

July 23, 2021

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Ministry of Government and Consumer Services
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RE: Fall red tape reduction bill

The Residential and Civil Construction Council of Ontario (RCCAO) applauds the Government of Ontario and Minister Romano's ongoing commitment to reduce unnecessary burden and red tape for Ontario businesses, including the infrastructure and construction sector. Given the important role that our sector will play in Ontario's economic recovery, ensuring that regulatory processes are streamlined is of the utmost importance.

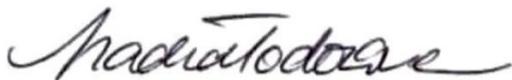
As a unique labour-management organization derived from the residential and civil construction sectors, RCCAO is pleased to provide several items for consideration as part of the government's work for the upcoming fall red tape reduction bill.

A primary focus for the RCCAO since our inception has been the importance of investing in core public works – from transit and water systems to roads and bridges – and doing so smartly and efficiently for taxpayers and daily users of infrastructure. A major component of the execution of this critical infrastructure work is ensuring that government policies do not hinder the progress of the work through unnecessary or duplicative regulations.

Although there has been progress by the government on the below items, RCCAO believes that there is still room for improvement and modernization on issues such as utility locates, municipal class environmental assessments and digitizing the development approvals process.

RCCAO appreciates the opportunity to provide its perspective and looks forward to continuing to work with the Government of Ontario on these and other issues.

Regards,



Nadia Todorova
Executive Director

1. Improve the delivery timeframes of utility locates

A key element of infrastructure and construction projects, particularly in the civil and residential sectors, is the timely delivery of utility locates. Locate requests are overseen through the One Call System, which is a mandatory system under the *Ontario Underground Infrastructure Notification System Act, 2012*. The system allows homeowners, construction contractors, developers, builders and other excavators to make one locate request to a call centre instead of the previous practice of separate calls to each of the utilities.

Ontario has a legislated deadline of five business days for a response to locate requests. Unfortunately, industry has faced chronic issues in terms of long days for utility companies to provide markings of where their underground services are located. It is estimated that 85 percent of locate requests are late.

Although there have been some recent efforts to update One Call by-laws and compliance policies, much more work is needed to ensure that infrastructure work across Ontario is not unnecessarily held up while awaiting utility locates markings. Without receiving these locates, most of the work on site cannot proceed and members are reporting significant, consistent, and costly delays because of this. As an example of the serious consequences of delayed locates, standby time runs at about \$1,000/hour in the sewer and watermain sector.

Some of the actions that can be taken to improve the current delays, include restructuring the Board of Directors of Ontario One Call to have more non-utility representatives such as excavators, municipalities and provincial government; provide opportunities to safely share locates among multiple contractors for the same job; extend the validity period of locates to at least 60 days; restructure how locates are delivered; modify the reporting and record keeping for locate responses; and eliminate the need for relocates on non-linear excavation construction sites below a certain depth.

2. Modernizing Municipal Class Environmental Assessments

RCCAO has commissioned extensive research on the topic of improving the Municipal Class Environmental Assessment (MCEA) processes. In our 2010 [report](#), it was found that it took about 19 months to go through the Class EA process. An [updated report](#) in 2014 revealed that it was taking longer – almost 27 months on average for the same class of local projects. Our 2019 commissioned [report](#) found that the skyrocketing cost and time for the completion of MCEA projects continued. Out of 12 examined projects, nine projects experienced delays of between two and five years. Six of the 11 projects indicate that consultants and reports cost more than \$500,000 and four of those six projects had consultant and report expenses of more than \$2 million.

The work that is impacted by these delays is municipal infrastructure projects, including expansion of sanitary sewer systems, widening of municipal roads, replacements of bridges or the establishment of new water treatment plans. Part of the delays was attributed to the scope

creep when more requirements were being added to the process, but also due to delays and appeals under the Part II Order process or Bump Up requests.

RCCAO is pleased that, in a testament to the serious implications of the time and cost delays associated with the MCEA process, the government has been working to modernize the Environmental Assessment (EA) process. The *More Homes, More Choice Act* in 2019 eliminated issues related to low-risk projects and in 2020, the *COVID-19 Economic Recovery Act* addressed Part II Order process.

As part of the modernization work, RCCAO would urge the government to ensure that the amendments to the various class EAs, including MCEAs, are approved as quickly as possible. For example, work to develop regulations that will set out the projects that will be subject to the Streamlined Environmental Assessment provisions of the amended Act and the process these projects must follow, should be finalized speedily. Creating a consistent, clear and streamlined environmental assessment process will eliminate duplication, provide clear expectations regarding consultations and define timelines for critical infrastructure work while maintaining environmental protections.

3. Streamline and digitize the development approvals process

Recent [research](#) has shown the economic benefits to speeding up the development approvals process by adopting a comprehensive and centralized planning and development e-permitting system across the province. Specifically, research shows that [regions in Ontario](#) could see thousands of additional housing units and attract millions of dollars in additional jobs and investment. GTA itself could see 100,700 additional housing units by 2040, with the City of Toronto seeing 21,100 additional units by 2025, if there was a reduction in delays to the approvals process by six months and a 10-per-cent increase in investment.

While digitization of the approvals process is occurring in various Ontario municipalities, existing e-permitting programs are siloed, fragmented, only focused on the process of a specific municipality rather than a holistic look at the entire province. Through [One Ontario](#), a coalition of industry organizations, which RCCAO is part of, there has been a proposal developed for a common Development Approval Data and Information Exchange Standard, a Central Review Platform and Central Analytics and Reporting Platform to be used by municipalities, Provincial Ministries, Conservation Authorities, and other approval agencies in Ontario for the development and permitting processes.

With ever growing housing demand exceeding supply, there is a need and urgency to digitize the development approvals process. A data exchange standard is a prerequisite to supporting digitized operations and addressing the growing unsustainable housing supply crisis, which unchecked will stymie jobs and investment growth.