

New RCCAO chair: ‘Ottawa needs to open up the tap and get funds flowing’ for infrastructure

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VAUGHAN, ONT. – The federal government needs to step up and provide the necessary funds for municipalities to get moving on state-of-good-repair projects, says Peter Smith, the newly-elected chair of the [Residential and Civil Construction Alliance of Ontario \(RCCAO\)](#).

Smith, who has held a number of senior positions in Ontario’s construction industry over more than four decades, was elected chair of the board at a recent annual general meeting. He replaces Phil Rubinoff, who was founding chair of the alliance and served for 15 years.

According to Smith, municipalities look to the federal and provincial governments to help them with infrastructure funding and models that have typically been used require all three governments to chip in a third. However, due to COVID-19 municipalities can no longer contribute their share.

The City of Toronto, for example, is expected to end the year about \$1.5 billion below its revenue target, mostly because of a decline in transit ridership. As a result, the state-of-good-repair budget is being reduced by one-third, which means up to \$400 million of infrastructure repairs that were slated for 2020 are not going to go ahead, and the scenario looks even worse for 2021, states an RCCAO release.

“Ottawa needs to open up the tap and get funds flowing for infrastructure job-creation projects with greater speed,” said Smith, who is executive director of the [Heavy Construction Association of Toronto](#). “Time is wasting, and municipalities are looking at shelving projects. Our industry employs a lot of people in Ontario and inaction will have a trickle-down effect, putting thousands out of work.

“We are looking at a very bleak time, unfortunately, if the federal government doesn’t move quickly to provide funding. Investment in infrastructure is a great job-creator that will help boost the economy.”

Smith says 10 per cent of the working population in Ontario is directly employed in construction and there will be massive layoffs if projects are held up. In the GTA, more than 12,000 labourers are employed in the heavy civil sector and 30 per cent could potentially be laid off.

“We are used to seasonal layoffs around Christmas and then people come back to work in March,” notes Smith. “But this year, those layoffs are going to happen sooner and they will last much longer.”