



**Residential & Civil
Construction Alliance
of Ontario**
Constructing Ontario's Future



RCCAO – Residential and Civil Construction

RCCAO

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RCCAO

*commissions top-notch research
infrastructure investment decisions*

Written By: Andy Manahan >>>



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The Residential and Civil Construction Alliance of Ontario (RCCAO) is an alliance formed in 2005 to bring together management and labour groups in order to more effectively advocate on behalf of the construction industry. In this way, stakeholders from the residential and civil sectors are better able to speak with one voice on matters such as infrastructure investment. The RCCAO's goal is to work in cooperation with governments and related stakeholders to offer realistic solutions to a variety of challenges that we are facing.

Our motto is "Constructing Ontario's Future," because together we build the homes, roads, watermains and much more. This infrastructure is of critical importance to the residents and businesses of Ontario. We have always taken pride in the quality of work that goes into building our communities and aim to collectively accomplish even greater things to meet the demands of a growing population.

RCCAO members have a wealth of construction industry experience and this has been used to provide advice to key decision-makers. But our members do not have all the

answers so we have commissioned independent research on planning, financing and building infrastructure. These top quality, professionally-produced reports have provided input to governments on many issues.

Our first report in 2006, “The Infrastructure Funding Deficit: Time to Act” commended the Ontario government for making impressive moves to encourage investment in public infrastructure. It was recommended that a regular and consistent flow of alternate financing and procurement projects be promoted in Ontario. Also, it was pointed out that funding sources such as Canadian public pension funds are available to finance public infrastructure right here in Ontario rather than in other parts of the world. Since 2006, RCCAO has commissioned over 20 major reports and submitted many position papers to politicians and staff. Topics have ranged from financing public transit to streamlining municipal Class EAs to improved asset management for water and wastewater services. In addition, we have sponsored conferences such as Transport Futures which provides a forum to discuss mobility pricing.

Our group is committed to

constructing a brighter future for Ontario, one that reflects our abilities as a sophisticated global leader in the area of construction and design. This motto was tested during the economic and financial crisis that shook the western world in the fall of 2008. Stimulus funding was provided to the auto and financial sectors but it became evident that construction and infrastructure projects could provide a solid foundation for recovery.

RCCAO provided feedback to the Government of Ontario after having convened a Construction Industry Roundtable in January 2009. Over 60 representatives from labour and management organizations, along with engineers and government officials, gathered to create an agenda for change. All members were in agreement that revitalization of infrastructure would lead to more robust economic activity. While it was acknowledged that many large scale construction projects were underway across the province, it was also clear that Ontario was being hit relatively hard by layoffs in the manufacturing sector, particularly related to the automotive sector. Thus, one of the consensus positions was that construction would have a broader and more immediate impact

than other forms of government spending. Furthermore, roundtable participants recommended that federal investments and programs should take this disproportional impact into account by making relatively larger investments in southern and central Ontario where road and highway networks are crucial to goods movement and continued trade with the United States.

Another opportunity to promote infrastructure occurred during the Ontario election campaign of 2011. RCCAO placed a full page ad in ReNew Canada magazine as a way to highlight the importance of infrastructure investment. The ad was sent electronically to all MPPs and as many candidates as possible with a question on where each party stands on infrastructure. Although infrastructure was not a front and centre issue during the election campaign – except for alternate energy projects – all three parties have committed to invest \$35 B in infrastructure over a three year period. It is widely thought that a general election will be held in spring 2013 so RCCAO will bring forward these messages again.

In particular, RCCAO's 2010 report "Public Infrastructure Underinvestment: The Risk to





Canada's Economic Growth" provides a solid argument for continued investment. The RiskAnalytica report concluded that underinvestment will affect Canada's future prosperity by lowering GDP, productivity and wages as well as being a major financial burden on the next generation. Across Canada, infrastructure spending has been at 3.1% of GDP. The analysis suggests that ideally it should be at 5% in order to maximize economic and societal benefits.

One of the most significant developments at the provincial level is the establishment of longer term infrastructure plans. In 2011, Infrastructure Minister Bob Chiarelli's

released a 10-year infrastructure plan. MOI staff advised RCCAO that the RiskAnalytica report provided useful advice in the formulation of the province's 10-year plan, particularly with respect to the need for predictable investment and ongoing asset management. The plan, known as "Building Together: Jobs and Prosperity for Ontarians, is "intended to provide clarity, sustainability, and greater predictability in our infrastructure policies and to keep Ontario economically competitive" according to a cover note by the Minister.

In 2011, direction was given to RiskAnalytica to do a follow-up study but this time with an



Ontario-focus. The study, “Public Infrastructure Investment in Ontario: The Importance of Staying the Course” was released during the pre-budget period leading up to the March 2012 Budget delivered by Finance Minister Dwight Duncan. Often, translating this type of economic information is challenging, so we decided to create a YouTube video that distilled these messages. The 2 ½ minute video is called “A Childs Future in Ontario” and shows what the landscape might look like if appropriate investments are not made. We encourage you to view our commissioned reports and other materials at rcca.com.

STATISTICS



**Residential & Civil
Construction Alliance
of Ontario**
Constructing Ontario's Future

NAME: RCCAO

LOCATION: Toronto

FOUNDED: 2005

EXECUTIVE DIRECTOR: Andy Manahan

CURRENCY: CAN

NUMBER OF MEMBERS/LISTINGS:
Alliance – encompasses 12 associations
and unions

WEBSITE:
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