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STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

FIFTH INTERIM REPORT: ECONOMIC IMPACT OF COVID-19 ON INFRASTRUCTURE

1st Session, 42nd Parliament
69 Elizabeth II

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The Honourable Ted Arnott, MPP
Speaker of the Legislative Assembly

Sir,

Your Standing Committee on Finance and Economic Affairs has the honour to present its Report and commends it to the House.

A handwritten signature in blue ink that reads "A Sandhu".

Amarjot Sandhu, MPP
Chair of the Committee

Queen's Park
September 2020

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INTRODUCTION

The Standing Committee on Finance and Economic Affairs is pleased to present its Fifth Interim Report on the *Economic and Fiscal Update Act, 2020* and the impact of the COVID-19 crisis on the Ontario economy.

The report sets out the Committee's findings and recommendations following a review of how the COVID-19 crisis has affected Ontario's infrastructure sector. It reflects the testimony received during public hearings held on July 30 and August 4, and written submissions delivered to the Committee Clerk as of 6:00 p.m. on August 11, 2020.¹

In keeping with Committee practice, the Minister of Infrastructure appeared as its first witness on July 30. Presentations followed from more than 40 stakeholders, including rural municipalities, builder and contractor associations, companies in the infrastructure sector, policy-focused organizations, professional engineers, green infrastructure and cycling groups, community development networks, library associations, an Indigenous technical institute, grape growers and snowmobile clubs, and concerned individuals.

As in other areas of the economy, the shutdown necessitated by the COVID-19 pandemic has exacted a toll on the province's infrastructure sector. The economic situation has also forced Ontario to reassess its infrastructure priorities, as highlighted by the Minister in her testimony to the Committee. One of the decisions that has already been made, she said, is to accelerate key public infrastructure projects. The Minister also made clear that extending broadband internet service to all parts of the province is a top priority.

Stakeholder testimony addressed a variety of topics. In addition to recommendations for bringing stability to the infrastructure sector and streamlining the project approval process, many presentations underscored that the pandemic crisis represents an opportunity to consider new ways of doing things, such as ensuring greater community participation in infrastructure development and developing new forms of green and active mobility infrastructure.

As always, the Committee is grateful to those who took the time to share their observations and proposals.

This report is an overview of the main issues raised during the Committee's public hearings. For details of witness submissions, and their responses to questions from Committee Members, readers are referred to the official record of proceedings as reported in *Hansard*, and to the written submissions themselves.

¹ For the purposes of this report, the Committee had access to Draft *Hansard*; accordingly, some quotations of witness statements may not be exact.

Committee recommendations and a list of witnesses appear at the end of the report.

COMMITTEE MANDATE

Motions adopted unanimously in the House on March 25 and May 12, 2020, established a two-part mandate for the Committee.

On March 25, 2020, when the House passed Bill 188, the *Economic and Fiscal Update Act, 2020*, it also adopted a motion providing that party leaders and independent Members may file letters with the Speaker, setting out their recommendations for economic and fiscal measures that should be included in the Bill. The motion further provided that when committees of the Legislature resume, the Standing Committee on Finance and Economic Affairs would be authorized to consider the Act, together with any letters filed by leaders and independent Members, and that the Minister of Finance would be the Committee's first witness when it commenced its review.

The motion passed on May 12, 2020, authorized the Committee to begin consideration of the matters that had been referred to it on March 25. In addition, it empowered the Committee to study the impact of the COVID-19 crisis on specific sectors of the provincial economy, including "measures which will contribute to their recovery." The sectors identified in the motion are:

- tourism;
- culture and heritage;
- municipalities, construction and building;
- infrastructure;
- small and medium enterprises; and
- other economic sectors selected by the Committee.

The Committee is specifically authorized to release interim reports, as it sees fit. Interim reports are to be presented to the House, and a copy of each report is to be provided to the Chair of Cabinet's Ontario Jobs and Economic Recovery Committee. Interim reports will not be placed on the Orders and Notices paper for further consideration by the House, and the Government will not be required to table a comprehensive response to them.

