



Issue Update

Membership in BCCA Includes Benefits of CCA Membership

[courtesy of the Canadian Construction Association]

Recently, a number of associations and individual firms have asked the question, “What value do I receive as a member of the Canadian Construction Association”? Of course, it is difficult to answer this question in any comprehensive manner, as membership in CCA includes many tangible and intangible benefits spread out over time. The following bullets attempt to pinpoint a few of the benefits obtained by CCA on behalf of its members in the 2000 – 02 period.

- * **Infrastructure / Highway Funding:** Over the past two years, CCA’s lobby efforts have resulted in the federal government announcing over \$5.25 billion in investments in municipal infrastructure, border infrastructure, and highways. When provincial and municipal matching funds are included, the overall total is much higher.
- * **EI Premiums:** Due in part to CCA’s lobby efforts, EI employee premiums have been reduced from \$2.40 in 2000 to \$2.20 in 2002, and employers premiums have been reduced from \$3.36 to \$3.08. For employees earning over \$39,000, the total combined savings per employee in EI premiums from 2000 to 2002 is \$187.
- * **Elimination of Taxation on Burner Fuel Oil:** Due to CCA’s successful intervention in a court case involving asphalt producers and the Canada Customs and Revenue Agency (formerly Revenue Canada), asphalt producers avoided having to pay tax on burner fuel. The savings amount to \$0.40 per metric ton of asphalt.
- * **Promoting Construction to Youth:** By encouraging more people to enter the construction field, CCA is working to stem a possible skills shortage in the years to come. In 2001, when there were skills shortages in certain parts of Canada, wage rates rose 5.5% more than inflation – for a company with a payroll of \$1 million, skills shortages could have contributed to additional costs of \$55,000.
- * **Corporate Tax Rate Reduced** – As one of the few organizations to argue for lower taxes for small businesses, CCA can take credit for the federal government’s announcement that it would lower the tax rate for a company with revenue between \$200,000 to \$300,000 from 28% to 21%. This will save an average small contractor thousands of dollars.
- * **Elimination of two-week waiting period for apprentices to receive EI:** Due to CCA’s lobbying efforts, individuals entering an apprenticeship program are now subject to only one two-week waiting period before receiving EI benefits during their apprenticeship. For an apprentice the net rise in income could be anywhere from \$900 to \$2100.
- * **Canadian Industrial Program for Energy Conservation:** A program CCA joined in 2001, CIPEC encourages businesses to reduce their energy usage. CIPEC will fund 50% of the costs of an energy audit, up to \$5000, which can potentially lead to thousands of dollars in savings in reduced energy.
- * **CCA / CCDC Standard Documents:** Associations who are not members of CCA pay 300% more for CCA and CCDC Standard Documents. Although final document prices vary by association, the savings for member firms could easily be in the hundreds of dollars. Associations, on average, earn \$25 per member by selling CCA / CCDC documents.
- * **Full Deductibility of Subsistence Allowances:** As a result of CCA’s lobbying efforts, construction companies can now fully deduct subsistence allowances paid to special site workers housed in construction camps. Although the impact on individual companies is not yet known, it is believed the industry overall will save millions of dollars.

LET’S GET BC BUILDING!

The mission of the BCCA is to provide leadership and excellence in the representation of, and service to, British Columbia’s construction industry.