

January 2016



President's Message

Luc Kadziolka

Important Dates:

- 71st Annual General Meeting
March 10, Regina
- 44th Annual Bonspiel
March 11 - 12, Regina
- HVAC Level I
March 15 - 17, Saskatoon
- AC Theory
April 5 - 6, Saskatoon
- AC Practical Labs
April 7 - 8 (choose one day)
- CEC Estimating Conference
May 9 - 11, Saskatoon

Inside this issue:

| | |
|-----------------------|---|
| Man Hours | 2 |
| AGM | 4 |
| Lobby Update | 4 |
| New Members | 6 |
| Estimating Conference | 6 |

Another year has gone by fast and here we are beginning a new one. 2015 for most was a slower year than the past number of years in the industry. Fortunately we are all resilient, hard-working and committed. We will persevere and face whatever challenges that may come our way. I was reading and some industry experts anticipate that the oil industry will start to rebound by mid-summer and that it shouldn't take a long time to come back. Keep your chin up and if you feel it falling remember the 80's.

We have within the Association some news that will, I'm sure for some if not most of you, make you quite happy. We will be bringing forward to you, our members, at the AGM to be held on the 10th of March in

Regina, a proposed change regarding man hours. We are proposing to remove the man hour portion and all the required monthly calculations and office burden, and initiate a tiered fee structure based on your payroll. Be sure to take a look at the article in this newsletter that explains the new proposed fee structure.

Our dedication to pushing forward with prompt payment is continuing. We are part of the working group formed out of the Advisory Council of the Saskatchewan Construction Association. Working with other trade associations and industry stakeholders we hope to bring forward to the provincial government our valid reasons as to why we need prompt payment legislation. We have heard you and will continue to push hard

to have "Prompt Payment Legislation" become a reality in Saskatchewan.

This year our Education Committee has hired Greg Scrivener to develop and teach an *Air Conditioning Theory* and an *Air Conditioning Lab*. We are quite excited about owning another training course that we feel will help our members to train their staff and set themselves apart from other companies. Recently we sent out letters to our affiliate members requesting their support for some of the required equipment for the AC Lab Course. If you feel you could donate some items please contact Janyce at the Association office and she would be more than happy to forward you a list of what we require.

Continued...



President's Message

Continued ...

We are diligently working with licensing to write a proposal asking that Sheet Metal workers be able to take approved training and then be able to challenge the domestic gas exam. We are optimistic and expect to see this become a reality in the near future.

We have looked into the possibility of having a day at the Legislature to voice our concerns but decided to wait until after the provincial election as we felt we would not be as effective prior. Some of the con-

cerns we would like to voice when we do get to meet with the MLAs include questioning why it takes 10 years or more to review and adopt the National Plumbing Codes. I am sure you are all aware that there is no consistency throughout the province on code interpretation and inspections. We will, of course, be speaking to them about prompt payment and the positive impact it will have on the construction industry. We look forward our "Day at the Legis-

lature" and look forward to some open dialogue with the newly elected MLA's and being able to express our appreciation and our concerns.

In closing I would like to thank all of our contractor, affiliate and professional members for the support and backing that we, as a Board of Directors, feel from you as we push through diligently and whole heartedly to better our industry and our member companies.

Proposed Changes to Man Hours

You spoke... We Listened

Over the course of the past several months the MCAS Board of Directors has been discussing the current fee structure of the Association. Perhaps the most common complaint that is heard is the fact that contractor members (excluding one man shops) must pay man-hours. The monies collected through man hours are a critical component of the MCAS budget but are often considered to be an administrative nuisance for the membership. Each and every month, man hours must be submitted to the Association office.

In order to address this concern, the Board of Directors directed the staff to consult with other MCAs across the

country to see how they collect the monies necessary to run their associations. In the past year both Alberta and British Columbia migrated away from man hours and have adopted a new annual fee structure. Conversations with the Executive Directors of both of these MCAs reveal that they have seen an increase in their membership that they credit to the change in the fees.

At the upcoming Annual General Meeting, to be held on March 10, 2016 in Regina, the MCAS Board of Directors will be proposing the following changes:

- Man hours will no longer be collected.

