

### What's Inside

Changes to Act Allow WSIB to Address  
Construction Executive Officers in Rate  
Framework

COCA Honours Construction Leaders

Massive Ford Cabinet Shakeup

Resignation of Premier's Chief of Staff  
More Significant Than Cabinet Shuffle

PayPrompt Solves Contractors  
Construction Act Challenges

June 2019

## CHANGES TO ACT ALLOW WSIB TO ADDRESS CONSTRUCTION EXECUTIVE OFFICERS IN RATE FRAMEWORK

As a result of amendments made to the Workplace and Insurance Act (WSIA), the Workplace Safety and Insurance Board now has the ability to establish policies that address executive officers in construction in its new classification system similar to the way they are treated in the current system.

In the current system, one executive officer (EO) from a construction company who is not on the tools and not exposed to the risks of the construction industry can be exempted from participating in the provincial compensation system. All other EOs from that construction company who are not on the tools and who are not exposed to the risks of the construction industry can apply to the WSIB to be classified into Rate Group 755, a special rate group for non-exempt executive officers in construction. The current premium rate for RG 755 is \$0.13.

Policies will be established by the WSIB in the near future to create a place in the new classification system for non-exempt executive officers in construction. The new classification system is based on the North American Industries Classification System (NAICS) which doesn't have an industry code for non-exempt executive officers in construction. We anticipate that the rate for non-exempt EOs in construction will continue to be very low but perhaps not as low as \$0.13.

This is a win for the construction industry and is something COCA advocated for strenuously along with others and for which we can take significant credit.

The new classification system will be implemented by the WSIB on January 1, 2020.

## COCA HONOURS CONSTRUCTION LEADERS

The Council of Ontario Construction Associations honoured construction industry leaders from across Ontario with the presentation of the Cliff Bulmer Award, the Construction Hard Hat Special Achievement Award, the Chair's Award, the President's Award and Association Milestone Awards recently. These recognitions, normally presented in conjunction with COCA's Annual General Meeting in February, were made at a special awards ceremony and dinner held at The Sheraton on the Falls Hotel in Niagara Falls Ontario on the evening of June 11th.

In addition to award recipients, special guests in attendance included David Piccini, MPP for Northumberland-Peterborough South who brought greetings on behalf of the government and Canadian Construction Association President Mary van Buren who welcomed guests on behalf of the CCA.

COCA's highest honour, the **Cliff Bulmer Award** which recognizes an individual who has made an outstanding contribution in furthering the relationship between the construction industry and the Ontario Government was awarded to **Paul Gunning of the Acoustical Association of Ontario** for his leadership of COCA's WSIB-OH&S Committee and his contributions to numerous COCA submissions to government.

## COCA HONOURS CONSTRUCTION LEADERS - CONTINUED

**COCA's Industry Ally Award** is presented to an individual outside of the COCA federation who has made a significant contribution to the success of the construction industry or who has contributed to improvements to the industry environment in Ontario. This year's Industry Ally Award was presented to **Gail Smyth**. Up until her retirement as President & CEO of Skills Ontario in December 2017, Gail was the province's leading promoter of careers in the skilled trades for more than 20 years and successfully steered thousands of young people into careers in the construction industry.

Two years ago, we introduced the COCA Construction Hard Hat Special Achievement Award. The Hard Hat is awarded to an individual or individuals who do something truly remarkable to advance the interests of the construction industry. The award was conceived by our Past Chair Gary van Bolderen and we are delighted to announce that the award has been renamed the **Gary van Bolderen Hard Hat Special Achievement Award**.

This year these special awards were presented to:

- **The late Hugh Laird** who passed away only days prior to the ceremony but whose award had been planned for about eight months, for his vision and leadership in building North America's largest training facility for the drywall trade and for introducing thousands of young people to successful careers in the drywall trade
- **Martha George** for her contributions to COCA's government relations advocacy initiatives and for serving as an outstanding role model and mentor for association executives in the COCA federation and across Canada
- **John Mollenhauer** for consistently and freely contributing his vast knowledge and experience to COCA's public policy submissions and for consistently demonstrating how inclusion, respect and humour can be used to bring people together and get the job done

**Chair's Awards**, given at the discretion of the COCA Chair to individuals who have gone above and beyond the call of duty in their contributions to the success of our provincial federation were presented by Chair Steve Dietrich to **Roger Hubbard of AMJ Enterprises and the Reinforcing Steel Institute of Canada** and to **Harold Lindstrom of the Construction Association of Thunder Bay**.

**President's Awards** were awarded to **Mike Carter of the London District Construction Association** who served as an expert on the aluminum and steel tariffs file for the construction industry and to **Alison Smith, the hard working Executive Director of the Barrie Construction Association**.

