



Labour-management construction alliance welcomes municipal funding commitment

Dec. 16, 2020, Vaughan, Ont. – The [Residential and Civil Construction Alliance of Ontario \(RCCAO\)](#) is delighted that the Government of Ontario, in partnership with the Government of Canada, has provided financial relief to municipalities across the province, including the City of Toronto, to help them deal with budget shortfalls caused by COVID-19.

“This funding comes at a critical time for municipalities across Ontario and we commend the leadership and co-operation shown by both the provincial and federal governments in working together to address this unprecedented economic crisis,” says RCCAO board chair Peter Smith. “As a result of this funding, municipalities can now begin putting their financial houses in order.”

RCCAO has been advocating for this vital funding as it provides municipalities a measure of financial certainty so they can proceed with state-of-good-repair (SOGR) projects. Research has shown that a huge number of construction-related jobs are at risk if such projects are delayed or cancelled.

As Minister of Municipal Affairs and Housing Steve Clark noted, this funding will help municipalities keep their capital projects on track while providing critical services to Ontarians. However, municipalities are still facing significant deficits in 2021 and we are urging both the federal and provincial governments to step up with a Safe Restart Agreement 2.0. It is crucial that adequate funding continues to flow in 2021, or municipalities will face the prospect of having to delay or cancel SOGR projects to balance their budgets, which would have disastrous effects on the construction industry and the provincial economy.

Municipalities have borrowed significant amounts of funds from their capital budgets and it is critical that governments keep the funds flowing and work on these projects moving.

Tenders are down and we are already seeing hundreds of construction workers laid off. A report done recently for RCCAO by Prism Economics and Analysis called [Averting a Crisis: The Need to Protect Ontario's Infrastructure Investments](#), indicates 41,000 construction-related jobs are at risk if building permits continue to decline.

“Today’s announcement is a significant step in the right direction and shows what can be accomplished when governments work together,” adds Smith. “However, work still remains to

be done and we encourage all levels of government to keep the momentum going and collaborate on a Safe Restart Agreement 2.0 for 2021.”

Background on RCCAO: *The Residential and Civil Construction Alliance of Ontario (RCCAO) is a labour-management construction alliance. For 15 years, RCCAO has been a leading industry advocate for infrastructure investment. It has commissioned 58 independent, solutions-based research reports to help inform decision makers.*

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