

2022 ICI Sector Post-Bargaining Survey

What Worked Well, What Did Not,
and What Needs to Improve

SEPTEMBER 2024



Methodology and Sample Profile

The survey was conducted from April 26 – May 22, 2023 and participants were initially emailed an online link to a secure survey portal. Individual responses were 100% confidential and responses were not analyzed on a trade basis. We were looking for a broad industry assessment. If a bargaining committee member participated at the table for more than one trade, they were given the option to chose which trade they would like to reflect on.

A total of 103 surveys were completed representing 24 trades from our initial sample of 204 bargaining committee members. 44 of the responses were from labour and 59 from management. We achieved an impressive 50.5% response rate resulting in a strong level of confidence in the findings presented.



103

**SURVEYS
COMPLETED**



24

**TRADES
REPRESENTED**



44

**LABOUR
RESPONDENTS**



59

**MANAGEMENT
RESPONDENTS**

Key Findings



Inflation and strong market conditions influenced bargaining outcomes

Not only were bargaining committees managing the impacts of the post-pandemic world, they also faced a uniquely challenging economic environment. Inflation was climbing with no certainty as to when and where it would peak. On top of that, Ontario's non-residential market was booming and challenging construction labour markets.



Trusted, cooperative relationships, but room for improvement

Knowing that two-thirds of bargaining stakeholders have a trusted cooperative relationship with their counterpart lays a solid foundation for future rounds of bargaining. Bargaining teams can continue to build on these relationships by enhancing trust, being open and transparent, and re-imagining their relationship to that of 'industry partners' working to advance the unionized ICI construction industry.



Social media, rumours and misinformation disrupted bargaining

Both labour and management representatives spoke to challenges with rumours and misinformation spreading amongst their members. Social media created opportunities to spread information (whether accurate or not) and bargaining committees found themselves on the back foot trying to convey their position to members.



Satisfaction with bargaining process, but mixed views that it leads to a fair and balanced outcome

While two-thirds of labour and management representatives are satisfied or very satisfied with the bargaining process, less than half of management representatives feel that the process leads to a fair and balanced outcome. All parties acknowledge that improvements to the bargaining process are necessary, focusing on Planning & Scheduling, Building Trust, Collecting Better Data, and Managing Social Media.

Numbers at a Glance

What influenced bargaining outcomes?

(share of participants identifying factor as very or extremely influential on bargaining outcomes)

- 87%** Inflation
- 84%** Strong market conditions
- 60%** Labour supply challenges
- 44%** Declining or stagnant real wages
- 37%** Unofficial social media messaging

Bargaining process and relationships

- 68%** Expressed satisfaction with the bargaining process
- 33%** View their relationship as improving
- 56%** Acknowledge that their relationship with their bargaining partner needs to change

Majority report using a formal communications plan at each stage of bargaining

- 83%** Post-bargaining
- 74%** Pre-bargaining
- 57%** During bargaining

Social media challenges

- 34%** Acknowledged very significant challenges with rumours and misinformation on social media

2022 ICI Sector Bargaining : One-off or New Normal

Every three years, labour and management stakeholders in the industrial, commercial and institutional (ICI) construction sector work together to re-negotiate their collective agreements. **2022 was just another round of bargaining – or was it?**

There is no denying the economic, political and societal environment in which 2022 ICI sector bargaining took place was unique. The worst of the COVID-19 pandemic had passed, but COVID variant outbreaks were present, we were still wearing masks, and not everyone was comfortable meeting in person. Supply chain challenges were continuing to disrupt the construction industry as was inflation and climbing construction costs. Despite these challenges, construction activity was booming in every region of the province and construction labour markets were strained.

By the end of bargaining, the ICI sector experienced five work stoppages and an unprecedented nine agreements were turned down when presented to the union membership for ratification. Many stakeholders described this round of bargaining as their most challenging round ever.

To better understand and uncover some of the layers impacting bargaining, the Ontario Construction Secretariat surveyed labour and management bargaining committee members to understand their collective insights as to what worked well, what didn't work so well and what lessons were learned. Knowing that *over two-thirds of bargaining stakeholders have a trusted cooperative relationship with their counterparts* is a solid starting point for addressing the unique challenges experienced in the last round of bargaining. Furthermore, survey insights can help reset the stage for the 2025-2028 round of bargaining as we continue to envision where we are as an industry and how we want to evolve.

