

BLACK BUSINESS INITIATIVE
3RD CONSTRUCTION ROUNDTABLE
JANUARY 31, 2000

Welcome and opening Remarks by Funmi Joseph

The roundtable issues that were addressed:

- Quality Management
- Tendering Process
- Occupational Health and Safety

Funmi reiterated the importance of networking and the need to generate creative ideas to tackle the issues faced by the construction sector.

BBI would like to get the sector's input as to how it can be of assistance in addressing the identified issues.

Rustum asked all to introduce themselves around the table. He then gave a brief update on BBI.

- Economic Independence of individuals
- Over 70 loans approved
- Over 800k in loans issued
- 1,072,390 leveraged
- Entrepreneurial development with 261 registered more than 186 completed

Performance reviews

- Build partnerships and linkages to business community
- Create and improve access to private and public sectors
- Black to Business 3000 copies going out to homes, locally and across Canada

Most of our businesses are in metro i.e.: training and networking?

Statistics show that approximately 80% of business fail within the first four years.

Implementing a strategy

- Setting direction
- Implementing
- Leading

BBI's long term strategy is to get the 13-30 year olds to think about business as a viable career option. That's why the Business is Jammin' program was introduced.

Carol MacCulloch

President of Quality Management Construction Association

Addressed quality management within the construction industry.

The Association has setup a Quality Management program with Henson College to provide training for people in the Construction sector.

The Construction Association has responded to the Quality Management issue within the Construction Sector by:

- ❖ Identifying the areas that need improvement
- ❖ Putting procedures in place to address the areas
- ❖ Making sure there is strict adherence to the procedures

Quality Management deals essentially with knowing what your clients want and what your business needs are. Ms. McCulloch left the binder with Funmi Joseph, Training Manager for Quality Management for BBI's use in developing Quality Management training for its clients.

Mr. Hill stated that the NS Construction industry was formed so that the sector could expand itself. Stewart David was the only African Canadian that was a member of the association. The reason he became a member was because of the owner of Ocean Contractors.

Craig Williams said the manual is fine but what we need are sit down workshops to discuss the issues that the construction industry faces. Also that ISO should be readily available to the construction industry.

Funmi stated that BBI would like to work with the Construction Association to setup training programs for the construction industry.

George Murphy
Director, Purchases – Department of Finance

Tendering Process – anyone interested in the tendering process can call the Procurement Branch and request for information by fax, courier or download the information from the website. Mr. Murphy said they would like to know how they could be more proactive in getting the black business community involved in the tendering process.

He handed out their newsletter on tenders, a copy of the Construction Contract Guidelines book and tenders that are presently on their website. Mr. Murphy stated that he will go through the new business directory and match them with the tenders on a daily basis and also fax a copy to BBI for input. Matthew Johnson will be handling this.

Stewart Williams asked a question regarding the lowest bid. Necessarily the lowest bid doesn't always get the job; but usually the vast majority of the tenders the lowest bid gets the job. If the lowest bid is not taken an explanation has to be given as to why the lowest bid was not accepted.

Craig Williams suggested that if there is a job that involves concrete that a tender should be put out so that the contractors can bid on them directly.

Winslow Simmons asked how do Black small businesses get to bid on a contract if it isn't put out to bid on.

Neil Whyte, Manager from Transportation and Public Works stated that a lot of tenders are coming up for renewal.

George Murphy said they would look at doing smaller tenders to see what the penalty impact will be on a small business and on the tendering process.

Carlo Simmons said that there had been cases where tender were awarded to the lowest bids and the companies were losing their shirts because the

tenders were going for \$130,000 and the lowest bid was coming in at \$56,000. He also said this had happened a number of times.

Gordon Tynes asked what the requirements were for the company that is bidding on the tender. How is the process handled?

Neil Whyte stated that they don't have the time to check a company's history regarding a specific bid.

Mr. Whyte suggested that companies write a letter to him stating what type of work the business does in regards to contracts that are awarded for \$5,000 or less.

Craig Williams would like to see more of these types of meetings to discuss the qualifications for awarding the tenders. We are not looking for handouts but help. When the tenders are posted the BBI and WADE should be informed.

Gordon Blackmore asked about the process for hiring consultants?

Once a year a request goes out for consultants, which is advertised in the paper in April of every year.

When a tender is awarded, is there a procedure in place for someone to find out who it was awarded to. The answer is yes, the information is public and is stored in a central file but there is a long process, which one has to go through.

The Instructions to Bidders do not change that often but it is kept up to date.

David Albert

President, Occupational Health & Safety

- Importance of Health & Safety in the workplace
- Employer's obligations – OH&S Law
- Tendering process and the certificate of recognition
- Background – 1994 to date
- Organizations requiring certification

- What companies/industries need them?
- Our “Certificate of Recognition”
- Legal implications

There are three things that ensure a safe workplace: attitude, knowledge and awareness.

Financial – experience-rating system (1996) you pay the rate that is set for your industry and company. The construction industry pays about \$4-5 per \$100 for workers compensation.

Employers Obligations

The Occupational Health & Safety Act

- All employers
- Employers with 5-19 employees
- Employers with 20 + employees

The bigger the company the more you have to do.

- All employers
 - ensure employees understand their “Rights”
 - notify Department of Labor of a serious accident
 - all employers have a general duty to ensure a safety workplace
- Employers with 5-19 employees
 - establish a health and safety policy
 - “Cause” the employees to “select” a health & safety representative (for workplace)
 - make available, provide or post certain information to representative employee
- Employers with 20+ employees
 - establish a health and safety program
 - “Cause” the employees to “select” a health & safety representative (for workplace)
 - make available, provide or post certain information to representative employee

The difference between program and committee is that the employers have to have a program in place and the committee is made up of individuals who work in the same place.

The law states that the employee is in charge of his/her safety and the employer is also in charge of the employees' safety.

You the employer have an obligation to train and educate your staff.

Tender Process and the Certificate of Recognition

In 1994 a number of associations stated that they would like to form a safety package. The Certificate of Recognition is not mandatory but it is good to have in order to bid on government tenders.

Craig Williams asked if an employer with less than five employees have to report any accidents. The answer is yes, as their employer not only do you have to ensure that the employee understands his/her rights, but also have to notify the Department of Labor of any serious accident.

The Certificate of Recognition takes five months to get. Mr. Albert said it is best to get this certificate now.

What companies/industries need this certificate?

All construction/maintenance industries

It's not about a piece of paper it's about "SAFETY"

The Construction Safety Association is trying to lower their standards. 2/3 of the money employers have given has gone to overhead.

The first year they audit your business, year two and three you do your own audit and the fourth year they come and audit. This is not a good idea because you can't audit yourself. It would be a good idea to have your company audited by an outside company to protect yourself and your investors.

Legal implication of the Certificate of Recognition

- ❖ Due diligence defense – have your business audited every year

Advocacy Group – Monday February 7, 2000 at 6:30 p.m.

Funmi Joseph thanked everyone for coming. Anyone interested in getting their certificate can contact her at 426-8685.

Next Steps

1. The rest of the agenda for the day was postponed to another day due to the time factor and the number of companies present.
2. The question of the Advocacy Group was deferred onto another day in order to have more representation from the Construction Sector. A tentative date was selected for February 7th at 6:00 p.m. at the Enterprise Development Centre for African Canadians.