the past two months, we have been able to apply these objectives as we continued to deal with the Fair Workplaces, Better Jobs Act, 2017 (Bill 148).

As reported in Bulletin #06-18, a recent meeting with the Ministry of Labour reinforced our belief that the government was unwilling to revisit the Bill 148 enactments that came into effect on January 1, 2018. However, they did indicate that if there was enough industry support, following the provincial election, they would possibly revisit the scheduling clauses slated to come into effect on January 1, 2019.

A positive outcome from these discussions was it allowed CECCO to step forward and bring other management groups – namely, COCA, EPSCA and ORCCA – together to work as a cohesive unit to lobby for change. The combined clout of this partnership bodes well for our future lobbying efforts.

While not necessarily a CECCO purview, I had the opportunity to attend a management representative meeting sponsored by the Ontario College of Trades (OCOT). The meeting was designed to inform attendees of the direction of OCOT and request management input. I believe this is a refreshing change of direction for the college that will certainly be well-received by the industry moving forward.

The 2019 bargaining cycle is inching ever closer. I am aware, from past practice, that a number of the labour EBAs are working hard to prepare their proposals for presentation to their memberships by September of this year. I would like to remind you of the importance of having dialogue with your EBA counterpart to discuss all industry concerns prior to solidifying the bargaining proposal. I trust our EBAs all have their bargaining negotiating committees in place and are currently well into phase one of the negotiation process.

– Wayne Peterson

## BUSINESS SUCCESS

### Negotiations - The First Steps

**P**reparation for any negotiation should start with a number of steps designed to develop your negotiating strategy.

Begin the process by reviewing union agendas from previous negotiations. The process of reviewing the notes or minutes of previous negotiations allows your committee to study the arguments made by both sides, and review the answers given in respect to those arguments. This is especially useful if committee members were not present at the last contract negotiation. It is very helpful at this point to start developing an indexed contract review and negotiating strategy workbook.

Reviewing the plusses and minuses of past negotiations, including the tactics, timing, concessions and gains often provides the best learning experience and predictor of future behaviour on the part of the union. Any settlement agreements or “side agreements” should also be reviewed along with any oral or written commitments made during the prior negotiations.

One of the priorities should be to follow-up on all of the agreements to determine whether or not they were carried out by management, as well as what operational impact they had on the organization. Oftentimes side agreements or settlements can be included into the next base agreement rather than becoming negotiating issues.

A review of the key issues in the last negotiation is critical. Included in the strategy development should be an assessment of those issues and whether or not they will surface again. It is far easier to develop strategies to deal with each of these issues prior to the negotiations than it is to deal with them at the table.

A review of the personalities that were involved in the last negotiations is important. Who were the dominant personalities, and will they be involved in the next negotiations? A review of those personalities with the negotiating team and the development of strategies to deal with their absence or presence can make a big difference in dealing with their influence at the table. It can oftentimes lead to a strategy that opens doors that were once closed.

The manner in which the contract impacted the effectiveness of the organization is a measurement that is critical to the negotiating team. Asking the right questions that drive to the contract's impact on operations, quality and productivity provides data critical to the creation of scenarios and outcomes that will enhance the value of the contract to management. A mistake often made by labour relations specialists is asking general input from operating management and accepting lack of input as evidence that the contract may not need modification. A solid approach to generating useful data is a section-by-section discussion. A good cross check for, and a next step, is an analysis of the grievance and arbitration experience during the life of the contract for each section within it. This data will create a profile of the operational problems within the contract.

... continued on page 2



# 5 Stages of Negotiation

**Stage 1 – Prepare:** Identify any potential value, begin to understand the interests and develop a fact base.

**Stage 2 – Information exchange and validation:** Discover and create value, access interests, and build a rapport and sense of trust.

**Stage 3 – Bargain:** Create and distribute value, address interests, make and manage concessions.

**Stage 4 – Conclude:** Capture value, confirm interests have been met and thank them.

**Stage 5 – Execute:** Expand value, address changing interests and strengthen relationships.

## CALENDAR OF EVENTS

**July** – Date to be announced  
Trade Group Meetings

**September 13** –  
CECCO Council Meeting

**September 19 & 20** –  
Ontario Construction Secretariat  
(OCS) Annual Meeting & Conference

**November 8** –  
CECCO Pre-Bargaining Conference

**December 13** –  
CECCO Council Meeting

For more information and /or meeting location, please contact CECCO at (905) 677-6200.

