



AUDITOR GENERAL'S REPORT REVEALS INFRASTRUCTURE WORKS SAYS RCCAO

More cooperation among all levels of government and strategic infrastructure planning is required to maintain economic growth, productivity and wages

TORONTO (October 27, 2010) – The Residential and Civil Construction Alliance of Ontario (RCCAO) commends the Auditor General of Canada for her department's assessment of Canada's Economic Action Plan. RCCAO is pleased to see that all Infrastructure Stimulus Fund projects examined met the eligibility criteria and looks forward to the next report for more detail on job creation numbers and project completions.

RISK OF UNDERINVESTMENT:

The quality and quantity of Canada's infrastructure has a direct impact on the health of Canada's economy, future growth and productivity. RCCAO advocates for continued stability of infrastructure investment and asset management.

"Government's investment in infrastructure is playing a crucial role in supporting our economic recovery," says Andy Manahan, Executive Director of RCCAO. "We were disappointed that this first report lacked specifics on job numbers but we know that our industry is working and that many of these projects will translate into improved economic performance. We also know that continued infrastructure investment will have a direct impact on our quality of life and future economic growth."

Recent research commissioned by the RCCAO reveals that Canada's current long term spending levels on infrastructure, even with increased investment over the past decade, are inadequate. If these trends continue, the growth and productivity of Canada's economy could be at risk. "Unless we improve the stability and predictability of infrastructure investment and asset management, a major burden will be placed on a future generation of Canadians."

BEYOND SHOVEL READY:

Canada's stimulus funding was based on projects being "construction-ready" according to the Auditor General. RCCAO suggests that an evolution is required whereby federal and provincial governments should align infrastructure needs and rationalize project approvals so that more value can be gained from these investments. In this way, we can continue to achieve the mutual goals of building better communities and getting Canadians working.

"There are examples of governments working together, such as the harmonizing of regulatory and Environmental Assessment processes. However, more strategic efforts and coordination is required by all levels of government in order to derive maximum value out of these vital infrastructure investments," says Manahan. "A refocus on 'priority projects' – not just those that are 'construction-ready', will help strengthen Canada's economic and social prospects."

RCCAO also believes that appropriate procurement policies need to be followed in order to ensure a competitive bidding process and to get maximum value from strategic infrastructure funding.

To download a copy of the RCCAO's report on Infrastructure Underinvestment (July 2010) and two reports on Government Procurement (Sept. 2009 and Sept. 2010), visit <http://www.rccao.com/>

ABOUT:

The Residential and Civil Construction Alliance of Ontario (RCCAO) is an alliance composed of management and labour groups that represent all facets of the construction industry. Its stakeholders stem from residential and civil sectors of the construction industry, creating a unified voice. The RCCAO's goal is to work in cooperation with governments and related stakeholders to offer realistic solutions to a variety of challenges facing the construction industry. For more information please visit www.rccao.com.

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