- Man hours and the membership fee will be consolidated into one annual membership fee.
- The payment will be determined by the previous year's Workers Compensation Board Records – specifically the Employer's Payroll statement.
- **All membership** categories will see an increase in the annual fee including affiliate and professional members.

There are a few important items to note:

At no time will your WCB records be shared with anyone, including any Board members.

Continued...

Proposed Changes to Man Hours

Continued...

Association staff do not need to see your WCB rate, only your payroll numbers. You can white out the WCB Rate if you so choose.

Your payroll number will be treated in the same manner your man hours have been treated – they are considered to be confidential.

Fees will be based on the actual wages from the previous year. So 2017 will be based on the actual wages from 2016.

Many of the contractor members will actually see a decrease in their membership fees. Remember, we are proposing that the \$450.00 fee you would normally pay be rolled into the new fee structure.

MCA Saskatchewan will work closely with MCA Canada to ensure that your National Association receives appropriate funding from MCA Saskatchewan.

Table 1 outlines the proposed

fee structure. The payroll ranges were calculated using the 2014 WCB Maximum Wage of \$59,000. Keep in mind that companies have varying salaries for staff.

The logic here is that contractors with 1-4 employees in total would fall within the 0 to \$239,999 range.

Continued...

Table 1 Proposed Fee Structure based on (4 employees x 59,000 = 236,000)

| Estimated Number of Employees | WCB Payroll Range | Suggested Fee |
|-------------------------------|----------------------------|---------------|
| 1-4 | \$0 to \$239,999 | \$500 |
| 5-10 | \$240,000 to \$ 599,999 | \$1000 |
| 11-15 | \$600,000 to \$899,999 | \$2000 |
| 16-25 | \$900,000 to 1,499,999 | \$3000 |
| 26-35 | \$1,500,000 to \$2,099,999 | \$5000 |
| 36 plus | More than \$2,100,000 | \$7000 |
| Professional Members | N/A | \$600 |
| Affiliate Agent | N/A | \$300 |
| Affiliate Wholesaler | N/A | \$600 |

Proposed Changes to Man Hours

Continued...

The Board anticipates that there will be a cost savings for the majority of the contractor members in the association. Remember, your staff no longer have to take the time to calculate man hours each month.

The Executive Director took a sample of Employer Payroll Statements and calculated what the new fees would look like for those members. Table 2 shows those results.

There are two main goals the Association hopes to achieve by adopting this new fee struc-

ture. First and foremost, that this new method will remove the burden of having to calculate man hours. Secondly, that the MCAS will see an increase in new member applications. The more members, the stronger the voice, the more impact the MCAS can have to make improvements to the mechanical contracting industry.

Should you have any questions, please don't hesitate to call the Association office (306-664-2154) or send an email with any questions or concerns

to carolyn@mca-sask.com.

All members are encouraged to attend the 71st Annual General Meeting being held this year on March 10, 2016 in the Moose Jaw Room of the Double Tree Inn in Regina. The meeting is scheduled to begin at 3:00pm and the proposed man hour changes will be on the agenda.

Table 2 Comparison 2014 vs Proposal

| Payroll 2014 | Estimated # of Employees | Current fee incl annual fee | Proposed Fee | +/- |
|----------------|--------------------------|-----------------------------|--------------|---------|
| \$2,860,978.00 | 48.49 | \$7450.00 | \$7000 | -\$450 |
| \$736,603.00 | 12.48 | \$2450.00 | \$2000 | -\$450 |
| \$555,109.00 | 9.41 | \$2350.00 | \$1000 | -\$1350 |
| \$2,101,539.00 | 35.62 | \$7450.00 | \$7000 | -\$450 |

71st Annual General Meeting

Join us March 10

It is time again to hold the Annual General Meeting and this year the it takes place in Regina. Following the same format as last year the meeting will be held just prior to the Curling Bonspiel.

Join your fellow members and Board of Directors starting at 3:00pm in the Moose Jaw Room of the Double Tree Inn.