As you review this document, we encourage you to consider new approaches to bargaining, address challenges, continue to build your relationships, and inspire each other to think big and bold as you work collaboratively to create mutually beneficial outcomes for labour, management, and the industry as a whole.

What Influenced Bargaining Outcomes?

High inflation and strong market conditions

Both labour and management stakeholders were aligned in identifying historic high **inflation** and **strong market conditions** as the top two external influences on bargaining outcomes.

TOP EXTERNAL FACTORS INFLUENCING BARGAINING OUTCOMES *(Share of stakeholders noting as Extremely/Very Influential)*

- 87% High inflation
- 84% Strong construction market
- 68% Bargaining outcomes in ICI sector
- 44% Bargaining outcomes outside the ICI sector

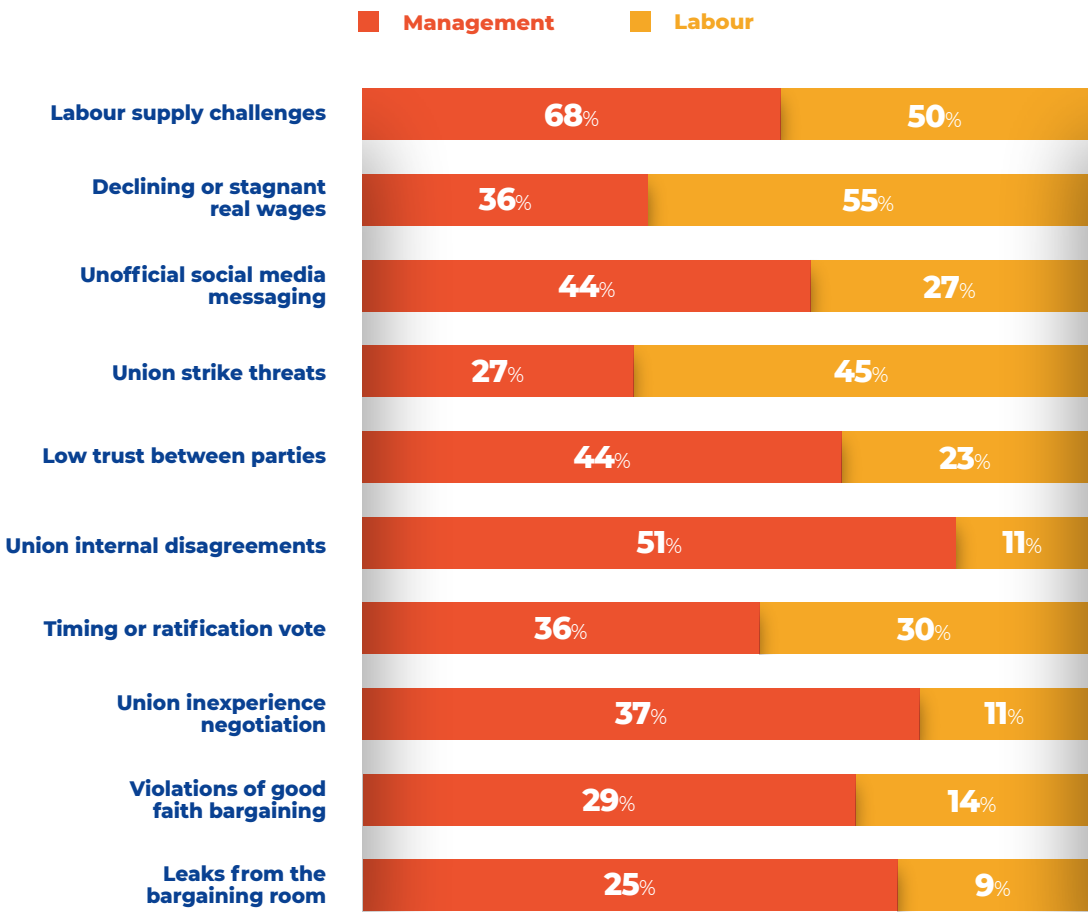
Declining or stagnant real wages and labour supply challenges

Looking at more internal concerns, labour and management had differing views on what influenced bargaining outcomes. Over two-thirds of management representatives identified **labour supply challenges** as the key factor affecting bargaining outcomes whereas just over half (55%) of labour representatives noted **declining or stagnant real wages** as influencing the outcome.

