

## **CITY OF GREATER SUDBURY**

### **FAIR WAGE POLICY FOR INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL CONSTRUCTION CONTRACTS (ICI)**

#### **1. POLICY STATEMENT**

On all ICI construction contracts with an estimated value of at least one hundred and sixty thousand dollars (\$160,000) with the City of Greater Sudbury, every Contractor and Sub-contractor shall pay or provide wages, benefits and hours of work to their Employees in accordance with this “Fair Wage Policy for ICI Contracts” and the City’s Fair Wage Schedule.

Failure to comply with the City’s Fair Wage Policy may result in restricted ability to bid on City construction business.

#### **2. DEFINITIONS**

In this Policy wherever a term set out below appears in the text of this policy with its initial letters capitalized, the term is intended to have the meaning set out for it in this DEFINITIONS section. Wherever a term below appears in the text of this policy in regular case, it is intended to have the meaning ordinarily attributed to it in the English language.

- (a) “City” means The City of Greater Sudbury, and, where the context allows, its officers, officials, employees and agents or any of them.
- (b) “City Council” means the municipal council of the City.
- (c) “Contractor” means any person, firm or corporation having a contract with the City for the performance of ICI construction work, but does not include any person, firm or corporation that only supplies materials for the Construction Contract.
- (d) “Construction Contract” means any ICI building construction of an estimated value of at least one hundred and sixty thousand dollars (\$160,000), entered into between the City and a Contractor and includes the various sub-contracts to that contract.

Construction Contracts which were initially tendered and awarded under the one hundred and sixty thousand dollars (\$160,000) threshold, but exceeded this upset limit due to owner-requested changes, or other change orders after the award of the contract, are exempt from this policy.

- (e) “Employees” means those persons employed by the Contractor or Sub-contractor in positions, classifications, trades, or any combination of those, identified in the Fair Wage Schedule, for the performance of construction work on a Construction Contract with the City, or any Sub-contract, but does not include Owner operators who undertake the work themselves.
- (f) “Fair Wage Schedule” means the schedule of wages, benefits and hours of work as obtained from the Province of Ontario for construction work on all ICI Construction Contracts, based on Ontario Labour Relations Geographical Board Area 24 (Sudbury District).
- (g) “Fringe Benefits” includes such benefits as pension plans, extended health care benefits, dental and prescription plans, etc. It does not include legislated payroll deductions such as Canada Pension Plan., Employer Health Tax, Workplace Safety Insurance Board, and Employment Insurance.
- (h) “ICI” is an abbreviation for “Industrial, Commercial and/or Institutional”.
- (i) “Registered Complaint” means a detailed written complaint from an identified source that alleges that a Contractor or Sub-contractor has violated this Fair Wage Policy.
- (j) “Sub-contractor” means any person, firm or corporation performing work for a Contractor or one of the Contractors or other Sub-contractors who has a Construction Contract with the City, but does not include any person, firm or corporation that only supplies materials for the Construction Contract.
- (k) “Sub-contract” means any contract between a Contractor and any of that Contractor’s Sub-contractors with a firm, person or corporation for work in accordance with a Construction Contract, but this term excludes contracts for material supplies only.
- (l) “Wages” or “Fair Wage Rate” includes the hourly rate, vacation and holiday pay, and any amount for Fringe Benefits shown in the current Fair Wage Schedule to be paid to a worker.