Be sure to get your nominations in to the office for the Life Membership Awards. They will be handed out immediately following the meeting

The afternoon will then wrap up with the President's Reception which is being sponsored by Grundfos Canada. The reception provides an opportunity to visit and network with

your fellow members. Please take a moment to register for the AGM and reception by emailing the office at admin@mca-sask.com.

Lobbying Efforts Update

Working to improve the mechanical contracting industry

The 2015 version of the National Plumbing Codes are expected to be released at the end of January or very early in February. As many of you are aware there is no consistency in the province when it comes to Plumbing Codes. We communicated several times in 2015 with both the Premier and the Minister of Health regarding inconsistencies throughout the province. Premier Wall advised that we are to notify the Minister of Health when the new codes are released.

Time will tell if the Province will move the adoption of these codes along but we will continue to push in the right direction.

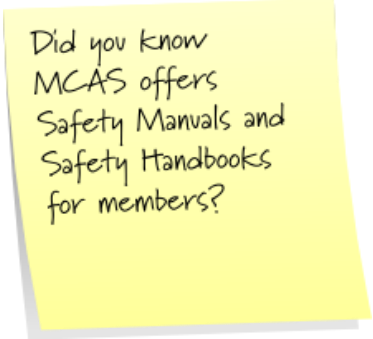
In December the Advisory Council of the Saskatchewan Construction Association met to discuss a path forward regarding Prompt Payment. The

SCA Advisory Council acts as the policy development committee of the SCA, and provides recommendations to the SCA Board.

The Council is comprised of representatives from a large cross section of the construction industry in the province. The goal of the council is to achieve consensus on issues and drive forward an agenda of priorities based on mutual interest.

A working group was formed, with MCAS Past President Ryan Tynning as chairman, to address the issue of Prompt Payment in the province. In December the group asked the Council to agree to the formation of a formal working group that will drive and finance an effort to address the issue of late payments in the construction industry.

MCAS was the first group to agree to participate and pledge the required \$5000 to help fund the group. In early February we will know which groups are going to participate and put their support behind this initiative. The key to success will be to learn from the mistakes that have been made in other provinces. The process will be slow but we are determined to be successful.



Did you know
MCAS offers
Safety Manuals and
Safety Handbooks
for members?

**Get Your Team Registered Today
for the 44th MCAS Curling Bonspiel
March 11—12 in Regina
Spots are filling up fast!**

MCA Saskatchewan Welcomes New Members

Pioneer Plumbing & Heating
P. O. Box #248
Carlyle, SK S0C 0R0
Contact: Patrick Haddow

Phone: 306-577-8633
Fax: 306-455-6123
Email: holleytool@live.com

Estimating Conference

Coming to Saskatoon in May

On May 9 - 11 the MCAS is pleased to be hosting the Construction Education Council's Estimating Conference in Saskatoon. This unique conference focuses on project procurement and strategies.

Sessions covered will include deal breakers, project risk and go/no go strategies, putting together a proposal, and what a general contractor looks for in its selection process - to name

a few. Jack Wilhelmi and Tim Wentz from MCA America will lead the conference, while Dan Leduc from Norton Rose Fulbright will hold a special session on where to look for deal breakers and how to fix them.

Don't miss out on this informative conference. Register by April 15 to secure the early bird registration fee. There are three ways to register: email tania@mcac.ca or online at

www.constructioneducation.ca or fax to 613-235-2793. Forms are available on the MCAS website as well.

Check out the full training schedule for 2016 at

www.mca-sask.com

CALL FOR NOMINATIONS

MCAS LIFE MEMBERSHIP AWARD

Nominations close on February 12, 2016

Call the office @ 306-664-2154
or email Carolyn@mca-sask.com for a nomination form

MCA Saskatchewan #105-2750 Faithfull Ave Saskatoon, SK S7K 6M6
Phone: (306) 664-2154 Fax: (306) 653-7233 www.mca-sask.com

Carolyn Bagnell
Carolyn@mca-sask.com

Maridee Slaney
Maridee@mca-sask.com

Janyce Yuzbasheva
Janyce@mca-sask.com