

**IN THIS ISSUE**

Bill C-45 Becomes Law (Criminal Liability of Corporations).....	1
McGuinty Orders Review of Hydro Rate Cap.....	2
Change Order Seminar Scheduled for November 26 <sup>th</sup> .....	2
Lounds Retires, Fleming New Vice President for IBEW First District – Canada .....	2
“Contractor Locator” Demo Highlight of ECAO Booth at Upcoming Tradeshow.....	2
Key Ministers Appointed at Queen’s Park.....	3
ESA Makes Presentation in the North .....	3
Event Schedule.....	4

**BILL C-45 BECOMES LAW (CRIMINAL LIABILITY OF CORPORATIONS)**

On October 30<sup>th</sup>, 2003, the Senate passed BILL C-45 into law. The Bill arose from the federal inquiry into the Westray mining disaster that exposed some deficiencies in the Criminal Code related to corporate liability for worker and public safety.

Bill C-45:

- Attributes criminal liability to “organizations” including corporations based on the acts or omissions of any employees, agents, contractors, operational and senior managers
- Clarifies that reckless disregard for worker and public safety at the workplace is a criminal offense

The federal government claims it is not trampling on provincial jurisdiction to regulate occupational health and safety. Through Bill C-45 they are adding the Criminal Code as an "additional level of deterrence [against] companies and individuals that show a reckless disregard for the safety of workers and the public.”

The Canadian Construction Association continues to seek clarification as to the test required for a successful conviction under these amendments to the Criminal Code. Is it the higher criminal law test of “reckless disregard” or the lower “due diligence” standard used in prosecuting safety cases at the provincial level? CCA believes that a charge of criminal negligence requires the higher test.

---

**VISIT THE ECAO BOOTH #1814 AT PMEXPO – DECEMBER 3-5**  
**Metro Toronto Convention Centre – South Building**

---

## **MCGUINTY ORDERS REVIEW OF HYDRO RATE CAP**

ECAO regulatory counsel, George Vegh, argued in a recent article in the National Post that the new government should act early in its mandate to lift the cap on hydro prices and to maximize scarce utility resources by employing private contractors for building and expanding hydro infrastructure.

Less than a month after being elected, the new Ontario Liberal government has ordered a review of the 4.3-cent per kilowatt-hour cap on hydro rates. The actual cost of hydro is about 6 cents. Since November 2002, the difference between the cap and the actual price of hydro has been absorbed by the government, adding more than \$700 million to the Ontario deficit. The impact on ECAO members has been a drastically reduced amount of work contracted out by Hydro One and the Municipal Utilities since the price cap discourages capital investment in new infrastructure.

Energy Minister Dwight Duncan has been given 30 days to come up with a new hydro price structure.

## **CHANGE ORDER SEMINAR SCHEDULED FOR NOVEMBER 26TH**

One of the industry's most vexing problems is the change order. Given that, ECAO will be holding another NECA MEI Change Order Seminar – Quantifying the Cumulative Impact of Change Orders on Labour Productivity – November 26<sup>th</sup> at the ECAO office. Dr. Awad Hanna, Ph.D., P.E., of the University of Wisconsin, will again lead the class in this session. A registration form is included with this mailing. *Don't be disappointed – sign up today!*

## **LOUDS RETIRES**

### **FLEMING NEW VICE PRESIDENT FOR IBEW FIRST DISTRICT – CANADA**

International Representative Phil Fleming has been appointed to the position of IBEW International Vice President for Canada. Fleming succeeds Don Lounds and will complete the balance of Lounds' term before seeking election at the International Convention in 2006.

Lounds was first elected IVP in 1996 and was re-elected by a narrow margin over Pat Dillon in 2001. Lounds retired effective October 1<sup>st</sup> concurrent with Fleming's appointment. ECAO wishes both men the best in their new roles.

## **“CONTRACTOR LOCATOR” DEMO HIGHLIGHT OF ECAO BOOTH AT UPCOMING TRADESHOW**

PMExpo/Construct Canada, Canada's largest property management show, will be held December 3-5 at the Metro Toronto Convention Centre. Again this year, ECAO's booth #1814, will be demonstrating its “Contractor Locator” section of our website. If you aren't listed, you'll miss out on this fabulous opportunity for exposure. **ACT NOW!** If you haven't already, fill out the enclosed survey listing your trade specialties and you'll be sure to be included in this year's demo.