### **3. PROCEDURES**

- (a) Should the Province amend its Fair Wage Schedule, the use of the schedule within this policy will be referred back to Council for review, but the previous Schedule shall apply until changed by Council.
- (b) The City shall make available through its tender calls to every person bidding on the City's Construction Contracts, the then-current Fair Wage Policy and Fair Wage Schedule and shall include in contract documents and/or provide copies of them to the bidders, or make them available through the City's Website. The Contractor and its Sub-contractors shall not be responsible for any Fair Wage Schedule rate increases which occur after the closing of the tender for the City Construction Contract on which the Contractor is the successful bidder.
- (c) For all Construction Contracts with the City, the Contractor shall provide to the City, in a form acceptable to the Manager, Supplies and Services or designate notification that the Contractor and its Sub-contractors are in compliance with the City's Fair Wage Policy and the Fair Wage Schedule. This notification shall be provided to the City after substantial performance of the Construction Contract as provided for in the Ontario *Construction Lien Act*, R.S.O. 1990, c. C.30, as amended or replaced.
- (d) A Contractor is fully responsible for ensuring that all of its Sub-contractors comply with the Fair Wage Policy and the Fair Wage Schedule. A Sub-contractor is fully responsible for ensuring that all of its Sub-contractors comply with the Fair Wage Policy and the Fair Wage Schedule.
- (e) A Contractor must provide all of its Sub-contractors with a copy of the Fair Wage Policy and Fair Wage Schedule before any construction work is performed by the Sub-contractors.
- (f) A Contractor or Sub-contractor shall not sub-contract any portion of the contract for less than the fair wage rate.

### **4. LEGISLATIVE COMPLIANCE**

- (a) A Contractor and Sub-contractor shall obey all Federal, Provincial and Municipal Laws, Acts, Regulations and By-laws, which could in any way pertain to the work outlined in the contract or to their employees.
- (b) A Contractor and Sub-contractor shall ensure W.S.I.B. compliance and coverage in accordance with relevant legislation and the City's prevailing policy.

- (c) Without limiting the generality of the foregoing, a Contractor and Sub-contractor shall satisfy all statutory requirements of the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, as amended or replaced, and Regulations made thereunder, imposed on a Contractor, a Constructor and/or Employer with respect to or arising out of the performance of the Contractor's or Subcontractor's obligations.

## **5. POSTING**

All Contractors shall post in a conspicuous place on every construction project site, in a location satisfactory to the Manager, Supplies and Services or designate, a copy of the Fair Wage Policy and the Fair Wage Schedule supplied to it by the City and which will include a telephone number by which any inquiry regarding the Fair Wage Policy or the Fair Wage Schedule, or both, may be made to the City.

## **6. RECORDS**

- (a) A Contractor and Sub-contractor must keep records of the names, addresses, wages paid, benefits paid or provided and hours worked for all of its employees, as required under the *Employment Standards Act*, R.S. O. 1990, c. E.14, as amended or replaced. The Contractor and Sub-contractors shall make the records of those employees assigned to the project in question available for inspection by the City upon request by the City. The City will only be permitted access to these records upon receipt of a Registered Complaint, and will access these records in accordance with applicable privacy legislation.
- (b) Failure to provide these records as required by this Policy may result in the Contractor or Sub-contractor being subject to Section 10, CONSEQUENCES OF NON-COMPLIANCE provisions of this Fair Wage Policy.

## **7. COMPLAINTS**

- (a) Any Contractor or Sub-contractor that tendered on that Construction Contract may submit a Complaint against that tender award to the City with respect to any Contractor or Sub-contractor on that project. Further, employees of Contractors and Sub-contractors performing construction work on a City Construction Contract may also submit a Complaint. Registered Complaints should be submitted at the earliest time but no later than fifteen days following:
  - i. substantial performance of the relevant Construction Contract where a complaint is being made against a Contractor; or

- ii. substantial completion of the relevant Sub-contract to a Construction Contract where a complaint is being made against a Sub-contractor.
- (b) Upon receipt of a Registered Complaint, the Manager of Supplies and Services or his or her designate on behalf of the City will conduct an initial review of the complaint submitted and advise the initiator of the complaint what the likely cost of an investigation will be. The initiator of the complaint must pay this investigation fee prior to the initiation of the investigation, and in so doing, confirm to the City the desire to proceed with the complaint. The City shall take such action as it deems necessary to determine whether the Contractor or Sub-contractor involved or named in the Registered Complaint is in compliance with the Fair Wage Policy and the Fair Wage Schedule.

The Manager of Supplies and Services will waive the fee in cases where an employee of a Contractor or Sub-contractor working on the construction project issues the complaint.

If upon investigation, the Registered Complaint is found to be substantiated, the fee will be refunded to the person, company or corporation filing the Registered Complaint, and will be charged against the non-compliant Contractor.