A final report will be tabled in the House, and a copy delivered to the Chair of the above-noted Cabinet committee, by October 8, 2020.

The Committee's mandate is reproduced in full in Appendix A to this report.

MINISTRY UPDATE

Minister's Statement

Ontario's Minister of Infrastructure, the Honourable Laurie Scott, presented to the Committee on July 30, 2020.

According to the Minister, municipalities and other stakeholders in the infrastructure sector were "among the hardest hit" by the economic shutdown necessitated by the COVID-19 pandemic. In these circumstances, the main challenge facing the Ministry is to identify infrastructure priorities, based on an assessment of which projects address immediate needs arising from the pandemic and which support longer-term economic recovery.

In this regard, the Ministry has assured municipalities and other infrastructure partners that the Province remains committed to key infrastructure programs. These include the Investing in Canada Infrastructure Program (ICIP), a federal/provincial cost-sharing program that supports municipal infrastructure projects in four priority areas, and the Ontario Community Infrastructure Fund (OCIF), which provides infrastructure funding to small, rural, and northern communities.

In addition, the Ministry announced in June 2020 that it will proceed with 37 major public-private partnership (P3) projects in the "P3 project pipeline" (projects in the pre-procurement and procurement stages), an investment totaling \$60 billion. As well, the Ministry is "transforming" how it procures infrastructure, so that future projects can be built "faster and better."

The Minister then turned to what she considers one of the most pressing infrastructure issues facing the province:

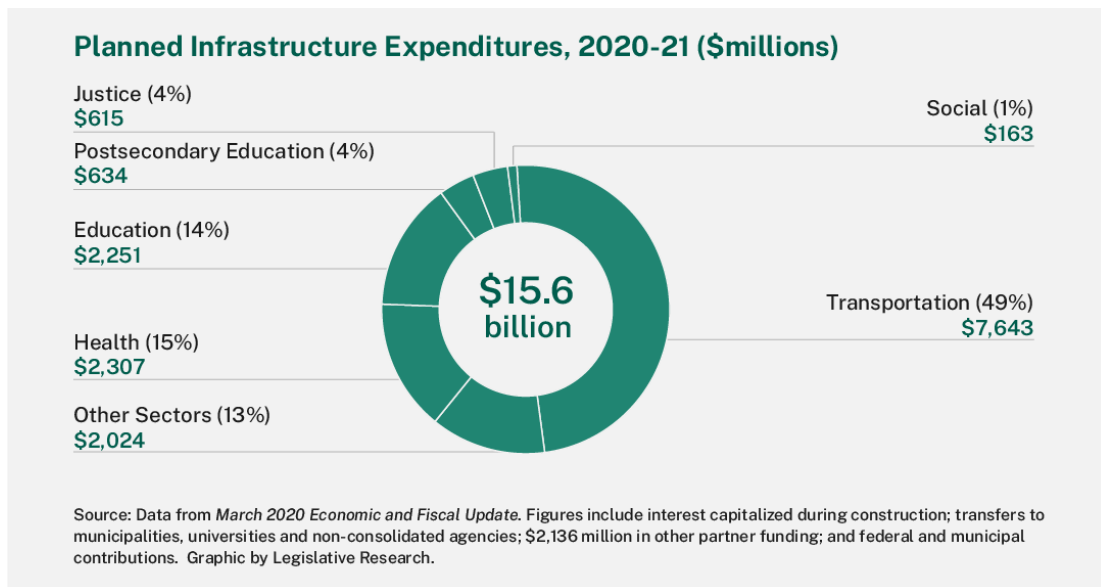
Throughout the pandemic, we have all witnessed a striking juxtaposition, and that is how the need for physical distancing has highlighted the need for a digital connection The most glaring gap in connecting Ontario, which COVID-19 has magnified, is the province's digital divide. Too many people in our province lack reliable internet or cellular access, or don't have any connectivity at all.

Ministry estimates show that up to 12% of Ontarians (1.4 million people) living mostly in rural, remote, or northern areas lack high-speed internet service (broadband). "Now, more than ever," the Minister said, reliable broadband is an essential service for businesses situated outside of urban Ontario, for people working from home, for students doing homework assignments or taking a university course online, to pay bills and receive medical tests, and for connecting with family and friends.

