

# GLOSSARY OF CONSTRUCTION TERMS

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## INTRODUCTION

There are many unique terms used in the construction industry. The meanings of some important terms relevant to construction labour relations are briefly explained below.

## GLOSSARY

### **24-Hour Lockout:**

Bridging clauses in most collective agreements, and the bridging provisions in the [Code](#) (Section 130) maintain collective agreements in force during negotiations. This condition ends upon a lawful lockout. The lockout only needs to begin for the agreement to terminate—it need not continue. A 24-hour lockout is a means used to lawfully end a collective agreement, which still allows an employer to resume operation once the brief lockout is over.

### **Accreditation:**

Accreditation is the term used in British Columbia for their system of multi-employer construction bargaining. Their accreditation system has many of the features of registration.

### **Bonding:**

Construction companies must normally provide a performance bond as a condition of being awarded a project. The bonding company, for a fee, agrees to provide the money to finish the job in the event the contractor is unable to do so. The ability to arrange a suitable bond is an important aspect of a corporate organization's capacity.

### **Claim of Jurisdiction:**

Each building trade union's constitution sets out the trade union's view of its own constitutional jurisdiction. These jurisdiction clauses often overlap with similar clauses contained in other building trade union constitutions. A "claim of jurisdiction" is wider than a jurisdiction. Jurisdiction refers to the jurisdiction the union has been ruled to have after an umpire or other authority has ruled which union has the rightful claim to particular work.

### **Consolidation Order:**

A consolidation order is a Board order given just before each round of registration bargaining. It describes which trades must take strike

or lockout votes, or strike and lockout action, together. See: [*Consolidation Orders, Chapter 25(h)*].

**Cost Plus Contract:** A building contract where the contractor is paid on the basis of a percentage of fixed fee over and above the cost of the labour and materials put into the contract.

**Double Breasting:** The practice of “double breasting” involves running two affiliated companies, one union and one non-union. This gives the enterprise the ability to bid on work that must be unionized (and at union rates) while preserving the option of bidding on non-union work free of the union collective agreement. Double-breasted companies are often subject to common employer applications under Section 190. See: [[Spin-offs, Chapter 26\(f\)](#)].

**Enabling Clauses:** An enabling clause in a collective agreement allows a contractor to ask the union to let them bid a job at less than regular union wages in order to meet non-union competition. If the contractor succeeds in the bid, the wages on the project are lower than called for in the contract.

**E.P.C. Contracts:** This is a contract where the contractor agrees to provide the engineering, procurement and construction work on a project.

**Greenbook:** The Greenbook is a publication setting out all the decisions of record and umpire awards involving jurisdictional disputes between the various building trade unions. Its formal title is: *Plan for the Settlement of Jurisdictional Disputes in the Construction Industry*.

**Hiring Hall:** Building trade unions run hiring halls from their offices to supply contractors with qualified tradespersons. Union members available for work register in the hall. The union places them on one or more lists, depending on their qualifications. When employers call for employees, members are dispatched to the job based on their position on the list. Most unions have hiring hall rules that set out rules for who gets priority on calls.

**Jurisdictional Disputes:** A jurisdictional dispute is a dispute between two trade unions about which areas their members are entitled to perform a particular type of work in. Collective agreements often contain specific provisions for resolving these disputes outside of arbitration.

- Leapfrogging:** (or Whipsawing) Contractors with work on the go are vulnerable to strikes. Leapfrogging describes the practice of getting a settlement with one contractor, then striking another contractor, with work, for a higher rate.
- Local Hire:** Often, as a condition of getting a project, or of getting government approval, an owner will have to agree to hire a set number of local residents for a project. Similarly, the project may be required to hire a certain number of aboriginal employees. These local hire requirements conflict with most union's hiring hall rules. Special arrangements are often made at the start of each job to accommodate local hires.
- Markup Meeting:** In most construction projects, the general contractor holds a pre-job markup meeting. Subcontractors and union representatives meet to sort out what work will be done by specific trades. This is meant to avoid later jurisdictional disputes.
- Merit Shop Contractors:** The Merit Shop Contractors Association promotes construction operating under different rules than in the customary union agreements. Generally, the view is that an employee's wage rate ought to depend upon individual skill and performance, not on a pre-set contract rate. Merit Shop also promotes cross-crafting—training employees to perform work beyond their designated trade skills. To pursue these and similar goals, some contractors prefer to remain non-union.
- Name Hire:** Some construction agreements allow an employer to ask the union to dispatch a particular individual to their job instead of the person on the top of the hiring hall list. The right to name hire in this way is usually limited to special situations or a specified ratio.
- Registration:** Registration is the statutory system that allows an employers' organization to become a bargaining agent for all unionized employers within a part of the construction industry.
- Risk Management:** Risk management is an insurance industry term used to describe the ways to protect the assets of an enterprise from major loss. It often involves structuring a corporation so that its assets are held in a

different corporate entity than the company that performs the work (thus taking the risk of being sued).

**Sector:** A sector is, under Section 163(2)(c), “a division of the construction industry specified in the regulations as determined by work characteristics.” Currently, there are four sectors: general construction, pipeline, roadbuilding and heavy construction, and speciality construction.

**Spin-Off:** A spin-off company is one created to carry on work free of the union obligation imposed upon an associated or related company. Section 190 of the Code deals with construction industry spin-offs. In appropriate circumstances the Board may declare a union company and its spin-off to be a common employer for the purposes of the Code. See: [[Spin-offs, Chapter 26\(f\)](#)].

**Territorial Jurisdiction:** Building trade unions create their locals through charters. These charters authorize the local to operate within a specified territory. Some building trade unions have province-wide jurisdiction. Others have a limited territory within the province. Yet others have jurisdiction beyond the Province, particularly into the Northwest Territories.

**Trade Jurisdiction:** A trade jurisdiction is a trade as defined by the Board for the purposes of defining “parts of the construction industry” for registration. Such trade jurisdictions are similar to the jurisdictions as set between the building trades, but are not identical. They depend on Board discretion, not building trade rules.

**Union Label Clauses:** A union label clause says that some or all materials brought onto a construction site must have been made in a union shop. These clauses are particularly important for the boilermaker and pipefitters trades where a great deal of the components are prefabricated off the construction site.