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Construction associations react to Drummond report on Ontario public service

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The highly anticipated [report from the Commission on the Reform of Ontario's Public Services](#) recommends cuts across numerous provincial agencies and services and one construction industry leader says this will lead to more project bundling and AFPs.

David Frame, director of government relations with the [Ontario General Contractors Association](#), said Ontario's government is under pressure to have smaller capital budgets this year. Moving forward the use of the Alternative Financing and Procurement (AFP) model and project bundling is one way to cut down on such costs.

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"AFPs and even bundling are very narrow in terms of the range of what they can be used for. Much of what government does is smaller projects and it's not practical to use those tools," he said.

The Commission, chaired by former TD economist Don Drummond, made numerous recommendations in an effort to reduce the province's deficit, which is expected to hit \$16 billion this year.

"With a looming slowdown in the expansion of the labour force that is almost upon us and with the province's weak productivity growth of late, Ontario cannot count on a resumption of its historical strong growth rates," said Drummond after the report's release.

Joe Accardi, executive director of the [Ontario Sewer & Watermain Construction Association](#), said they are "ecstatic" with the report's recommendation to implement full cost pricing for water and wastewater services.

Accardi said full cost pricing allows for a consistent project flow into the industry and allows municipalities to keep up with their maintenance programs.

"If we get consistent flow we can keep staff longer and allow for safer job sites because we have more trained people that have been at the job longer that have more experience," he said.

"It's more a consistent workforce and that's very important for effective work."

He said full cost pricing will also help free up funding for different provincial infrastructure projects.

In terms of public infrastructure, the report recommends placing a greater emphasis on getting more value from existing assets by better reporting requirements than is currently called for in the province's Long-Term Infrastructure Plan.

“He (Drummond) seems to be telling the government to use evidence based management, they could be a lot better at collecting data and making decisions made on evidence,” said Ian Cunningham, President of the Council of Construction Alliances of Ontario.



Andy Manahan, RCCAO

As it concerns transit, the report looks at charging for parking at GO Train stations.

[Residential and Civil Construction Alliance of Ontario](#) executive director Andy Manahan said more has to go into the plan such as different prices for time of day and geographic location.

The report also highlights Canada’s lack of a national transit strategy. Manahan said the Construction Design Alliance of Ontario recently met with Infrastructure and Transportation Minister Bob Chiarelli who said there needs to be not just a national transit strategy, but a national infrastructure program.

“He said the infrastructure stimulus funding was great because we were all on the same page and it was time sensitive, but we need a national infrastructure strategy where we’re all aligned together,” said Manahan.

The [Drummond Report suggests that once the Ontario College of Trades is up and running, it could take on a more administrative role.](#)

Frame said he can see that being a possibility, but not with the current issues that surround the College’s governance structure.

The Drummond report will inform Ontario’s 2012 Budget, expected this spring.