Although telecommunications is a federal responsibility, the Minister stressed that the Province and municipalities have a role to play in accelerating the development of broadband service in Ontario. For example, in 2019 the Province introduced *Up to Speed: Ontario's Broadband and Cellular Action Program*. One pillar of this \$315 million program is to fund broadband infrastructure in three under-served parts of the province:

- *Northern Ontario* — a joint federal/provincial investment of \$69 million to support First Nations in the Ring of Fire.
- *Southwestern Ontario* — a provincial investment, together with infrastructure partners, of up to \$190 million in the Southwestern Integrated Fibre Technology (SWIFT) project that will bring broadband service to 50,000 homes.
- *Eastern Ontario* — a provincial investment, in partnership with the Eastern Ontario Regional Network (EORN), of up to \$213 million to improve internet access in eastern Ontario.

The Minister also highlighted the *Improving Connectivity for Ontario* program (ICON), a \$150 million provincial program announced in June 2020 that, together with partner contributions, has the potential to fund up to \$500 million in broadband projects in under-served areas.



Following her opening statement, the Minister responded to questions on a range of issues from the Committee:

- *Unspent Funds* — According to the Financial Accountability Office's report on government spending in 2019-2020 (released in July 2020), the Ministry did not spend all of the money that had been budgeted for broadband and health care infrastructure projects. Asked for an explanation, the Minister noted that actual spending depends on many factors, including partner funding from municipalities

and telecommunications providers. In addition, the pandemic has added complexity to the construction process; for example, physical distancing requirements at construction sites have reduced productivity. The Minister also emphasized that these are multi-year projects, and that due to delays resulting from various factors, the money budgeted for them is being “re-profiled” into future years. The Province’s commitment to these projects, however, has not changed.

- *Priorities* — Infrastructure Ontario has indicated that it will be reassessing whether to proceed with projects currently underway. In light of potential delays, the Minister was asked why the Province is not investing today in what some would say are more immediate needs, such as child care, education, and long-term care staffing. The Minister responded by noting that as part of Ontario’s *Accelerated Build Pilot Program*, up to 640 new long-term care beds will be built in Mississauga by 2021, and that in Durham a new long-term care home will be built within months, not years.
- *Closing the Digital Divide* — The Committee also asked the Minister to elaborate on what she means when she says, “funding is not enough to close the digital divide.” The Minister reiterated that the federal government, and specifically the Canadian Radio-television and Telecommunications Commission (CRTC), sets national standards for internet and cellular services. This, she stated, “is the reason why we are calling on the federal government to do its part and properly fund broadband.”
- *Municipalities* — Testimony received during the Committee’s recent review of the municipal sector revealed that many municipalities are in “dire” financial straits due to the pandemic. The Committee asked the Minister whether the Province would be willing to cover the municipal share of infrastructure funding, so that local projects can move forward. In response, the Minister assured the Committee that the government is well aware of the situation, and noted that Infrastructure Ontario is working with municipalities and the federal government to ensure that projects go ahead, including those approved under the *Investing in Canada Infrastructure Program*. The Minister also noted that municipalities stand to receive significant funding under the federal government’s *Safe Restart Program*, announced at the end of July 2020.
- *Indigenous Communities* — According to one Committee Member, some Indigenous communities in northwestern Ontario do not have access to clean drinking water and remain under long-standing “boil-water” advisories. Asked how the government intends to address this issue, the Minister noted that a number of First Nations water improvement projects have been approved under the Green Stream component of the federal/provincial *Investing in Canada Infrastructure Program*.

Infrastructure Ontario

Infrastructure Ontario (IO) is a Crown agency of the Ministry of Infrastructure. Its role is to oversee procurement for major public infrastructure projects, manage the government's real estate portfolio, provide long-term loans to support the renewal of public infrastructure, and advise and negotiate on behalf of the government regarding commercial transactions such as major land developments.

IO's presentation to the Committee outlined how the agency has been supporting the Province's response to the COVID-19 crisis.

