



PCA Condemns Toronto City Hall for Another Backroom Labour Deal

(Toronto, ON – June 25, 2026) — The Progressive Contractors Association of Canada (PCA) is urging Toronto City Council to reverse course after voting in favour of a walk on motion brought forward by Mayor Olivia Chow that would direct the City to enter into a Voluntary Recognition Agreement with LIUNA Local 183, granting the union exclusive bargaining rights in the construction sector for residential, heavy construction, road work, and sewers and watermain sectors. In addition, the motion provides exclusive access to residential work tendered directly by the City of Toronto to another eight other unions, in addition to LIUNA. Toronto is the only municipality in Ontario that awards construction contracts based on specific union affiliation.

The walk on motion was brought forward without any city staff analysis or prior debate, during a council agenda item on development charge rebates. The motion directs staff to negotiate an agreement with LIUNA and the eight other unions that would cut out any workers or contractors unaffiliated with those select unions to bid or work on taxpayer funded City of Toronto projects. PCA says the decision repeats the same flawed approach City Council took in 2019, when it moved to allow further monopolization of the Industrial, Commercial, and Institutional (ICI) sector of city building and triggered legal action against the City citing the violation of fair and transparent procurement policies.

“Once again, the mayor and the majority of councillors have chosen backroom deals over the interests of Toronto citizens,” said Karen Renkema, Vice President of Ontario at PCA. “This vote further increases Toronto’s construction costs by limiting competition and shuts out qualified contractors and skilled workers who should have a fair opportunity to build their city. City Council is picking and choosing their favoured construction unions again, while leaving many workers and contractors in the dust.”

PCA is particularly concerned that the labour recognition motion was advanced as part of a discussion on development charge rebates — a matter entirely unrelated to labour relations and procurement policy. By using an unrelated item to introduce sweeping labour and contractor restrictions undermines transparency, limits public scrutiny, and deprives taxpayers, contractors, and workers of a meaningful opportunity to be heard.

“This is not how decisions affecting hundreds of millions of dollars in public infrastructure work should be made,” Renkema said. “A motion of this magnitude should be debated openly, with proper notice, staff analysis, public consultation, and a clear assessment of the cost to

taxpayers. Instead, Council buried a major labour procurement decision inside an unrelated debate.”

In the 2019 motion, Toronto City Council directed staff to negotiate a Voluntary Recognition Agreement with LIUNA for the ICI sector. Since that decision, third party analysis has shown that the approach the city chose is costing Toronto at least \$347 million a year by limiting who can bid and work on their construction projects. Further, both decisions shut out taxpaying Toronto residents from working on construction projects that their tax dollars are funding.

“Toronto is facing enormous affordability and infrastructure challenges,” Renkema added. “The answer is not to reduce competition or award exclusive rights through political manoeuvring. The answer is open, fair, and competitive procurement that welcomes all qualified contractors and workers, delivers better value, and protects taxpayers.”

PCA is calling on Toronto City Council to reverse course on this decision, reject political games, and ensure that any decisions affecting construction procurement and labour relations are made through a transparent, accountable process that puts taxpayers, workers, competition, and fairness first.

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About the Progressive Contractors Association of Canada (PCA)

PCA is a national association of leading construction companies that build major infrastructure and capital projects. Its members employ more than 40,000 unionized construction workers who are represented primarily by CLAC. PCA advocates for a fair, open, and competitive construction market.

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