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Mixed views on Ontario infrastructure portfolio move

RICHARD GILBERT

senior staff writer

The views of Ontario construction leaders are split on the merger of the province's infrastructure portfolio with the ministry of economic development and employment in the Liberal government's recent cabinet shuffle.

"The really good thing about this is the government has recognized us as an industry and we think things are going in the right direction," said Clive Thurston, president of the Ontario General Contractors Association.

"Clearly, the Liberals are dedicated to having a construction voice in cabinet. They really want the industry to help. So far, I am seeing an open door, and a willingness to listen and do things. While that is there, we will participate."

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Members of Premier Kathleen Wynne's new cabinet were sworn in to office on June 24. One of the most important changes for the construction industry is the appointment of Brad Duguid, as the Minister of Economic Development, Employment and Infrastructure.

According to the Liberal government, the integration of these ministries is a critical part of the plan for infrastructure investment in job creation and economic growth.

"With the initial look at this merger, I would say one of strengths of having it (infrastructure) combined with economic development is looking at ways we can harness that multiplier effect," said Ashley De Souza, Director Government Relations with the Ontario Road Builders' Association (ORBA).

"So, we can see greater local and regional economic spinoffs, from a lot of the investments in infrastructure that are already being made."

Ontario Liberals are planning to invest \$130 million for the construction of infrastructure over the next 10 years. This includes \$29 billion for transportation infrastructure.

"I think from ORBA's perspective that we have long advocated for sustained infrastructure investment that is predictable," said De Souza. "Looking at the changes of the structure in government and ministries, one of the things we have always talked about at ORBA is using traditional capital road building construction methods there is a multiplier of 4.87."

This means that for every dollar spent the economic spinoff locally and regionally is 4.87 dollars. According to De Souza, an investment of \$1.25 billion in highway construction will create 21,000 direct jobs and generate \$570 million of total employment income.

Despite these economic benefits, some construction industry leaders are not fully supportive of the decision to merge the infrastructure into the ministry of economic development and employment.

“I am disappointed that the government didn’t see fit to have infrastructure as a stand-alone ministry, because there is a significant budget envelope for it and it is fundamental to the long-term economic growth, beyond the temporary construction jobs it supports” said Ian Cunningham, president of the Council of Ontario Construction Associations.

“I would have hoped for the continuation of a separate ministry. That being said, I don’t think there is a better person than Brad Duguid in cabinet for infrastructure. The fact that it falls under his purview is definitely a positive.”

Others agree.

“A standalone infrastructure ministry would have been our preference to maintain that,” said Andy Manahan, executive director of the **Residential and Civil Construction Alliance of Ontario**.

“Having said that, we can understand the logic of having economic development and infrastructure together, because of the importance of jobs. Infrastructure Ontario still has a role with respect to dealing with the infrastructure side.”

Construction leaders argue Duguid is a good fit for infrastructure, because he is familiar with the industry.

“The good news from my standpoint is that we have a very strong relationship with him. He’s the minister that had the foresight to do industry consultations and public consultations on a 10-year capital infrastructure plan,” said Barry Steinberg, chair of the Construction and Design Alliance of Ontario.

“I understand in some ways why infrastructure was put in with economic development, one, because of him. They knew that would probably be a good match. We’re looking forward to working with Minister Duguid, because he was a great ally. I think he had a lot of foresight in doing that consultation work and putting together Building Together.”

Building Together is a plan that invested in Ontario’s future by focusing on core infrastructure and networks that generate economic growth, such as highways, bridges, public transit, digital and broadband, colleges and universities.

Duguid is the MPP for Scarborough Centre and was previously the Minister of Training, Colleges and Universities.

Prior to this, he was the Minister of Economic Development and Innovation, as well as the Minister of Energy and the Minister of Aboriginal Affairs.