On the real estate management front, IO's first priority was to support ministries by arranging for enhanced cleaning services in government offices, and to make the adjustments necessary to allow ministry staff to work from home. IO also took steps to guarantee the safe delivery of frontline services to the public, including the installment of plexiglass shields at ServiceOntario locations.

As the pandemic unfolded, IO's procurement branch worked with hospitals to ensure they had the capacity to handle an anticipated surge in admissions. A 93-bed pandemic response unit was fast-tracked at Barrie's Royal Victoria Hospital, for example.

IO's major infrastructure projects—deemed essential work under provincial emergency management orders—have continued without interruption. Following an initial shutdown, work at hundreds of smaller projects has resumed. Planning and procurement for future projects have “continued unabated”; however, at the same time, IO had to reassess how best to proceed with some projects that are underway. As a result, IO has adopted a three-pronged approach for implementing the Province's infrastructure program:

- As a top priority, IO is looking at how to maintain and possibly accelerate critical health care projects in the agency's “pipeline.” Several hospital projects, including new hospitals and major upgrades, are about to open or are near completion. IO is also working with the Ministry of Long-Term Care and individual hospitals on “rapid construction” of additional long-term care beds. A recent development is the use of “modular construction,” which will allow for the addition of increased capacity within months, as opposed to years.
- The second prong of IO's plan is to “maintain the momentum” for critical transit projects. Projects in progress include procurement for the Ontario Line, requests for proposals to construct tunnels for the Eglinton Crosstown West and Scarborough subway lines, and several projects under the Metrolinx expansion program.
- IO's third priority is to enhance the Province's real estate portfolio. Notable projects include the ongoing renovation of the Macdonald Block and Whitney Block, two large government buildings at Queen's Park.

According to IO, one of the main reasons it has been able to move forward with major infrastructure projects is the P3 procurement process. Key to the P3 process is that the terms of P3 contracts allow IO, project owners, and construction companies to resolve problems as they arise:

Rather than seeing work stall amidst contract disputes and unforeseen costs, our contracts ensure all parties share the same motivation to complete our projects as quickly and as safely as possible. Using our fixed-price contracts, our contractors don't get paid until the work is completed, and it's a very strong tool in ensuring that all of us are working towards the same end goal, even in the midst of unforeseen circumstances such as a pandemic.

IO also said that its Spring Market Update (June 2020), which reported a total of 37 P3 projects in the agency's pipeline valued at over \$60 billion, should send "an important and reassuring signal to the industry as a whole regarding Ontario's historic commitment to modernizing public infrastructure."

IO concluded by noting that it is supporting the "controlled reopening" of several government workplaces, including courthouses and other justice facilities. These workplaces will feature enhanced cleaning, hand sanitizer stations, plexiglass shields, and physical distancing markers and posters. Over time, all government workplaces will be similarly equipped.

Reported Impact of Infrastructure Investment



\$1 spent in public infrastructure creates a return on investment of **\$2 to \$4**



\$1 billion in infrastructure spending supports **60,700** new jobs over one year and increases GDP by **\$1.14 billion**



\$1 million in cycling projects supports up to **11.4** jobs over one year

Source: Data presented to Standing Committee on Finance and Economic Affairs by various witnesses.
Graphic by Legislative Research.

SECTOR STABILIZATION

Construction work and related services were deemed “essential businesses” early in the pandemic. Nonetheless, stakeholders report that pandemic-related delays and rising costs have had a significant impact on projects of all sizes, public and private.

Sector surveys show that productivity at a typical construction site dropped 40% to 70% immediately following the onset of the pandemic, due largely to worker absences and new on-site safety measures. Delays and shortages continue to drive up the cost of construction materials, while major project delays and cancellations, particularly in the private sector, have dramatically slowed the amount of work flowing to planning, design, and engineering firms. Ontario’s engineering society reports the loss of “thousands of engineering jobs” directly linked to the infrastructure and other sectors.

As expressed by Canada’s largest construction materials supplier—whose billion-dollar cement plants are now losing millions of dollars—“everybody’s experiencing the same thing here . . . the uncertainty of what this [the pandemic] would mean.”

