

Stakeholders praise Ontario budget as election looms

[Angela Gismondi](#) May 3, 2022

Leaders of Ontario construction associations are welcoming the investments included in the 2022 Ontario budget, saying it provides much-needed funding for infrastructure, transportation and skilled trades training.

Their reaction comes as leaders from all parties ramp up their election platforms and begin campaigning for the June election.

“I think it’s a good recovery budget. It’s obviously a bit of a political budget but that’s no surprise there, we’ve got an election coming up,” said Richard Lyall, executive director of the Residential Construction Council of Ontario. “There is a lot of funding in the right places.”

Ontario’s Plan to Build, tabled April 28 by Finance Minister Peter Bethlenfalvy, includes \$198 billion in spending including \$158 billion over 10 years for highways, hospitals and transit and \$20 billion in infrastructure spending this year.

It also includes \$40 billion over 10 years towards hospital infrastructure; \$25.1 billion over 10 years to highway and road construction; and \$114 million over three years to the Skilled Trades Strategy.

Marc Arsenault, business manager of the Provincial Building and Construction Trades Council of Ontario, said the budget maps out investments in hospitals, schools, urban transit as well as improved rural transportation routes involving new roads, bridges and highways.

“What the building and construction industry can see here is an appropriate parallel stream that with the investment in infrastructure and the investment in skilled trades recruitment you’ve got the right ingredients there to maximize the return on the investment,” he said.

“These investment dollars, even before they are spent, are already doing double duty...creating training and employment opportunities and...is an investment to work with programs to attract folks into the skilled trades, essentially making working in the trades popular again and removing the stigma.”

As the province recovers from the pandemic, government support for training and apprenticeship opportunities for the next generation of skilled trades workers is key, he added.

“Essentially these projects are the onsite learning environment for our next generation of skilled journeypeople,” he said.

“We are pleased to see that there is components in the budget that will assist with delivering projects on time, on budget and safely. What we are more specifically interested in is how the industry can assist with maximizing the return on these investments by having a continuation of requiring portions or percentages of the project to use small and medium sized local contractors and local employers and to have a domestic solution along the broader construction supply chain.”

Although many of the housing related initiatives included in the budget were announced previously, RESCON was glad to see the province reiterate its commitment to tackling the housing supply issue, including the More Homes for Everyone plan. The budget also proposes implementing a long-term strategy to address the housing crisis and increase housing supply by building 1.5 million homes over the next 10 years.

However, the housing supply and affordability situation needs to improve dramatically, Lyall added.

“Hopefully this will be us getting ahead of the curve instead of being constantly behind the curve,” he said. “Hopefully this will get us to a point where we really do incorporate our demographic trends into building for the future.”

The Ontario Road Builders’ Association (ORBA) said it’s encouraged by the commitment made to roads, bridges and transit infrastructure.

“This budget maps out a comprehensive strategy to bring an essential longer-term focus to transportation and infrastructure planning in Ontario,” said Bryan Hocking, CEO of ORBA, in a statement. “Furthermore, we are pleased to see that both the Bradford Bypass and Highway 413 are included in this strategy. These commitments, as well as the funding noted within this year’s budget, are essential stepping stones to building a long-term sustainable transportation network for all Ontarians.”

The Residential and Civil Construction Alliance of Ontario (RCCAO) was also pleased to see funding for highway expansion and rehabilitation.

“These critical infrastructure investments reflect an understanding that we must start to build the infrastructure of tomorrow, today,” said Nadia Todorova, executive director of RCCAO. “By building the Bradford Bypass, Highway 413, and transit across the province, the government is acting with welcomed foresight in laying the foundation for Ontario’s long-term continued economic development and prosperity.”

Todorova said RCCAO the support for municipalities will help with the impacts of the pandemic on their operating budgets.

“The \$316.2 million financial assistance matching the federal government’s contribution for municipalities is crucial to ensure cities’ state-of-good-repair projects proceed without interruptions or cuts,” Todorova noted.

Karen Renkema, VP Ontario for the Progressive Contractors Association of Canada (PCA), said the biggest issue the association continues to raise is affordability.

“The reality is all other infrastructure and construction costs, there are inflationary pressures on them as well because of lack of labour, supply chain issues and inflation,” said Renkema. “The hospital building budget went from \$30 to \$40 million, which is really substantial, but I’m sure the government also knows that the cost of construction is increasing, so what it would have cost years ago it’s going to cost more now.”

Affordability is going to continue to be a concern for the taxpayer too.

“Labour falls into that. The issue of the day for everybody in the construction industry is where are we going to find the people right now,” Renkema noted. “Infrastructure is going to cost more because of other issues as well but labour supply is adding to that.”

She said the Doug Ford government has made headway in ensuring public construction work is more affordable for taxpayers and accessible to workers by passing Bill 66, allowing all Ontario municipalities to open up public construction work to competition.

“I hope the taxpayer is questioning and thinking about every time infrastructure is built in Ontario. Are we making sure we’re getting the best bang for our buck? What I mean by that is are we ensuring that all contractors are competing for these projects and everybody is sharpening their pencils, as opposed to the small few contractors being able to access some of these projects,” said Renkema.

The Ontario Skilled Trades Alliance (OSTA) also praised the government for the investment in the Skilled Trades Strategy.

“The Ford government is the first in years in Ontario to make a such a major push to promote the value of skilled trades careers,” said Patrick McManus, chair of OSTA. “From dispatching recruiters into hundreds of schools to launching a new agency to promote the trades, Minister (Monte) McNaughton and this government have shown real leadership and commitment to tackling the labour shortage by exposing a whole generation to the tremendous opportunity and pride that comes with a career in the skilled trades.”