Association Milestone Awards were presented to:

- The Construction Association of Thunder Bay celebrating 70 years
- The Grand Valley Construction Association on the occasion of their 45th anniversary
- The Pipe Line Contractors Association of Canada celebrating 75 years
- The Architectural Glass & Metal Contractors of Ontario on the occasion of their 40th anniversary
- The Ontario Industrial Roofing Contractors Association celebrating 55 years

Photos of the Awards Dinner and Reception can be found at <http://coca.smugmug.com>

Paul Gunning & Steve Dietrich & Ian Cunningham



Gail Smyth & Steve Dietrich & Ian Cunningham



Alison Smith & Steve Dietrich & Ian Cunningham



Harold Lindstrom & Steve Dietrich & Ian Cunningham



Ron Johnson & Steve Dietrich & Ian Cunningham



John Mollenhauer & Steve Dietrich & Ian Cunningham





## MASSIVE FORD CABINET SHAKEUP

Ontario Premier Doug Ford's recent cabinet shuffle has been described as "massive" and "unprecedented for a government only one year into its four year mandate". It was a much larger change than most had expected.

Here are the high level highlights:

- The cabinet has been increased in size from 21 to 28 members; so much for smaller government
- No former Minister was turfed out of cabinet although several were demoted to lower status portfolios and some to Associate Minister positions
- Twelve members of cabinet, including Premier Ford, are from the GTA
- Ten portfolios remain with the same Ministers: Hardeman (Agriculture), Rickford (Energy, Northern Development and Mines), Mulroney (Francophone Affairs although she was moved out of the AG portfolio), Indigenous Affairs (Rickford), Intergovernmental Affairs (Doug Ford), Municipal Affairs and Housing (Clark), Natural Resources and Forestry (Yakabuski), Seniors and Accessibility (Cho), Solicitor General (Jones), Treasury Board (Bethlenfalvy)
- All three PC MPPs from northern Ontario are members of cabinet (Fideli from Nipissing, Romano from the Sault and Rickford from Kenora-Rainy River)
- For a number of reasons, five Associate Minister positions were added to cabinet: 1) for broader regional representation; 2) to provide more horsepower to portfolios that need it; 3) to recognize new, up and comers who have performed well and give them an opportunity to gain experience (Associate Minister of Small Business and Red Tape Reduction, Prabmeet Sarkaria; Associate Minister of Children and Women's Issues, Jill Dunlop; Associate Minister of Transportation, Kinga Surma; 4) as a place for former full Ministers to remain in cabinet (Associate Minister of Mental Health and Addictions, Michael Tibolo; Associate Minister of Energy, Bill Walker); it will be interesting to observe how much

authority will be given to Associate Ministers

- Former two-term MP and first-term MPP from Markham-Stouffville, Paul Calandra, was appointed House Leader, taking over from Todd Smith who previously also had the Economic Development portfolio
- Two other rookie MPPs made it into cabinet; the most surprising appointment was 32 year old, former Stephen Harper staffer Stephen Lecce who was moved from the back benches to the front as Minister of Education, one of the most senior portfolios in cabinet; the other is Doug Downey, a 46 year old lawyer with broad experience and strong academic credentials to the role of Attorney General
- This realignment does little to address the gender imbalance in the Ford cabinet; of the 7 additions to cabinet, only two were females; in addition, two female Ministers were demoted to lower status portfolios; nine of the new cabinet's 28 members are female
- The new appointments give the cabinet a younger look, known ages ranging from 32 to 49 years, but by no means youthful

With the shuffle came some big promotions:

- Rod Phillips was promoted from Environment, Conservation and Parks to Finance; a big promotion for someone with loads of senior executive experience in both the private sector and government who has performed exceedingly well undoing the cap and trade system implemented by the former Liberals; we expect Phillips to perform very well
- Todd Smith from Economic Development to Children, Community and Social Services; a challenging opportunity for the seasoned communicator and former broadcaster

## MASSIVE FORD CABINET SHAKEUP - CONTINUED

- Ross Romano was moved up from the back bench to Minister of Training, Colleges and Universities; let's hope this 39 year old lawyer from the Sault focuses a significant amount of his energy on consulting with stakeholders and fleshing out the government's new framework for the skilled trades and apprenticeship
- Rookie MPP, Stephen Lecce, was catapulted from the back bench to Minister of Education; with work to rule and an educators strike in the offing, this is a significant challenge/opportunity for this young public affairs specialist
- Merrilee Fullerton, a family doctor from the Ottawa area, was transferred from Training Colleges and Universities to Long Term care, a new portfolio hived off of the former Ministry of Health and Long Term Care; this portfolio may be better suited to Fullerton's background and training