Major stakeholders were agreed that the most important thing the government can do in the short-term to address this uncertainty—and support an economic recovery—is continue to invest in public infrastructure at pre-pandemic levels.

At the same time, stakeholders asked the Committee to consider other measures that would establish longer-term stability. A few of these are noted below.

Provincial Procurement Policy

According to the Future of Infrastructure Group, a policy-focused organization consisting of leading infrastructure companies, the Province must act quickly to establish a clear policy on how it will treat pandemic-related delays and costs under government procurement documents.

As described to the Committee, government contracts used to deliver, operate, and maintain infrastructure projects typically do not address large-scale events such as pandemics, at least not explicitly. As a result, project owners can deny responsibility for these risks, and the burden of absorbing delay-related costs falls on contractors.

The concern within the private sector is that disputes will inevitably end up in the legal system, where cases will be resolved on a project-by-project—that is, contract-by-contract—basis. According to the Future of Infrastructure Group, this is an “unworkable solution” that will penalize both individual companies and the sector as a whole. In the group’s view, failure to address this issue at a level above the language of individual contracts “is a major concern hanging over the industry,” one that threatens to “hold back growth and recovery if not addressed quickly and decisively.”

Sector representatives strongly recommend the adoption of a clear and consistent policy for how the Province will deal with delays and costs under government procurement contracts. A provincial policy, they say, “would provide immediate certainty to the sector and help stabilize companies that are struggling with cash flow issues.”

One model submitted for the Committee’s consideration is the Canadian Construction Association’s proposed *COVID-19 Construction Cost Reimbursement Program*, which would reimburse eligible costs up to 5% of a contract’s value. The Committee was also referred to programs in British Columbia, Quebec, Newfoundland and Labrador, the United Kingdom, and New Zealand.

***Force Majeure* Clauses**

Force majeure clauses excuse one party from its obligation to meet contractual requirements on schedule (or at all) where there has been a natural and unavoidable event. To address any confusion arising out of pandemic-related delays and costs in the broader infrastructure sector, the Construction and Design Alliance of Ontario is recommending that the government invoke its emergency management powers to retroactively insert *force majeure* clauses in all construction and professional services contracts. A legislated clause should expressly identify “pandemics” and “quarantine restrictions” as triggering events.²

Insurance Costs

According to the Ontario Society of Professional Engineers (OSPE), “the liability insurance issue is the sleeper issue no one is talking about and will have the biggest impact on economic recovery in this sector.”

OSPE maintains that the insurance industry generally regards Ontario as a high-risk jurisdiction. With the onset of the pandemic, this view of the province has translated into rising insurance costs, not only for professional services such as engineering, but also for general business liability and property insurance coverage.

More alarmingly, OSPE reports that some Ontario insurers are refusing to sell liability coverage to some engineers and engineering firms. One consequence of this industry practice is that less infrastructure will be designed and built, “stunting economic growth.”

OSPE recommends that the Province exercise its regulatory power over the insurance industry to control insurance costs for infrastructure-related businesses and services.

² As proposed by the Alliance, a legislated *force majeure* clause would be inserted into contracts entered into prior to April 30, 2020, “before the full nature and extent of the COVID-19 emergency . . . became apparent.”

Witness Recommendations

- *Provincial pandemic-delay policy* — adopt a provincial policy for treating pandemic-related delays and costs under public infrastructure contracts.
- *Force majeure clauses* — invoke provincial emergency management powers to retroactively insert *force majeure* clauses into all construction and professional services contracts.
- *Insurance costs* — exercise provincial regulatory power to control insurance costs in the infrastructure sector.

INTERNET ACCESS

Social distancing measures to stop the spread of COVID-19 have required many Ontarians to move their work, school, and social activities online. According to a survey from the Canadian Internet Registration Authority, the number of Canadians working from home has grown seven-fold as a result of the pandemic.³

Lack of reliable access to the internet is particularly prominent in rural Ontario, where limited connectivity was already a challenge prior to the pandemic. The outbreak has only magnified the importance of this issue, as noted by the Municipality of West Grey:

This pandemic has certainly placed a spotlight on just how essential internet is for economic continuity, for the social development and education of our youth and for the mental health of our homebound and isolated residents, including our seniors. Broadband is vital to connecting rural Ontario and creating a healthy, vibrant province.