Unofficial social media messages

One-quarter of labour stakeholders and 44% of management participants identified unofficial **social media** messages as negatively affecting communications plans and influencing the direction and outcomes of bargaining.

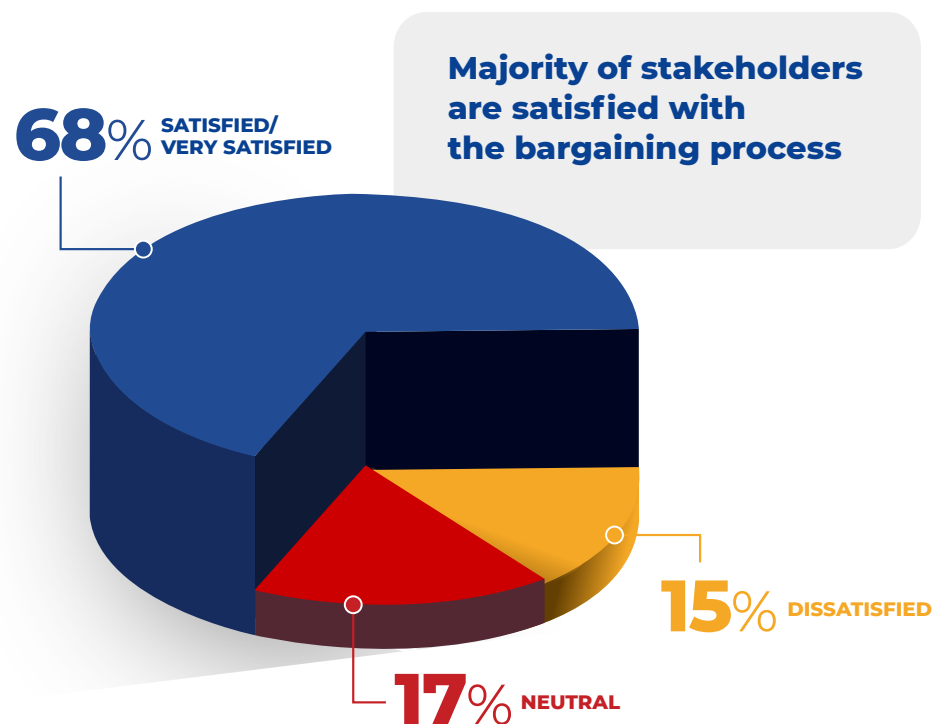
Factors influential on bargaining outcomes



Bargaining Process Works BUT Room for Improvement

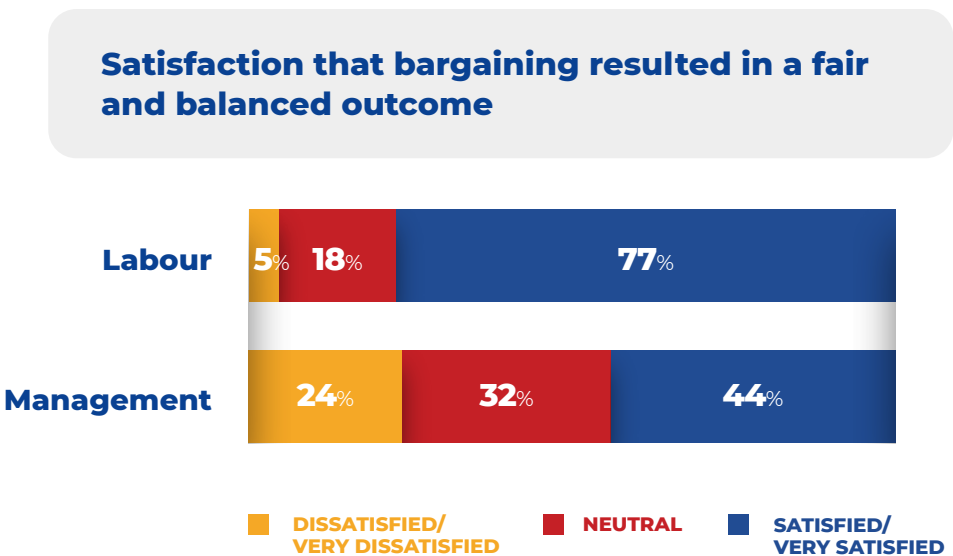
Two-thirds of industry stakeholders are satisfied with their existing bargaining process

