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International Union Of Operating Engineers

Local 793

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**Mike Gallagher**  
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**Date:** June 8, 2022  
**To:** Executive Committee  
**From:** Mike Gallagher, Business Manager of the International Union of Operating Engineers,  
Local 793  
**Re:** **2022.EX.33.1, Recommendation #49**

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The International Union of Operating Engineers, Local 793 writes to express is **adamant and unreserved opposition** to 2022.EX.33.1, Recommendation #49.

My name is Mike Gallagher and I am the Business Manager of the International Union of Operating Engineers, Local 793 (“**Local 793**”). Local 793 is a province-wide trade union representing more than 18,000 construction, industrial and mining employees in both Ontario and Nunavut. Local 793 members build the roads and bridges you travel on, the houses you live in, the schools our children attend and the hospitals we visit. There has not been a single large-scale infrastructure project in the City of Toronto that our members have not worked on.

Recommendation #49 seeks to exempt Metrolinx from the City of Toronto’s Fair Wage Policy, whose only mandate is to ensure that the City’s contractors are paying at least industry norm wage rates on City jobs.

Local 793 has always been and continues to be a strong supporter of the Fair Wage Policy and its continued application to ALL city contractors and subcontractors

Toronto first adopted a fair wage policy more than 100 years ago. At that time Toronto sent a clear message to the world and its citizens that our city would only tolerate doing business with decent contractors who paid their workers’ wages consistent with industry norms, and that it would not tolerate fly by night contractors, cutting corners and dependent on cheap and itinerant labour for their only possible competitive edge.

This City’s Fair Wage Policy takes the temptation to build success by cutting corners on labour quality out of the City’s bidding process. Construction work is highly labour intensive, and therefore unusually vulnerable to destructive forms of competition. Competition between contractors based on who can pay their employees the least undermines employment conditions and erodes occupational safety standards – something this city and this province have always been committed to maintaining and bettering.

The City of Toronto is uniquely aware of this reality. The Hogg’s Hollow Disaster of 1960 killed five Italian immigrant workers who were clearing a tunnel 35 feet below ground when building overflow ditches after Toronto’s Hurricane hazel. The contractor who won the bid did so on the basis of an unreasonably low bid and subsequently went broke. The work was taken over by a bonding agency who sped up the work and ignored numerous safety concerns, ultimately leading to the tragedy. After Hogg’s Hollow, it became a public goal backed by legislation, including the Fair Wage Policy, to ensure such tragedies did not recur.

The notion that workplace accidents and tragedies can be prevented through the payment of fair wages is also supported by the empirical evidence. In January of 2021, a study conducted by the Institute for Work and Health for the Ontario Construction Secretariat (OCS) found that work on Ontario construction sites with a unionized workforce is safer than on sites run by non-unionized workforce. The study found the existence of a “union effect on safety” and showed that lost-time injury claims on unionized non-residential construction, where employee wages are higher than for non-unionized employees, are 31 percent lower than those on non-union sites. The study also found that claims for severe injuries are 29 percent lower on union job sites.

This study confirms the anecdotal evidence that wage control is a health and safety issue. Exempting anyone, including Metrolinx, from the Fair Wage Policy will likely result in increased risk of injury to the city’s construction workers on these jobsites.

Local 793 is virulently opposed to any step backwards that would put workers and potentially the public at risk. On behalf of Local 793 and the over 18,000 members we represent, I strongly urge the Committee to vote against 2002.EX.33.1, Recommendation #49 and ensure that Metrolinx and its subcontractors must pay fair wages to workers on City of Toronto Projects.

Yours truly,



**Mike Gallagher**  
Business Manager  
International Union of Operating Engineers, Local 793