All of the rural municipalities appearing before Committee flagged broadband access as an urgent issue, and stressed that current circumstances represent an opportunity to address it: “connecting more people will both help to create . . . jobs and stimulate the economy over the long term.”⁴

A major telecom company endorsed this view, emphasizing that the government has a role to play:

It will be important that Ontario maintain focus on ensuring that as many consumers and businesses as possible have access to the types of robust services that allow them to participate in the wider

³ Canadian Internet Research Authority, “COVID-19 has changed everything,” April 14, 2020.

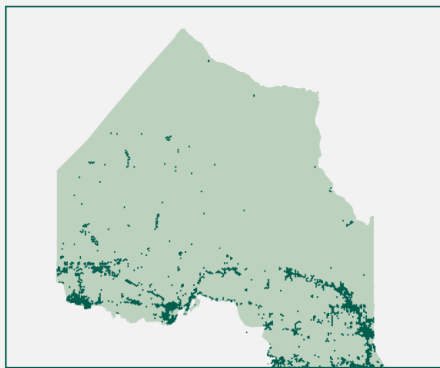
⁴ See the submissions from the County of Renfrew (Pembroke), Kenora District Services Board, Municipality of Chatham-Kent, Municipality of West Grey, Muskoka Lakes Chamber of Commerce, and Rural Ontario Municipal Association.

economy. While private sector facility-based network builders . . . will continue to connect the vast majority of Ontarians, there is a role for government in funding connectivity to the hardest to reach areas and areas of very low density.

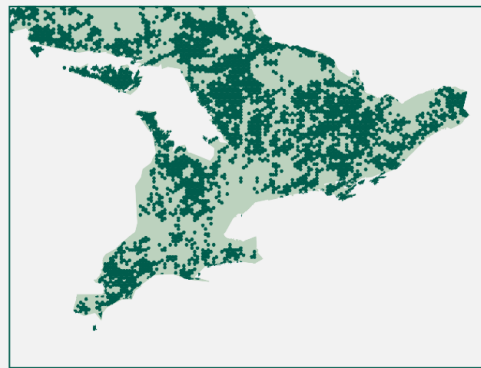
While many witnesses support current initiatives such as the Province's ICON and EORN programs, they agree with the Ministry that more needs to be done to improve connectivity. In particular, they called for investments to develop broadband access in the province's under-served areas.

Inhabited Areas without Fixed Broadband Access (50/10 mbps)

Northern Ontario



Southern Ontario



Source: Data from *Broadband Fund: Maps of Areas to Enhance Broadband Access*, 2018. Canadian Radio-television and Telecommunications Commission. Graphic by Legislative Research.

Xplornet, self-described as Canada's largest rural-focused internet service provider (ISP), made the case that "targeted public investment can complement private investment, helping networks build out further and faster." The municipality of Chatham-Kent highlighted this point, noting that a local ISP is currently looking to make investments in the municipality's rural areas, but requires the backing of subsidies to make the business case to do so. Chatham-Kent estimates that it needs over \$100 million of public and private investments to develop broadband internet in its community.

Other access issues discussed with the Committee included the "urban adjacency" problem, where areas that are short distances from urban centres are not always recognized as areas lacking connectivity. Others called for a streamlining of the application and funding processes around the development of internet services. A commonly expressed view is that we need to view access to high-speed internet as an "essential service."

According to a major rural ISP and mobile network operator, the Province could foster the extension of broadband service to rural Ontario with a few regulatory changes. One of the reforms mentioned more than once during the hearings is that the Province should ensure ISPs have better access to the infrastructure necessary

to develop broadband service in rural areas. The main complaint is that existing municipal access policies and fees (some of which are alleged to be inconsistent with federal standards and timelines) are said to be making it difficult for ISPs to access infrastructure such as utility poles. ISPs would like the Province to exercise its regulatory power over utilities (and municipalities) to eliminate this barrier to development.