THE CONSTRUCTION EMPLOYERS COORDINATING COUNCIL OF ONTARIO

## DISPATCH

The Construction Employers Coordinating Council of Ontario (CECCO) DISPATCH newsletter is published two times per year and spearheads the association's communication efforts. It is designed to ensure members are kept abreast of current CECCO undertakings, as well as relevant educational opportunities and industry news.

## CECCO

Construction Employers  
Coordinating Council of Ontario

6299 Airport Rd., Suite 708  
Mississauga, ON L4V 1N3  
Tel: (905) 677-6200  
Email: [admin@cecco.org](mailto:admin@cecco.org)  
Web Site: [www.cecco.org](http://www.cecco.org)

...continued from page 1

## Negotiations - The First Steps

A key consideration for management is the formation of the bargaining unit. This is often a choice that management can make in respect to the benefits they may derive from dialogue with other employer groups for bargaining purposes. This is a unique consideration for each EBA and should be based on the negotiating track record, composition of the union, cohesiveness of the employer bargaining unit, and the potential leverage of any employer group being considered.

The negotiating team should also look at external factors such as other trades' compensation packages or major benefits provided by comparable unions. Sometimes looking at comparable trades in other geographic areas can provide the team with favorable economic comparisons.

The last step in the pre-bargaining process is the development of objectives for the

negotiations. By the time the team has progressed through the internal assessment, data collection and finally the external assessment, it is generally ready to establish ranges for economic settlement, changes in non-economic terms and contract language, and any special provisions. Drafts should be generated that address all of the economic and non-economic provisions of the contract. Whether these are offered as initial or counter-offers is a part of the strategy of management's chief negotiator.

Management should prepare the background material, data and any arguments to support all of its proposals. Management should also prepare a rough negotiating timetable to facilitate the completion of the contract. This should include start date, available dates to meet, ideal frequency of meetings and the timing of the offers based on past negotiations.

### CECCO MEMBER PROFILE

## Tony Fanelli

### Construction Labour Relations Association of Ontario

Tony Fanelli has built a successful 30-year career by utilizing his natural ability to deal with people. By practicing high levels of patience and applying fine-tuned listening skills, he has managed to carve a successful career within the function of labour relations in the construction industry.

"Labour relations is the most exciting part of the construction industry," said the Executive Director of the Construction Labour Relations Association of Ontario (CLRAO). "This is mainly because you're dealing with people on both sides of the table, representing management, of course, as well as our labour partners."

Born and raised in Sarnia, ON, Fanelli started his labour relations career with the Sarnia Construction Association and then moved on to spend numerous years working with EPCs (Engineering Procurement & Construction) companies such as Catalytic (known as Jacobs), SNC-Lavalin, Bantrel, Bechtel and Fluor. He has also spent time holding management positions managing health and safety, business development, recruitment and HR for contractors such as Comstock Canada.

"My career developed into a bunch of different areas within the construction industry," Fanelli said. "I did stray for a few years working for a venture capital fund, but that didn't last long and I quickly came back to construction."

It is through the many relationships Fanelli had built over the years, that placed him as one of the prime candidates to take over the helm at the CLRAO. Having spent the last 12 years in Calgary, AB, Fanelli was excited to return to his home province to accept the position of CLRAO Executive Director in October 2017.

"Practicing the work of labour relations is the



most exciting part of my role as executive director," he said. "Labour relations is still very stimulating, as is the political climate in the province right now. With the change in provincial government,

I suspect this will be yet another piece to add to my career and I look forward to that."

As the 2019 bargaining cycle inches ever closer, Fanelli is ready for action to once again apply his people skills.

"My goal is to get labour and management together well in advance of the upcoming negotiations in order to build relationships and talk to one another," he explained. "By simple communications, we can find areas of common ground, be alerted to issues within the industry and find ways to resolve them in advance."

Fanelli said, "While some sectors in the Ontario market are running strongly, there are other segments that require serious review, and changes are necessary in order to remain competitive to maintain market share." Again, he says, "communication is the key."

"Our goal is to meet with all industry representatives over the summer and early fall and, hopefully, get a provincial agreement in place by early in 2019 that will benefit all parties," Fanelli said.

At the end of the day, Fanelli stressed the need for the entire industry to work together as the next chapter of bargaining unfolds. By doing so, he said, the industry can "secure agreements that help the employers and unions get in a better position to be more competitive in the market."