

July 20, 2021

The Honourable Anita Anand
Minister of Public Services and Procurement
Place du Portage, Phase III, Room 18A1
11 Laurier Street
Gatineau, QC K1A 0S5

Re: Halt the proposed changes to the Contract Security Program's security screening process

Dear Minister Anand,

On behalf of the Canadian Construction Association (CCA), the National Trade Contractors' Council of Canada (NTCCC), the Facilities Operations Maintenance Association of Canada (FOMAC), the Association of Consulting Engineering Companies - Canada (ACEC) and the tens of thousands of firms we collectively represent, we ask that you halt the proposed changes to the Contract Security Program's screening process, and instead, that you work with the industry to create a solution that will work for both the federal government and the industry.

We have been informed that Public Services and Procurement Canada (PSPC) is moving forward with significant changes to the security screening process; changes that will negatively effect procurement and delivery of federal government projects. These changes are being rolled out without consultation of our industry and with minimal notice before the effective date of September 1, 2021.

We understand that an effective screening process is important to maintaining the integrity of Canada's national security and the security of all Canadians and agree that the current process is not working. Construction workers and design consultants who require security clearances may have to wait up to eight months; clearly, this is unacceptable and undermines the industry's ability to hire more vulnerable populations. We have been advocating for over a decade for a solution that will streamline the process. However, these proposed changes to the CSP would have lasting and harmful effects to procurement and work against other key targets your government has established. These include:

1. **Bidding on government contracts will become untenable for the majority of the industry, substantially reducing competitiveness in procurement.** With the proposed changes to the CSP, the Government of Canada is effectively closing the door on small and medium firms, and on larger firms in rural and remote areas where their subcontractors and subconsultants will be unable to abide by the new requirements. In the current model, these businesses are already expected to invest extensive resources during procurement and the new rules will make it impossible for the majority of contractors and design consultants to even consider bidding on federal projects. This, combined with an anticipated increase in demand from other sectors, will directly reduce the number of bidders on federal contracts, making it less competitive and giving the government, and ultimately taxpayers, less choice in their procurement. This will be further exacerbated by the Government of



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Canada's own increasing requirements directly, and indirectly by its historic commitments to municipal and First Nation infrastructure.

2. **Project delays will be inevitable, and the cost of delivery will increase, placing a higher financial burden on the taxpayer.** The remaining firms able to invest the added time and resources necessary to meet the new requirements will still face further project delays since the requirement to complete the security screening process is only to take place after the bidding has completed. With this, and combined with the significant reduction in the number of bidders per project, the Government of Canada can expect to see the cost per project dramatically increase, ultimately placing a higher financial burden back on the taxpayer.
3. **Building a diverse and inclusive workforce will be increasingly challenging.** The changes in the CSP are discriminatory towards new Canadians and other vulnerable populations that are more likely to require a complex screening process. If the Government of Canada is serious about improving diversity on worksites, this proposal will directly counter those efforts making it impossible for under-represented groups to participate in secure contracts.

With the industry gearing up for post-pandemic infrastructure investment, these proposed changes will hinder economic growth. Considering the serious impacts these changes will have on procurement, workforce, and the economy, we urge you to take immediate action with your department to postpone these changes and allow time for proper consultation with industry stakeholders. CCA, NTCCC, FOMAC and ACEC remain committed to working with the Government of Canada to strengthen Canada's procurement capacity and maximize the value for Canadian's taxpayers, but this cannot be done without proper consultation and collaboration moving forward.

Thank you for your attention to this urgent matter.

Best regards,

Mary Van Buren
President, Canadian Construction Association

John D. Gamble, CET, P.Eng.
President and CEO, Association of Consulting Engineering
Companies - Canada

J. Larry Macdonald
President and Chair, Facilities Operations
Maintenance Association of Canada (FOMAC)

Sandra Skivsky
Chair, National Trade Contractors' Council of Canada