Stakeholders also reminded the Committee that access to the internet is not only a geographical issue. As noted by the Jane/Finch Centre, there is a connectivity gap for vulnerable populations, seniors, and newcomers. Provincial library associations requested investment in the digital infrastructure of libraries to provide better access to online collections, especially for marginalized groups. Small businesses, it was noted, are frequent users of library digital infrastructure. User statistics show that 20% of those who access online services do so for business purposes, while 62% say they use the library to find jobs.

The Grape Growers Association of Ontario also made the link between internet access and the economy, noting that businesses increasingly need to be able to offer online sales, and that digital infrastructure would facilitate precision and automation in the agricultural sector.

Witness Recommendations

- *Internet for all Ontarians* — invest in internet infrastructure in areas lacking high-speed connectivity.
- *Connecting libraries* — invest in developing the digital infrastructure of libraries.
- *Fast-track approvals* — streamline the approvals process for developing internet infrastructure.
- *Service provider access to infrastructure* — provide internet service providers with better access to existing infrastructure such as utility poles.
- *Essential service* — declare access to the internet an essential service.

RED TAPE

Many witnesses requested that the Government eliminate what were described as overly bureaucratic approval processes and unnecessarily strict regulatory standards—in other words, red tape. Stakeholders from across the infrastructure sector said that cutting red tape is one of the keys to an economic recovery.

Within the home building industry, environmental assessments (EAs), and in particular, Municipal Infrastructure Class EAs, are viewed as an ongoing obstacle to meeting the province's growing housing needs. Although industry groups expressed general support for recent legislative changes intended to modernize the EA process

and expedite building approvals, they remain skeptical about the long-term effect of these changes.⁵

Specifically, the industry's experience with similar reforms in the past is that approval times have a way of increasing over time, due in part to procedures such as the "bump-up" request provisions of the *Environmental Assessment Act*, which allow "a person" to request that a building application go through a full EA. The industry would like assurance from the Province that the effects of recent reforms are not eroded over time.

Stakeholders also indicated support for Bill 171 (the *Building Transit Faster Act, 2020*), which they say will allow transformative projects such as the Ontario Line to proceed more efficiently. In particular, the Bill provides for the relocation of utilities in advance of the EA process. At the same time, however, construction companies continue to have concerns about the Province's "one call" legislation, which requires the marking of underground infrastructure potentially affected by an excavation or dig.⁶ Obtaining the required markings for hundreds of projects is reportedly taking weeks, rather than the legislated five days. The home building industry is calling for stricter adherence to legislated timelines.

Ontario's waste management industry also identified red tape as an impediment to economic growth. The Ontario Waste Management Association expressed the industry's position:

Believe me, our members appreciate hearing that Ontario is open for business, but everywhere we turn we face unfair and outdated regulatory barriers to investing in new waste diversion, recycling and disposal infrastructure. If the government wants the private sector to improve recycling, food waste composting and safe disposal, then they have to knock down the regulatory barriers that are costing us time and money.

Municipalities said that less red tape around the development and approval of municipal infrastructure projects would allow local government to make a greater contribution to economic recovery. A specific request is that provincial infrastructure funding be distributed in accordance with the "allocation-based model" (i.e., block funding), as opposed to an "application-based" model.

As explained to the Committee by the City of Kitchener, municipalities for years have been saying that the unpredictable nature of application-based funding makes long-term infrastructure planning difficult. Moreover, completing funding applications is a labour-intensive process that requires extensive preparation on the part of the applicant, and time on the part of the provincial entity distributing the funds to assess

⁵ Witnesses cited in particular Bill 197, the *COVID-19 Economic Recovery Act, 2020* and Bill 108, the *More Homes, More Choice Act, 2019*).

⁶ Ontario's one-call legislation is the *Ontario Underground Infrastructure Notification System Act, 2012*.

them. By contrast, the allocation-based model allows municipalities to set budgets for projects and allocate funds in a more predictable way.

Infrastructure Canada's Gas Tax Fund and the Investing in Canada Infrastructure Program (public transit stream) were cited as proven allocation-based funding models.