Both labour (66%) and management (69%) noted they were satisfied or very satisfied with the bargaining process and approach taken throughout the bargaining cycle. Although, greater discontent was evident in management representatives with one-in-five (20%) expressing dissatisfaction with the current process and approach. In contrast, only 10% of labour representatives noted dissatisfaction.



Labour expressed more satisfaction that bargaining resulted in a fair and balanced outcome

Reflecting on their level of satisfaction with the outcome of bargaining, labour stakeholders were far more positive that a fair and balanced outcome was achieved. 77% of labour participants were were satisfied or very satisfied in contrast to only 44% of management representatives. One-quarter of managements committee members were dissatisfied or very dissatisfied that bargaining resulted in a fair and balanced outcome.



Use of select pre-bargaining strategies led to greater process satisfaction and avoidance of bargaining impasse

The survey found that the agreeing to a structured bargaining process, implementing a bargaining protocol and establishing rules of engagement was positively correlated with expressed satisfaction with the bargaining process. Furthermore, those stakeholders who avoided a bargaining impasse were more likely to use these same pre-bargaining strategies plus the holding of joint labour/management meetings.

Pre-Bargaining Strategies



Agreed to a structured bargaining process and/or bargaining protocol



Established rules of engagement



Held joint labour/management meetings



Identified key issues, concerns and needs



Established a schedule of meeting dates



Defined key roles for bargaining team members



Reviewed independent assessments of economic and market conditions



Participated in relationship building activities with your bargaining committee



Held collective bargaining training workshops



Organized relationship building activities with your counterpart's bargaining committee

Communications and Social Media

Communications with member stakeholders is critical throughout all stages of the bargaining process. To help provide some structure to their communications strategy, a majority of labour and management representatives reported having a formal communications plan at each phase of bargaining. Furthermore, one-third of stakeholders indicated they used non-disclosure agreements that emphasized the importance of confidentiality during bargaining.

Formal communications plans were most often used during the pre-bargaining stage and once an agreement had been reached.

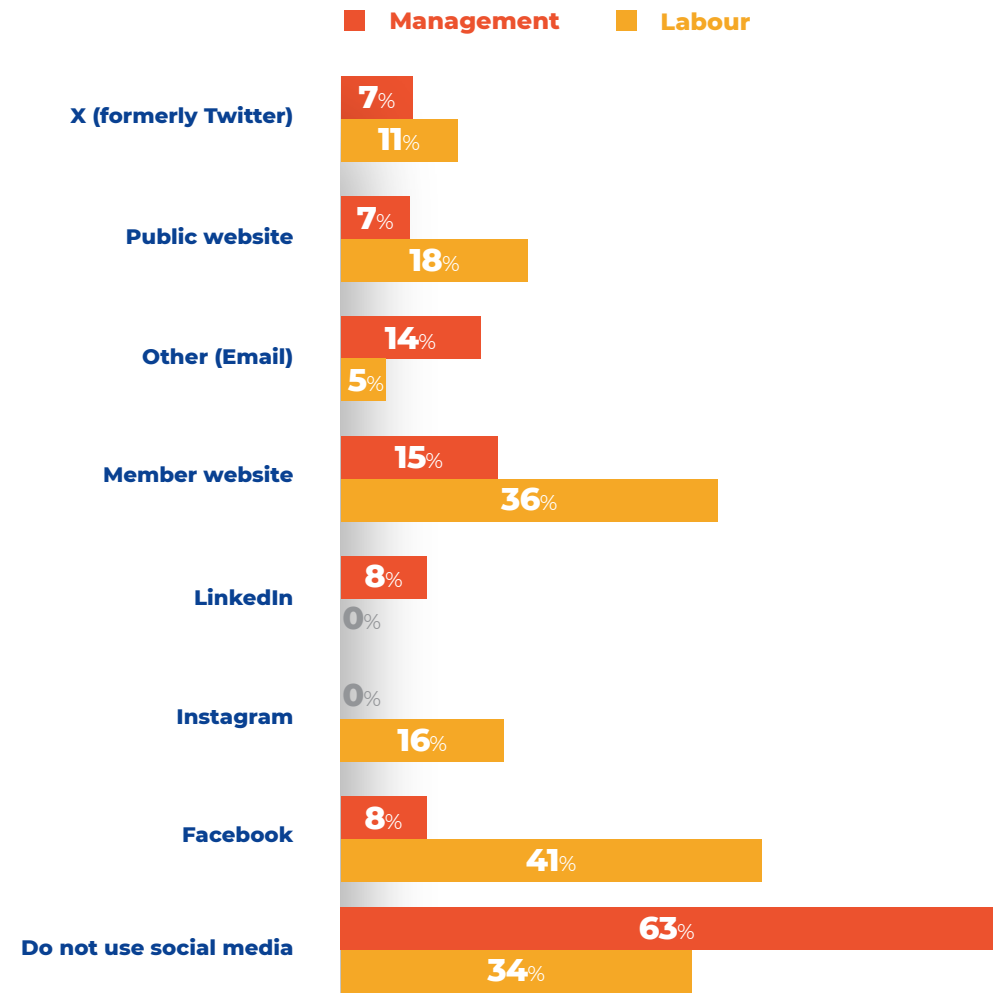
SHARE OF LABOUR/MANAGEMENT STAKEHOLDERS WITH A FORMAL COMMUNICATIONS PLAN	
Pre-Bargaining	74%
During Bargaining	57%
Post-Bargaining	83%