---

**VISIT THE ECAO BOOTH #1814 AT PMEXPO – DECEMBER 3-5**  
**Metro Toronto Convention Centre – South Building**

---

## **KEY MINISTERS APPOINTED AT QUEEN'S PARK**

ECAO's government relations agenda is focused on five ministries – Labour, Energy, Training, Business Services and Municipal Affairs. McGuinty has appointed the following Liberal MPP's as Ministers in these portfolios:

### **Minister of Labour – Chris Bentley (London West)**

ECAO's interests in the labour ministry are the Labour Relations Act, construction industry collective bargaining including provincial negotiations, occupational health and safety regulation and enforcement.

### **Minister of Energy – Dwight Duncan (Windsor-St. Clair)**

Policies to encourage infrastructure investment and contracting out of utility work and enforcement of fair competition by utilities through the Ontario Energy Board are ECAO's major concerns with the energy portfolio.

### **Minister of Training, Colleges & Universities – Mary Anne Chambers (Scarborough East)**

MTCU regulates the apprenticeship system. Under the Liberals it will implement a fast track certification process for foreign-trained trades and “double the number of apprentices”. MTCU has a history of not enforcing the compulsory trades, which could spell trouble when combined with these election promises.

### **Minister of Consumer & Business Services – Jim Watson (Ottawa-Nepean) & Minister of Municipal Affairs – John Gerretsen (Kingston and the Islands)**

Together these ministries regulate the business practices of the electrical industry. Because of their oversight of ESA and the Municipal Act, Watson and Gerretsen will be instrumental in continuing ECAO's push for provincial licensing in partnership with ESA.

## **ESA MAKES PRESENTATION IN THE NORTH**

ECA Northern Ontario held its general membership meeting on October 21, 2003. Almost 30 contractors were in attendance to hear a presentation by Scott Saint, ESA Vice President (right), Peter Marcucci, ESA Regulatory Affairs (left) and Mark Jorgensen, ESA Senior Inspector (second from right) pictured here with ECANO President and ECAO Director Dennis Tatasciore.



---

**VISIT THE ECAO BOOTH #1814 AT PMEXPO – DECEMBER 3-5  
Metro Toronto Convention Centre – South Building**

---

**Event Schedule**

November 26, 2003  
Change Order Seminar  
ECAO Office, Toronto

December 3-5, 2003  
PMExpo/Construct Canada  
Metro Toronto Convention Centre

June 17-20, 2004  
CECA National Industry Conference  
Charlottetown, PEI

September 29-October 3, 2004  
ECAO Industry Conference  
Windsor, Ontario

*ECAO News is published at the ECAO offices — 170 Attwell Drive, Suite 460, Toronto, Ontario, M9W 5Z5. Address changes may be sent to this office by mail, by telephone at 416-675-3226, by fax at 416-675-7736, or by e-mail to [ecao@ecao.org](mailto:ecao@ecao.org). Comments and questions can be directed to Eryl Roberts at the above numbers (extension 311) or by e-mail to [eroberts@ecao.org](mailto:eroberts@ecao.org).*

---

**VISIT THE ECAO BOOTH #1814 AT PMEXPO – DECEMBER 3-5  
Metro Toronto Convention Centre – South Building**

---

**ECAO CONTRACTOR LOCATOR**  
**WWW.ECAO.ORG**

WEBSITE DIRECTORY LISTING

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, Province, Postal Code: \_\_\_\_\_

Phone: [ \_\_\_\_\_ ] Fax: [ \_\_\_\_\_ ]

Email: \_\_\_\_\_ Website: \_\_\_\_\_

---

Trade Specialties:

- |                                                                 |                                                         |
|-----------------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Building Environmental Control Systems | <input type="checkbox"/> Institutional                  |
| <input type="checkbox"/> Commercial                             | <input type="checkbox"/> Lighting Maintenance           |
| <input type="checkbox"/> Commercial Service                     | <input type="checkbox"/> Low-Rise Residential           |
| <input type="checkbox"/> Communications Systems                 | <input type="checkbox"/> Planned Preventive Maintenance |
| <input type="checkbox"/> Computer Installations                 | <input type="checkbox"/> Residential Service            |
| <input type="checkbox"/> Design Build                           | <input type="checkbox"/> Security                       |
| <input type="checkbox"/> Energy Management                      | <input type="checkbox"/> Street Lighting                |
| <input type="checkbox"/> Fire Alarm                             | <input type="checkbox"/> Traffic Control                |
| <input type="checkbox"/> High-Rise Residential                  | <input type="checkbox"/> Utility (Overhead)             |
| <input type="checkbox"/> Industrial                             | <input type="checkbox"/> Utility (Underground)          |
| <input type="checkbox"/> Industrial Service                     | <input type="checkbox"/> Water/Wastewater               |

