

Sent via e-mail: kevin.flynn@ontario.ca

March 17, 2015

The Honourable Kevin Flynn
Minister of Labour
400 University Avenue
14th Floor
Toronto, ON M7A 1T7

Dear Minister Flynn:

AMO is a strong supporter of municipal procurement processes that are fair, open and competitive. The opportunity to openly tender projects keeps costs efficient in a time when municipal fiscal resources are being stretched. A loophole in Ontario's *Labour Relations Act* that allows municipalities to be treated as "construction employers" runs counter to this objective.

Municipal governments currently deemed "construction employers" are prohibited from openly tendering construction projects and we understand that the process to apply for a "non-construction employer" declaration is time consuming and expensive. We understand that to date, no municipal government has been exempted through this process. As a result, many qualified companies and workers are not allowed to bid or work on projects in their local communities. Restricted tendering increases project costs, harms local economic development and prevents the public from getting the best value for its tax dollars.

AMO believes it is in the public interest to exclude municipal governments from the "construction employer" provisions in the *Labour Relations Act*. Municipal governments provide a broad range of services to their communities and cannot be said to operate a construction business or to primarily engage in construction-related business. They should have the autonomy to choose the most fiscally efficient firms to undertake critical infrastructure and construction projects in their communities.

Yours sincerely,



Gary McNamara
AMO President

cc: The Honourable Ted McMeekin, Minister of Municipal Affairs and Housing
The Honourable Michael Harris, MPP, Kitchener-Conestoga