Management representatives reported less use of social media platforms to communicate throughout bargaining

Close to two-thirds of management representatives and one-third of labour representatives did not use social media to communicate during collective bargaining. Labour unions were more likely to use Facebook and/or their member website when communicating with stakeholders with a strong majority sharing logistical details (e.g. bargaining dates, tentative settlements, strike dates, strike locations) with union members.

Both labour and management have an opportunity to share positive messages about the joint-labour management partnership with all member stakeholders between bargaining cycles.

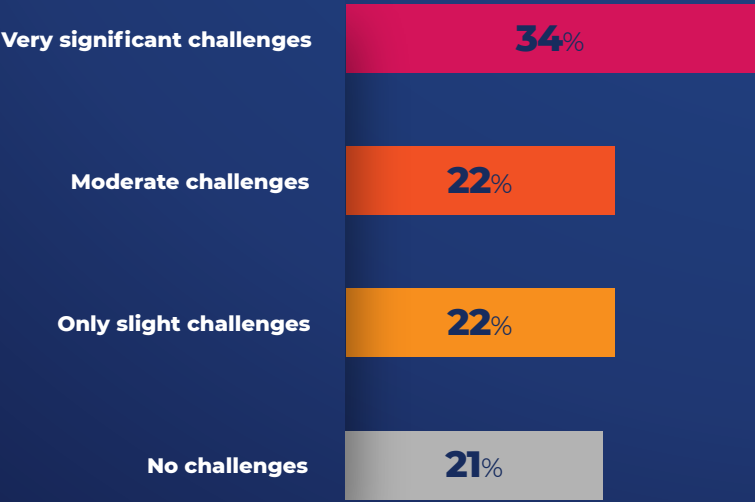
Communication platforms used during bargaining



A majority of industry participants reported moderate to very significant challenges with social media rumours or misinformation

Both labour and management reported challenges with rumours and/or misinformation being spread through social media, with one-third reporting 'very significant' challenges.

