

## **Construction industry representatives accuse union local of trying to intimidate its way into the growing stucco industry**

By Rosa Saba Business Reporter  
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Construction industry groups say a spat between unions over a growing market in homebuilding is causing delays in GTA residential construction, holding up the closing dates for several thousand home buyers.

The situation is a complicated one, involving multiple unions and industry associations, the Ontario Labour Relations Board and workers in multiple professions.

Several industry representatives say one union — Local 183 of the Labourers' International Union of North America (LIUNA) — is trying to intimidate its way into the growing stucco industry.

LIUNA 183 says its union is the best fit for those workers, and says any delays are the fault of the builders and other parties involved.

David Wilkes, CEO of the Building Industry and Land Development Association (BILD), which represents builders and developers, said the industry is essentially at a standstill.

This is affecting the vast majority of new lowrise residential projects in the GTA, said Wilkes, most of which use a combination of masonry and stucco/EIFS for the exterior. The closing of at least a thousand units is being delayed each month, he said, amidst a “red-hot” housing market and additional pandemic-related delays.

The issue is centred around the growing market for exterior insulation and finish systems (EIFS), colloquially called stucco, though it's very different from the traditional stucco of decades past.

EIFS is a proprietary system that can be used to replicate a variety of external finishes, from masonry to traditional stucco to wood, explained John Garbin, president and CEO of the EIFS Council of Canada.

Though EIFS has been around for decades, it's a “rising star” due to its role in conserving energy, said Garbin. Now, he says, EIFS is present on almost every new residential construction site in Ontario, whether partially or fully.

In construction, different trades are represented by different unions. But while LIUNA 183 say its union should be the one to represent the stucco/EIFS workers, other groups say the

International Union of Painters & Allied Trades Local 1891 (IUPAT 1891) has already laid claim to that sector.

The Residential Construction Council of Ontario (RESCON) and other groups allege that LIUNA 183 is responsible for the construction delays because it is trying to elbow its way into the stucco/EIFS industry by removing the masonry contractors it represents from any site using a stucco/EIFS contractor not signed up with LIUNA 183.

On March 22, RESCON issued a press release that said the ongoing disputes have led to a disruption of “much-needed new housing in the GTA,” and that closing dates have been delayed for several thousand buyers since the issue began Jan. 4.

Builders are under a lot of pressure to meet deadlines, said RESCON president Richard Lyall, so the dispute puts them in an awkward position.

“It has been going on for two and a half months now. It’s been affecting production, delaying closing,” he said.

In construction, unions and industry associations negotiate collective agreements with each other — for example, IUPAT 1891 negotiates with the Interior Systems Contractors Association of Ontario (ISCA), which represents stucco/EIFS contractors.

Meanwhile, LIUNA 183 is part of the Masonry Council of Unions Toronto and Vicinity (MCUTV), which has a collective agreement with the Masonry Contractors’ Association of Toronto (MCAT). This has included stucco/EIFS since 2019, said Graham Williamson, senior legal counsel for LIUNA 183. (MCAT would not comment for this article.)

Ron Johnson, executive director of ISCA, said LIUNA 183’s tactics are actually backfiring: within the last month, ISCA negotiated collective agreements with IUPAT 1891 for seven more residential EIFS contractors due to the ongoing conflict.

IUPAT 1891 has represented EIFS contractors, both commercial and residential, for several decades, said Johnson. In addition, ISCA and IUPAT 1891 receive provincial funding to run EIFS training, said Johnson.

“Local 1891 is the only union in the province that is a provincial authority to train the EIFS trade,” he said.

Michael DeGasperis, president of Arista Homes, said his construction sites have been delayed due to LIUNA’S alleged tactics, of threatening bricklayers to not work on sites unless builders, such as Arista Homes, sign a letter agreeing to only hire stucco/EIFS contractors represented by LIUNA 183.

But DeGasperis and others say LIUNA 183 represents only a handful of the stucco/EIFS contractors out there, making it difficult for them to comply.

LIUNA 183 disagrees. Williamson said in an email that the “vast majority” of unionized stucco companies and workers in the GTA are bound to LIUNA 183.

“I am advised by our union organizers ... that they have not encountered any stucco workers in the residential sector who are members of another union. The workers appear to be already members of Local 183, or are non-union,” Williamson said.

LIUNA 183 doesn't deny that it's trying to expand into stucco/EIFS.

“We believe that Local 183 (is) the best fit for stucco workers working in the residential sector of the construction industry in the GTA,” said Williamson.

“LIUNA Local 183 strongly refutes the baseless characterization and attack on the integrity of our local union put forth by RESCON,” Williamson said, adding that LIUNA 183 also refutes accusations of a labour dispute or strike.

“The fact of the matter is there is a shortage of bricklayers in the GTA. Bricklaying contractors, in order to manage demand for their services efficiently, have to establish priorities (and) have decided to give top priority to builders that honour the Local 183 Bricklaying Collective Agreement with MCAT.”

DeGasperis said he thinks issues like this should be hashed out at the bargaining table, not during a crisis.

“It's not right. It's not fair.”

In the meantime, DeGasperis decided to cover his midconstruction homes in a protective layer of Tyvek, so that interior work could progress while the exterior was halted.

But on March 23, he said he got a call from the contractors he'd hired to apply the Tyvek, saying LIUNA 183 was preventing them, too, from coming to work, further delaying his timelines.

LIUNA 183 did not comment on these allegations by DeGasperis.

Gianmarco Tinaburri is one of the stucco/EIFS contractors affected by the dispute. He has 10 employees, and has been doing his best to keep them working with other jobs, but often there isn't enough to go around, he said, as the residential sites currently on pause represented the bulk of their work right now.

Shortly after the delays started, Tinaburri's company signed with IUPAT 1891, because he thought it better represented his workers, especially given its role in training stucco/EIFS workers.

“We're looking at losing a significant portion of our work,” he said. “(LIUNA) 183 wasn't really giving us many options.”

Spring is peak stucco time in construction, said Tinaburri, adding the effects of these delays will only multiply. He believes provincial intervention is necessary.

But complaints to the Ontario Labour Relations Board have so far failed to rectify the situation.

RESCON filed an unlawful strike complaint to the Ontario Labour Relations Board. On March 4 the board ruled that LIUNA 183 did not engage in an unlawful strike.

However, it also stated there is “no dispute that bricklayers stopped performing bricklaying work at a number of sites,” and that LIUNA 183 did threaten an unlawful strike, or “committed acts the reasonable and probable consequence of which is others will engage in an unlawful strike,” in violation of the Labour Relations Act. The board ordered LIUNA 183 to “cease and desist.”

LIUNA 183 says RESCON “lost” before the board and is trying to “relitigate its claims in the press.”

But the board’s order changed nothing, say RESCON, builders and EIFS contractors.

That’s why IUPAT 1891 has filed its own complaint to the board, this time for “unfair labour.”

The complaint alleges LIUNA 183 has been threatening builders with illegal strikes in “a clear attempt to gain control of the stucco/EIFS industry.” It also alleges that MCAT’s collective agreement does not cover EIFS or stucco work, though LIUNA 183 says otherwise.

It also alleges that by continuing the same conduct, LIUNA 183 has violated the board’s March 4 order.

DeGasperis believes that IUPAT 1891’s application is a “slam dunk” and added there are more applications in the works.

“The board’s gonna be busy.”