



## **Residential & Civil Construction Alliance of Ontario**

Constructing Ontario's Future

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### **PROVINCE COULD BOOST ECONOMY BY STREAMLINING THE CLASS ENVIRONMENTAL ASSESSMENT PROCESS FOR MUNICIPAL INFRASTRUCTURE**

TORONTO (Feb. 12, 2015) – The Municipal Class Environmental Assessment (MCEA) process delays many municipal infrastructure projects by more than two years, and that snowballs with other delays and wastes taxpayers' money. Based on an extensive review of environmental legislation in other jurisdictions, the Residential and Civil Construction Alliance of Ontario (RCCAO) says that there a number of measures which could be taken to streamline the process and cut costs for municipalities and the province.

This report is a follow-up to two reports done in 2010 and 2014 by Mr. Zechner: “Are Ontario’s Municipal Class Environmental Assessments Worth the Added Time and Costs?” found that the time taken to complete EA studies is growing and costs much more. Estimates from the 2010 study showed that these delays cost taxpayers an additional \$232 million and hold back 10,000 full time equivalent jobs annually.

RCCAO, composed of management and labour groups in the construction industry, has been advocating for years that practical changes could be made to the MCEA requirements to speed up approvals to extend sewer mains, widen roads and replace old bridges. That’s why the Alliance commissioned a report looking at how other jurisdictions handle this process.

“Ontario’s Municipal Class EA system is out of step with other jurisdictions,” according to report author Frank Zechner, a lawyer practising environmental and construction law. “We should be willing to apply the best of what other jurisdictions have to offer.” He adds that “because the MCEA process requires on average 27 months to complete, addressing the infrastructure backlog becomes that much more difficult once you factor in the time to make detailed designs, put the project to tender and actually undertake construction.”

Zechner found that outside of Ontario there is more emphasis on environmental review of new projects. For example, the United Kingdom, Austria, Japan, South Korea and the Netherlands focus more on the environmental review of new roads rather than on

reviews of existing roads which are proposed to be widened to accommodate more traffic or HOV lanes, for example.

Among the measures proposed:

- Reducing duplication in the system by harmonizing public consultation requirements under the planning process with those required under the MCEA system. In the U.K., for example, environmental assessment reviews for any proposed infrastructure must be undertaken as part of a municipal planning process.
- Setting a higher threshold for Bump Up requests by requiring a minimum percentage of the voting public to initiate a review by the Ministry of the Environment and Climate Change. Currently, it takes only one request for a full environmental review to trigger the process in Ontario but having this dealt with by the Minister can add more than 10 months to project schedules.
- Delegating authority for review of Bump Up requests to someone at the director level within the Ministry. None of the 20 jurisdictions reviewed had a mandatory provision that a politician had to determine whether a project would be subject to a full environmental hearing for a standard municipal infrastructure project.
- Eliminating capital-cost thresholds in favour of easily measured criteria such as length of road to be widened or capacity to be added to the sewer system.
- Ensuring that emergency construction work is not delayed in the event that aging infrastructure is damaged or wiped out by a flood or a major storm. Although repair of existing infrastructure is exempt from the EA Act, if the reconstruction requires different routing or capacities, then the rebuilding could be impeded by the requirements of the Class EA process.

RCCAO Executive Director Andy Manahan adds that “Ontario’s planning system has evolved to incorporate greater environmental oversight but a single municipal project could be subject to two appeal mechanisms – a Bump Up request under the EA Act and an appeal to the Ontario Municipal Board under the Planning Act. This type of redundancy does not happen elsewhere, is unnecessary and bogs down vital infrastructure building.”

Ontario is being held back by unnecessary duplication in the process which is delaying hundreds of basic municipal infrastructure projects. Municipalities across Ontario are concerned that addressing the requirements of the MCEA system is very time-consuming (27 months on average) and costly (environmental reports cost at least \$386,000 on average, not including municipal staff time). Collectively, the delay in approving these basic projects is hampering the province’s growth and job prospects.

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The full report is available at [www.rccao.com](http://www.rccao.com). To arrange an interview, contact:

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