Challenges with rumour and misinformation on social media



Relationship and Trust

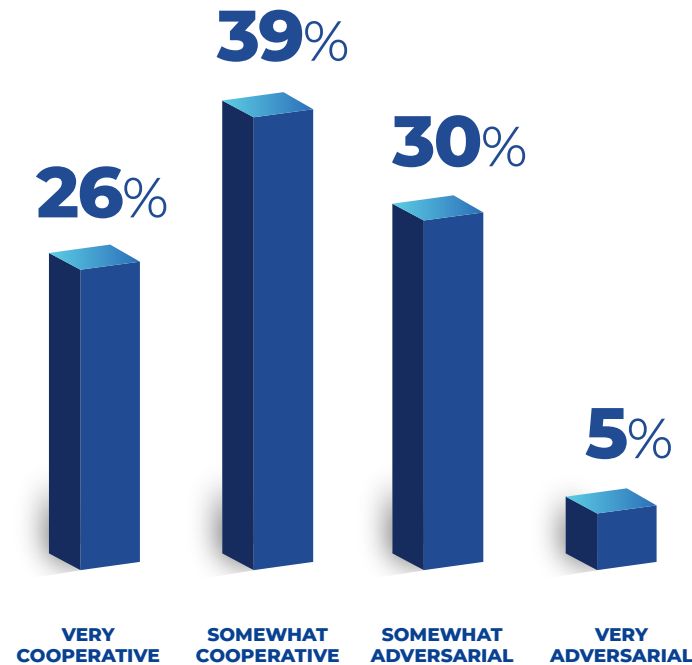
Relationships are built on trust and understanding each other's perspectives. To gain insight on the labour-management relationship, the survey explored how the parties view each other, the state of their relationship and an assessment of the level of trust between the partners.

Majority view relationship as cooperative

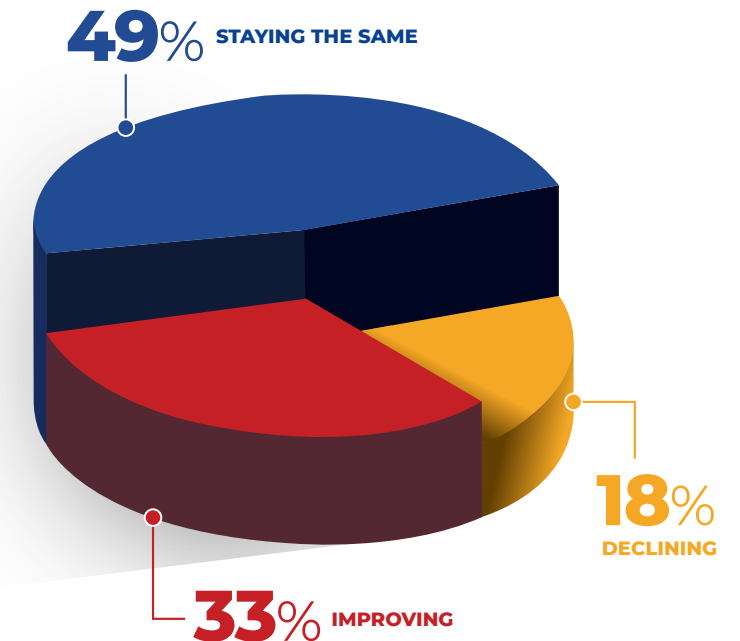
Following the 2022 round of bargaining, two-thirds of labour and management representatives view their relationship as either 'Very Cooperative' or 'Somewhat Cooperative'. Only 5% of respondents noted that their relationship is now 'Very Adversarial'. Results are not statistically different when comparing the provincial and local relationship, nor between labour and management.

Reflecting on whether their relationship has been improving or declining, both parties note that the relationship is stable or improving. Most view improving relationships as a slow process, whereas a decline in relationships is seen to happen quickly.

Majority of stakeholders view relationship as cooperative



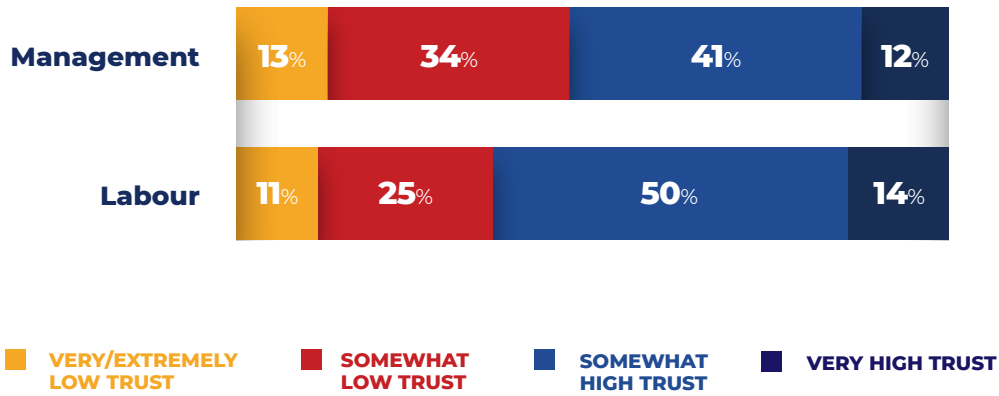
Relationships viewed as stable to improving by both partners