---

*Please return your completed form to:*

*ECAO  
170 Attwell Drive, Suite 460  
Toronto, Ontario, M9W 5Z5  
Fax: 416-675-7736*

# Change Order Seminar

## Change Orders in Electrical Construction

### *Quantifying The Cumulative Impact Of Change Orders On Labour Productivity*

Most electrical contractors agree that one of the industry's most vexing problems is the change order. Changes which significantly alter the nature of the work or materials to be installed are highly disruptive; so are substantial numbers of allegedly "insignificant" changes. In many cases, changes alter the sequence of scheduled activities. Often they require rework of installations which have already been completed in order to accommodate the new design. Change orders usually divert some manpower and equipment needed for original contract work. In addition to these expensive impacts on unchanged work, each change order is generally much more expensive to perform than an equivalent amount of work in the basic contract.

**ONE**

**SESSION ONLY**

**Wednesday**

**November 26, 2003**

**IMMEDIATE RESPONSE**

**REQUIRED**

## COURSE OUTLINE

### INTRODUCTION

- Definitions
- Viewpoint of Industry on Change Orders
- Potential Impact of Change Orders on Labour Efficiency

### TYPES OF CHANGES

- Formal Change
- Constructive Change
- Cardinal Change

### RECOVERABLE CHANGE ORDER COSTS

- Direct and Indirect Costs
- Miscellaneous and Impact Costs

### METHODS OF PRICING CHANGE

- The Total Cost Method
- The Modified Total Cost Method
- The Cause and Effect Method

### METHODS OF QUANTIFYING THE IMPACT OF CHANGE ORDERS ON LABOUR EFFICIENCY

- The Measured Mile Method
- The Leonard Study
- The CII Study
- The ECF Study
- The MCF Study

### THE RIPPLE IMPACT OF CHANGE ORDERS

- Schedule Compression
- Out-of-Sequence Work
- Trade Stacking

### CHARACTERISTICS OF PROJECTS IMPACTED BY CHANGE ORDERS

- Planned and Unplanned Loading Curves
- Schedule Extension
- Lead Time
- Timing of Change

### WHAT CONTRACTORS SHOULD DOCUMENT TO RECOVER ADDITIONAL COSTS

### APPLICATION EXAMPLES AND CASE STUDIES

## Course Instructor

**Awad Hanna, PH.D., P.E.**, is an Associate Professor in the Construction Administration Program and the Department of Civil and Environmental Engineering at the University of Wisconsin. He earned a Master's and Ph.D. in Civil Engineering from Pennsylvania State University in 1986 and 1989, respectively. He worked as an Assistant and Associate Professor at the Memorial University of Newfoundland, Canada. He has more than twenty years of experience on project and design engineering, teaching and research, and boasts more than 50 publications in national and international journals and conference proceedings. Dr. Hanna has been involved in several Electrical Contracting Foundation research projects and has taught a number of courses in Statistical Quality Control and Construction Productivity and Methods Improvement.

## Registration Form

### ***IMMEDIATE RESPONSE REQUIRED***

***Please register me for the Change Order Seminar***

**Wednesday November 26, 2003 - ECAO Boardroom – Toronto  
(8:00 AM – 5:00 PM)**

**Cost: \$374.50 for the one-day program (includes \$24.50 GST #R124123936)**

**Includes: Course Material, Continental Breakfast & Lunch**

Name \_\_\_\_\_

Company \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ Prov. \_\_\_\_\_ Postal Code \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail \_\_\_\_\_

Please make cheque payable and mail to:

Electrical Contractors Association of Ontario  
170 Attwell Drive, Suite 460  
Toronto, Ontario M9W 5Z5  
Tel: 1-800-387-3226  
**Fax: 416-675-7736**