If the Registered Complaint is found to be unsubstantiated, the fee will be retained by the City to cover administrative costs of the investigation and audit process.

If the costs exceed the initial investigation fee, the City will take the necessary action to claim these costs from the complainant.

- (c) The Manager, Supplies and Services or designate shall inform the complainant and any Contractor or Sub-contractor involved or named in the Registered Complaint of the results of the City's determination of the Contractor's and/or Sub-contractor's compliance or non-compliance with the Fair Wage Policy or the Fair Wage Schedule within fifteen days of rendering a decision. The decision of the City's Manager, Supplies and Services or designate is final.
- (d) Any person who has an objection to the decision rendered by the Manager, Supplies and Services may make a written request to appear and make submissions before the Ad Hoc Fair Wage Policy Committee.

## **8. AD HOC FAIR WAGE APPEAL COMMITTEE**

In the event that the final decision of the Manager, Supplies and Services is disputed, and written notice of appeal received, the City shall call for the convening of the Ad Hoc Fair Wage Appeal Committee.

The Committee will meet as necessary, as the result of a formal written appeal. The Committee shall be comprised of the following members:

- One representative appointed by the Greater Sudbury Chamber of Commerce
- One representative of a local Trade Union, to be appointed by the Sudbury and District Building and Construction Trades Council
- One City Staff Member who does not work in the Supplies and Services section, to be appointed by the Chief Financial Officer and Treasurer.

## **9. COMPLIANCE**

A Contractor or Sub-contractor shall be in compliance with the wage requirements of this Fair Wage Policy when paying to its Employees wages, vacation and holiday pay, fringe benefits equal to or greater than the amount set out in the Fair Wage Schedule.

## **10. CONSEQUENCES OF NON-COMPLIANCE**

- (a) The City's Manager, Supplies and Services or his or her designate, upon determining that a Contractor or Sub-contractor is in non-compliance of the Fair Wage Policy or the Fair Wage Schedule, shall undertake the actions set out in subparagraphs (i) and (ii) and may undertake the action set out in subparagraph (iii).
  - i. The City shall advise the Contractor and/or Sub-contractor, in writing, that it has been determined that the Contractor and/or Sub-contractor is in noncompliance, providing the detail of that non-compliance. The notice shall stipulate that the Contractor and/or Sub-contractor is required to comply and/or immediately pay (retroactive) wages to its workers according to the Fair Wage Schedule applicable at the time of the Construction Contract award, as applicable. If a Contractor or Sub-contractor is provided with notice in accordance with this subparagraph, this fact shall be recorded as an occurrence of non-compliance.

- ii. The City shall assess the cost of the City inspection, audit or other action as deemed necessary by the City as a result of the determination of noncompliance of the Contractor and/or Sub-contractor, and may deduct that amount from any payment owed by the City to the Contractor. In addition the Contractor shall be responsible for all of the City's costs beyond the initially estimated base cost, to be payable immediately upon demand.
  - iii. The City may withhold an amount of funds equal to the amount by which the Contractor or Sub-contractor has benefitted from its non-compliance from any payment owed by the City to the Contractor until such time as the Contractor or Sub-contractor makes such retroactive payment.
- (b) Where a Contractor or Sub-contractor has been determined to be in non-compliance with the Fair Wage Schedule for the first time in a five-year period, the Manager, Supplies and Services or his or her designate may require that the Contractor or Sub-contractor, on the next three City Construction Contracts on which the Contractor or Sub-contractor performs construction work, submit an accountant's report which verifies the Contractor's or Sub-contractor's compliance with the Fair Wage Policy and the Fair Wage Schedule. The accountant's report shall be in a form satisfactory to the City Treasurer or his or her designate and shall be submitted after substantial performance of the Construction Contract as provided for in the *Construction Lien Act*,
- (c) Where a Contractor or Sub-contractor has been determined to be in non-compliance with the Fair Wage Schedule for a second or subsequent time within a five-year period from the date of the first determination of non-compliance by the Manager, Supplies and Services or his or her designate, the City, may:
- i. refuse to accept bids, quotations or proposals from that Contractor on City Construction Contracts, for a period of two years, but this will not apply to any Construction Contract the Contractor may currently have with the City, or
  - ii. not allow that Sub-contractor to perform any construction work on any City Construction Contract, for a period of two years, but this will not apply to any Construction Contract on which the Sub-contractor may currently be performing construction work.