Mutual trust exists between the bargaining partners appears well-centered

Three-quarters of representatives rated the level of mutual trust with their counterpart as either Somewhat Low or Somewhat High; however, both labour and management report a positive level of mutual trust. Labour records a higher degree of net positive trust, at +27%, than management (+5%).

Mutual trust between partners is well centered



A slim majority believe the most recent round of bargaining resulted in a net enhancement of trust between the parties

Overall, 55% of stakeholders noted a net enhancement to the level of trust between the parties following the 2022 round of bargaining. However, labour was far more likely than management to identify a net enhancement in trust.

Impact of recent bargaining on trust

Impact of Recent Bargaining on Trust	Total	Labour	Management
Enhanced the level of trust	55%	61%	51%
Eroded the level of trust	45%	39%	49%
Net trust: (enhanced minus eroded)	+10%	+23%	+2%

Looking Forward: What Worked Well?

Reflecting on what worked well during the 2022 round of bargaining, both labour and management pointed to preparation, scheduling, technology, and open communication.

Thoughts from Labour

Being united

Being united at our table in front of our counterpart; Keeping the upfront committee small; Communication between locals; Walking away from the table when required

Communication

Open to hearing each other out; Clearly expressed our needs; Honesty

Focus

Primary focus was monetary; Identified our interests at the out-set; Kept it to a single item

Preparation

Well-prepared; Starting research well before meeting

Adoption of technology

Exchanging proposals digitally

Thoughts from Management

Preparation

Cohesive, experienced team; Fostered a positive relationship with the union; Used past experience and lessons learned; All necessary statistics and information at hand

Scheduling / Planning

Prior to bargaining, agreed to a formal schedule; Met informally with counterparties throughout the term of the agreement resulting in open discussion and no surprises during bargaining; Developed a bargaining playbook

Communication

Open honest discussions in our own room; Local discussions prior to provincial; Private meetings of the chairs or co-chairs; One-on-one hall meetings; Shared itemized lists of areas for discussion; Hired a mediator

Adoption of technology

All proposals are now shared electronically

Looking Forward: What Needs to Improve?

56%

of labour and management bargaining committee representatives acknowledge that their relationship needs to change

Key themes emerged when asked what needs to change

Trust

"We need to find a way to increase the level of trust between the parties as all bargaining stems from trust."

Partnership

"I feel that my counterpart needs to be open to viewing the agreement as a partnership and that we are all in this together as opposed to looking at it as us against them."

"We need to both be focused on growth within the industry."

"Put further focus on interests and move away from a "horse trading" type of approach. Negotiations should improve market share and overall working conditions."

Collaboration

"We absolutely must focus on collaborating to ensure we advance our industry. We need to work together to define and achieve shared goals."

"The old school adversarial approach to bargaining and lack of listening to the needs of industry are eroding the relationship."

Transparency

"We need more level conversations and to be more transparent."

"Committing to and abiding by a mutually agreed upon set of rules for negotiations."

Adopting pre-bargaining strategies such as 'establishing rules of engagement' and 'implementing a bargaining protocol' can help improve relationships

Bargaining committee representatives who felt they had a strong relationship with their partner were more likely to utilize these two pre-bargaining strategies.

Labour and management have similar views on how to improve the bargaining process

Looking forward, both partners are exploring how to better communicate, maintain confidentiality, and use social media more effectively. Other areas tagged for improvement relate to:

- Making better use of the pre-bargaining period discussions
- Focusing on specific sectors and market shares
- Improving scheduling, planning
- Adopting rules of engagement
- Obtaining better data

Notes

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180 ATTWELL DR., SUITE 360, TORONTO, ON M9W 6A9

info@iconstruction.com | T.416.620.5210 | TF.1.888.878.8868

iconstruction.com | Follow the OCS on X @OntConstSec

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