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Construction Industry Roundtable

'Due diligence' part of delay with stimulus, Smitherman says

Hudak says environmental assessment process taking 'far too long.'

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Determining the best way to deliver sustained infrastructure funding and streamlining approval processes were prime concerns expressed by two provincial political heavyweights at a recent construction industry roundtable.

"It's almost like people forget tendering actually eats up some of the clock, even though we're making efforts to turn decisions around faster than ever," said George Smitherman, Ontario's energy and infrastructure minister.

"But the amount of due diligence and process that is embedded in our processes overall sometimes is a detriment to making things happen as quickly as all of us would like."



George Smitherman

Smitherman opened the proceedings at the second Construction Industry Roundtable held this year which was organized by the Residential and Civil Construction Alliance of Ontario (RCCAO).

The first roundtable held earlier this year was at a time when the words "stimulus" and "shovel-ready" were on the lips of many political and industry leaders alike.

At both roundtables, key stakeholders from Ontario's construction, engineering, labour and management industries were joined by representatives from various provincial ministries to assess government economic stimulus measures and current infrastructure investment both provincially and federally.

Tim Hudak, Ontario's Conservative leader, also spoke at the recent roundtable, saying he understands that the streamlining of provincial environmental assessment (EA) processes is necessary to improve project delivery.

"EAs take far too long and are rife with politics. Ontario is falling farther and farther behind as projects get pushed back years and years," said Hudak.

"Some steps have been made with the federal government but we need to go farther."

It does not make sense to have two different sets of EAs on some projects, some changes (provincially) have been for transit projects but I don't know why we limit this view of streamlining the environmental process."

The provincial Liberals were spending approximately \$3 billion annually on infrastructure around six years ago and that has been ramped up to \$16 billion, said Smitherman.

The current spending level on infrastructure could be hard to maintain, he warned.

“It is very important to be forthright that as a government we have embraced the idea that infrastructure is a sensible place to place stimulus resources,” explained Smitherman. “But the current rate of borrowing Ontario is experiencing is substantial and that is not entirely a surprise and a reflection of the times.”

When asked how the province can explore making infrastructure sustainable and apolitical, Smitherman said that is a difficult challenge but offered two possible ways to “ensure that it is enduring and not the flavour of the moment.”

One option could be to structure the spending so it has a legislative framework but he did not know the possibilities of that with infrastructure.

“The other way is to be as open as possible to as many voices as possible in order to give as much buy-in as possible,” said Smitherman. “So when the product is completed, everyone has a sense they contributed to it and they fight to keep it alive and enduring on that basis.”