- (d) The Manager, Supplies and Services or designate will require a Contractor or Sub-contractor to substitute, at its own cost, any Sub-contractor who, on the first day that the tender for the relevant Construction Contract is available for pick-up, is named on the list of the CONSEQUENCES OF NON-COMPLIANCE, and is identified as not being allowed to perform any construction work on a Construction Contract.
  
- (e) The City is not in any way liable, obligated or responsible to any employee, Contractor, Sub-contractor, or any other person for the payment of any monies not paid by a Contractor or Sub-contractor in accordance with the Fair Wage Policy or the Fair Wage Schedule, or both, and the City assumes no responsibility to any Employee, Sub-contractor, Contractor or any other person for the administration and enforcement of the Fair Wage Policy or the Fair Wage Schedule, or both.

**FAIR WAGE SCHEDULE**
**INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL SECTOR OF ONTARIO'S CONSTRUCTION INDUSTRY**

Zone 24: Sudbury District

Urban Zone

Classification of Labour	Hourly Base Wage Rate	Cost of Benefits per hour (based on 48-hour-work-week)	Total Fair Wage Rate per hour not less than:
			Effective Date: April 1, 1986
Asbestos removers Boilermakers Bricklayers and stonemasons Carpenters and joiners Cement finishers Drillers (air trac, wagon, etc.)			\$ 17.07 25.56 26.70 25.10 21.25 21.10
Drywall applicators and lathers Electricians Elevator mechanics Erectors and finishers (pre-cast slab erector) Glaziers			21.68 27.03 30.39 21.25 19.16
Insulation mechanics (heat & frost) Jackhammer operators Labourers - precast Labourers - common Labourers - demolition			26.56 21.44 20.63 20.95 16.65
Labourers - student (registered in day school) Marble setters Millwright Mortarmen (brick, plaster, stone) Ornamental & miscellaneous metal erectors			13.97 23.22 26.58 21.10 25.01
Painters (brush) Painters (spray) Plasterers Plumbers and pipefitters Powdermen			20.85 20.85 21.05 25.77 21.25
Refrigeration mechanics Riggers (general), & structural steel workers Rodmen Roofers (built-up) Sheet metal workers			29.64 25.01 23.30 23.76 26.58
Sprinkler installers Terrazzo layer or setters Terrazzo base machine operator Terrazzo floor machine operator Tile setters			28.33 25.56 25.80 25.61 26.78
Tile & linoleum layers (resilient floor layers) Truck drivers: 1. floats Truck drivers: 2. tandem axle Truck drivers: 3. single axle Watchpersons Welders and burners (acetylene or electric)			25.53 20.95 20.85 20.76 17.17 25.01
Equipment Operators Licensed Operators: Engineers operating cranes, shovels, hoists, gradalls, backhoes, draglines, piledrivers, mobile truck cranes, derricks, caisson boring machines over 25hp, drillers and similar equipment. Equipment Operators, Group A 1. Tuggers, side booms, man and material hoists. 2. Bullmoose equipment, steam boilers, temporary steam plants, caisson boring machines 25hp and under. Equipment Operators, Group B 1. Bulldozers, tractors, scrapers, graders, emcos, overhead and front-end loaders, trenching machines, industrial tractors with excavating attachments, concrete pumps and pumpcretes, and post hole diggers. 2. Pumps 6" discharge and over, concrete mixers 1 cu. yd. and over, well points, gas or steam driven generators over 50hp, fork lift trucks over 8' lifting height, portable air compressors. 3. Boom trucks, A frames, compaction units, forklifts 8' and under in lifting height, forced air, gas or oil burning temporary heating units. 4. Pumps under 6" discharge, and oilers.			24.80  23.51 21.23  23.51  21.23  19.53 18.89

Note: Up to 15% of the Total Fair Wage rates above may be in the form of benefits not required by law (for example: medical, dental, pension plan)