



Ontario budget's \$144-billion plan for infrastructure deserves praise: RCCAO

VAUGHAN (CNW: April 11, 2019) – The Residential and Civil Construction Alliance of Ontario (RCCAO) welcomes the provincial government's commitment to infrastructure and transportation projects. "Protecting What Matters Most" contains a total infrastructure investment of \$14.7 billion in fiscal year 2019-2020. The government intends to invest about \$144 billion over the next decade, with \$66.7 billion for transit and \$22.1 billion for highway infrastructure.

"Making strategic investments in infrastructure has proven to be a good way to remain competitive in a global economy and foster a prosperous society. We are supportive of the government's focus on reducing the unnecessary or duplicative regulatory barriers that hold up delivery of infrastructure projects across Ontario," says Andy Manahan, executive director of RCCAO.

Manahan adds: "RCCAO's commissioned research over the past decade has shown that many municipal projects such as better storm sewers and road improvements have been delayed by years because of duplication between Planning Act and Municipal Class Environmental Assessment requirements. RCCAO has been working co-operatively with the municipal sector to reduce the red tape that holds up these types of vital local projects."

Finance Minister Vic Fedeli's first budget expanded upon the transit announcement made this week which focused on major projects in Toronto. RCCAO has been an advocate of a Relief Line subway and is intrigued by the proposed rebranded "Ontario Line." While certain critics have expressed that a new plan will delay the currently planned subway, Manahan notes that "going above the Don River and the Don Valley using lighter rail technology has the potential to accelerate the construction schedule and reduce project costs."

RCCAO is pleased to learn that the federal government has confirmed that Investing in Canada Infrastructure Program (ICIP) monies can be reallocated for other transit projects and that it will invest up to 40 per cent of the cost of eligible projects. This means that the \$4.2 billion allocated under ICIP for transit infrastructure in Toronto could be used for eligible subway projects, in addition to the \$660 million already allocated to the Scarborough Subway Extension by the federal government.

In addition, RCCAO supports the concept of a market-driven transit-oriented development approach that would serve as another valuable tool in the government's financial tool box. This



will unlock greater value from assets, reduce the burden on taxpayers, and promote residential development and density close to transit.

The government plans to consult with municipalities on a new funding formula as part of the gas tax program. “Gas taxes are an important revenue source for local governments to build infrastructure, but with better fuel efficiency and a shift to non-fuel vehicles, the Ontario government must take a serious look at future revenue sources to fund transportation and other infrastructure projects. Adding limited road tolls – by expanding HOV/HOT lanes – would be one way to enhance revenues and manage congestion,” Manahan says.

WHAT IS RCCAO?

This labour-management construction alliance has advocated for infrastructure investment for 12 years, commissioning 48 independent, solutions-based reports to help inform decision-makers.

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