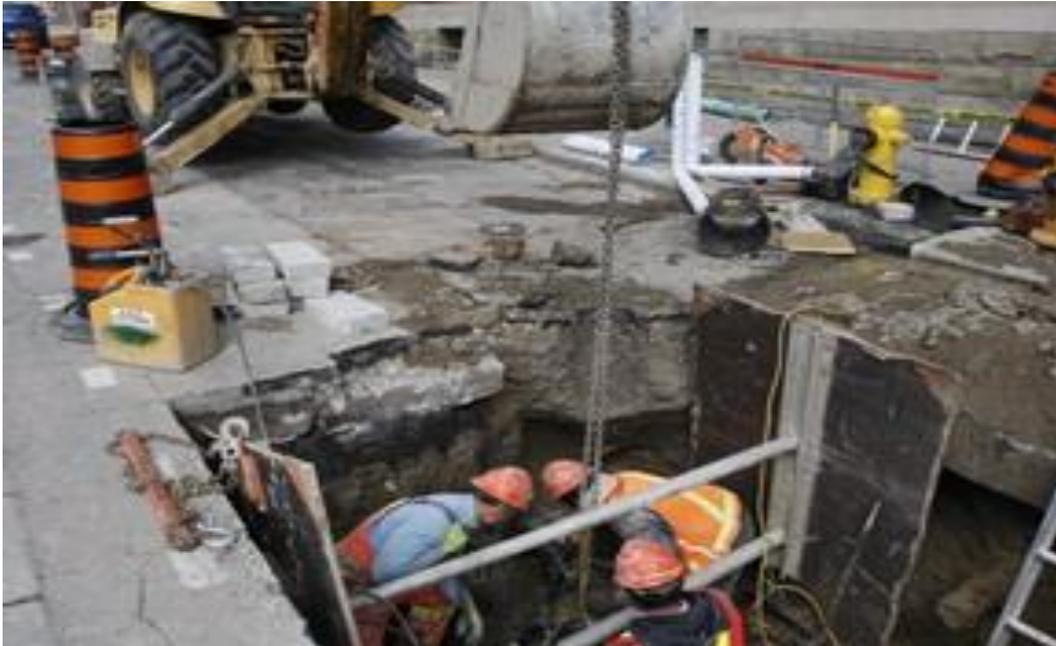


## **BRAUN: Construction jobs at risk without further government aid**

Author of the article:Liz Braun

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Crews work on a watermain on Parliament St. Photo by Toronto Sun files /Toronto Sun

Construction jobs in Ontario will vanish and infrastructure across the province will suffer unless a second round of government aid is forthcoming.

That's the word from the **Residential and Civil Construction Alliance of Ontario (RCCAO)** a labour-management alliance that is calling for immediate government action to stave off massive job loss in the province.

Without a new Safe Restart Agreement for 2021, Ontario's overall economic recovery may be in doubt.

In a letter to Finance Minister Peter Bethlenfalvy, the organization states:

“Municipalities are still facing significant deficits in 2021 and thus, RCCAO is urging the Province of Ontario, in partnership with the Government of Canada, to provide municipalities with financial assistance through a Safe Restart Agreement 2.0.

“RCCAO will continue to advocate in concert with the provincial government for additional federal funding to support Ontario's municipalities and infrastructure.”

Once again, municipalities are facing shortfalls because of COVID-19, using capital funds to cover deficits. (Toronto, for example, will have to use \$800 million to cover its 2021 deficit, without a new deal.)

What happens then is that municipalities, to keep their books balanced, will cancel various maintenance projects designed to keep things in a state of good repair. Down the road, that will leave infrastructure in bad state and have a huge impact on the construction industry.

Permits are declining; tenders for infrastructure projects have been on the decline since last summer, and if the trend continues, 41,000 construction jobs in Ontario will be affected.

“Investing in state-of-good-repair projects will help Ontario recover from the effects of COVID-19 as it will create jobs and spur economic growth,” said RCCAO interim executive director Nadia Todorova.

“We know that every dollar spent on infrastructure will have a positive multiplier spinoff effect on the economy. We are encouraging the Province of Ontario and the Government of Canada to once again work in partnership and provide financial assurances to municipalities.”

The RCCAO, a leading industry advocate for infrastructure investment, commissioned a report from [Prism Economics and Analysis](#) to examine the immediate threat to Ontario’s economic recovery.

The report offers grim statistics on the growing financial pressure on the MUSH sector — municipalities, universities and colleges, school boards and hospitals — which is dealing with the effects of COVID 19 on their operating budgets by cancelling or putting off what needs to be done to maintain infrastructure.

Besides the potential for a prolonged recession and crumbling infrastructure, there is also the possibility of massive job loss: 117,000 jobs are at risk.

This includes construction jobs themselves and the supply chain jobs and other employment — in transportation, building materials, engineering, architecture and more — lost by domino effect.

A trend in building permits shows a 35% decline, suggesting that at the current rate, Ontario will lose at least 41,000 jobs.

Among the report’s recommendations are that the federal and provincial governments should work with the MUSH sector, “to bring forward capital spending programs so that spending on this work can restart our recovery.”

Above all, as the research indicates, this is a foreseeable crisis that can be averted if all levels of government work together.