### Demotions:

- Vic Fideli from Finance where his first budget was rolled out in a poorly coordinated fashion to Economic Development where he will use his superior marketing skills to promote Ontario as a great place to invest and create jobs; demoting a finance minister only two and a half months after his first budget in the "unprecedented" part of the shuffle
- Lisa McLeod was moved from Children, Community and Social Services where she botched the difficult autism file, to Tourism, Culture and Sport
- Lisa Thompson was shifted from Education where she mishandled a number of issues including increasing class sizes and mandatory e-learning, to Government and Consumer Services

### Lateral Moves:

- Jeff Yurek (Elgin-Middlesex-London) was moved from Transportation to Environment, Conservation and

Parks; the Transportation portfolio didn't particularly resonate with his constituents

- Caroline Mulroney (York-Simcoe) was shifted from the Attorney General role where she had performed quietly against high expectations, to Transportation, where she has the assistance of Associate Minister Kinga Surma (Etobicoke Centre); this gives the Transportation portfolio the GTA representation it needs given the government's investments there
- Monte McNaughton (formerly Infrastructure Minister) and Laurie Scott (formerly Labour Minister) traded portfolios for reasons that aren't clear; Scott successfully unwound the former Liberal government's employment standards effectively but perhaps could have done better on the non-construction employer issue; McNaughton, with friends in both management and union camps, should perform well in his new role
- Christine Elliott remains Deputy Premier but gets a slimmer portfolio, Minister of Health (her portfolio previously included Long Term Care which was hived off and assigned to Merrilee Fullerton) and she gets the help of an Associate Minister of Mental Health and Addiction, Michael Tibolo

With this cabinet shuffle, Premier Ford seems to have hit the reset button. With an extended summer break from the Legislature, Ford and his cabinet colleagues have lots of time to plan, a luxury they did not afford themselves after their June 2018 election.

One clear theme that emerges from these changes is that more experienced, friendlier and engaging communicators have replaced the sharp, angry, combative ones in the most challenging portfolios. This should produce a softer tone. Will it produce a change in policy direction? Stay tuned.

June 2019

## RESIGNATION OF PREMIER'S CHIEF OF STAFF MORE SIGNIFICANT THAN CABINET SHUFFLE

A change perhaps more significant than Premier Ford's recent cabinet reshuffle was the surprise resignation of his chief of staff, Dean French.

Often referred to as the most powerful unelected official in the Ford administration, French is reported to have ruled over caucus and cabinet with an iron fist, often making unilateral decisions and rebuking back benchers and dressing down ministers during meetings.

French is believed to be significantly responsible for the Ford government's reputation as unusually highly centralized with a "ready, shoot aim" approach, poorly organized, lacking coordination and deficient in communications abilities.

According to a report in the Sun newspaper, French's unpopularity in the provincial Tory caucus and his independent decision making finally caught up with him.

Apparently he rushed through cabinet the appointments of two individuals with whom he is personally well

acquainted (one a 26 year old friend of his son, the other a family relation), individuals who had scant qualifications for the plum, high-paying, trade advisor positions (one in London, the other in New York) to which they had been named.

The appointments were made on the same day as the cabinet shuffle in an unsuccessful attempt to keep them out of the news. Upon hearing of the nepotism and absence of qualifications, Premier Ford did the right thing and immediately rescinded the two appointments.

French must have seen the writing on the wall. All reports state that he tendered his resignation rather than being fired by the Premier.

Depending upon who assumes the permanent role of chief of staff to the Premier and depending on the power that is given to or taken by that person, this could lead to a more collaborative way forward and turn the tide for the increasingly unpopular Premier.

## PAYPROMPT SOLVES CONTRACTORS CONSTRUCTION ACT CHALLENGES

PayPrompt is a web-based solution that will help contractors easily manage their business affairs relating to the timelines mandated in the Construction Act. The Construction Act prescribes structured timelines, for example the payment of a "proper invoice" by an owner within 28 days or the delivery of a "notice of non-payment" within 14 days and so on.

PayPrompt is being developed by three tech savvy construction lawyers at WeirFoulds LLP, Faren Bogach, Krista Chaytor and Jeff Scorgie. The threesome made a presentation to COCA's COO Committee on June 12th in Niagara Falls. Of all the presentations, workshops, seminars, webinars we've attended over the last year or so, theirs was by far the most on the ground, functional, practical, dealing with the day to day issues that contractors will face.

PayPrompt is a separate entity from WeirFoulds LLP