



Alliance of construction labour and management supports call to speed up project approvals

Nov. 5, 2020, Vaughan, Ont. – The [Residential and Civil Construction Alliance of Ontario \(RCCAO\)](#) supports the province for working so closely with the federal government throughout this pandemic to speed up approvals for infrastructure projects.

In its 2020 budget, entitled *Ontario's Action Plan: Protect, Support, Recovery*, finance minister Rod Phillips called on the federal government to provide an additional \$10 billion per year over 10 years for shovel ready projects.

“Municipalities are putting off numerous infrastructure maintenance and repair projects that were scheduled to go ahead this fall because COVID-19 has strained local finances,” said RCCAO executive director Andy Manahan. “Local governments of all sizes need a strong signal that funding will be in place soon so investments in transportation systems, bridges and other capital works can proceed.”

Further delays in approving state-of-good-repair (SOGR) projects are preventing the much-needed investments that will create jobs and provide valuable infrastructure to communities. The construction industry relies on work from maintenance and repair projects and delaying them will drastically reduce revenue for small- and medium-sized contractors. The provincial and federal government cannot allow this to happen in an already suffering economy.

“Investments in state-of-good-repair projects create much-needed jobs and will help kick-start the economic recovery of Ontario,” said Manahan. “Tens of thousands of construction workers in the Greater Toronto and Hamilton areas could lose their jobs between now and spring if funding does not flow to the municipalities.”

RCCAO is calling on the provincial and federal governments to continue working together to push out funding as fast as possible to cash-strapped municipalities. Unlike senior orders of government, municipalities are not permitted to run operating deficits and, as a result, thousands of local projects are being postponed due to a lack of funds.

A recent [survey](#) commissioned for RCCAO indicated that due to the cash crunch around COVID-19, 61 per cent of civil and engineering contractors in Ontario are anticipating revenue declines in 2020, compared to 2019, and 25 per cent report they will need government support to stay

a float. Meanwhile, 56 per cent indicate there have been fewer municipal projects available to bid on since July 1.

“It is crucial to get both the provincial and federal governments working together to accelerate the flow of project infrastructure funds,” said Manahan. “Defunding capital programs will lead to crumbling infrastructure and massive job losses in construction across Ontario.”

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 56 independent, solutions-based research reports to help inform decision makers.*

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