Witness Recommendations

- *Environmental assessments* — ensure that recent reforms to streamline the environmental assessment process are not eroded over time.
- *Underground infrastructure notification* — ensure stricter adherence to legislated timelines for marking underground infrastructure at excavation and dig sites.
- *Waste management* — eliminate regulatory barriers to investing in new waste diversion, recycling, and disposal infrastructure.
- *Funding distribution* — distribute provincial infrastructure funding to municipalities in accordance with the “allocation-based model.”

RURAL MUNICIPALITIES

Several presentations addressed the needs of rural municipalities.

Rural municipalities indicated general support for efforts to bring broadband to their communities, and believe this service will play an important role in the post-pandemic economy outside of urban Ontario; however, in the face of falling revenues and rising costs, the immediate concern is whether municipalities will be able to maintain basic infrastructure such as roads and bridges.

Municipal officials detailed some of the many challenges facing individual communities. In the Municipality of Chatham-Kent, financial assistance is needed to deal with erosion and flooding along the Lake Erie shoreline. Additional funding will also be necessary to make the Municipal Civic Centre more accessible and energy-efficient, and to refurbish the Municipal Public Works garage.

As with other rural municipalities, the Municipality of West Grey is struggling to maintain basic infrastructure, including more than 100 bridges and 700 kilometers of roads. West Grey's representatives noted that the municipality has long been advocating for the establishment of a “maintenance grant program” to address the problem of how smaller municipalities with limited resources can maintain municipal infrastructure. As argued before the Committee:

We know that taking care of our assets is more affordable and responsible than replacing essential infrastructure. Imagine how much more we could leverage if municipalities were encouraged to participate in proactive grant program[s] specific to extending the lifespan of infrastructure.

Early on in the pandemic, the County of Renfrew created an economic task force, consisting of area business owners. The task force identified infrastructure investment as a key priority for the community. It also requested that the county establish debt-free assistance and regional promotion programs to assist local businesses. The county said that it, along with the City of Pembroke, has been able to distribute \$250,000 for business assistance programs; however, they require outside financial support to pay for infrastructure.

Renfrew officials also noted that they have created the Renfrew Country Virtual Triage and Assessment Centre to deal with the challenges of COVID-19 in a rural community. The purpose of the Centre is to prevent an overflow of patients with COVID-19 symptoms at hospitals in a region where only one in five people have a primary-care physician. The Centre does this through a system of virtual appointments, in-home testing by paramedics, and referral to other services. The county reports a significant drop in emergency room visits since the launch of the initiative, and recommends the model for other rural communities. Such a system requires that the Province allow for virtual billing codes for doctors and nurses, however.

Other witnesses said that a provincial rural investment strategy should include investments in the mining sector. The Ontario Society of Professional Engineers identified the proposed chromite mining operation in the Ring of Fire area as “an immense and untapped economic opportunity.” Proponents of this development acknowledge that “there continue to be barriers to putting shovels in the ground,” but say it is nonetheless important that the government fast-track this project. Indigenous communities, the mining and construction sectors, and the entire province, it was stated, would benefit from the project.

In summing up, the Rural Ontario Municipal Association impressed on the Committee the importance of investing in rural municipalities:

[Investing in infrastructure] increases productivity and job creation, raising the GDP, incomes, and tax revenues over the long term. We saw that after 2008, where the investment in public infrastructure played a key role in the recovery. The investment in infrastructure in rural communities can ensure the recovery is broad-based and benefits local economies in every part of Ontario.

Witness Recommendations

- *Rural municipalities* — invest in rural municipal infrastructure projects.
- *Maintenance grant program* — establish a maintenance grant program for rural municipalities.
- *Ring of Fire* — invest in the Ring of Fire mining project.

COMMUNITY DEVELOPMENT

Community Benefits Agreements

A clear trend in the infrastructure sector is that communities are becoming more involved in the planning and implementation of projects intended for their benefit. Several witnesses urged the Committee to consider measures that would entrench community participation in project development.

According to a number of presentations, Community Benefits Agreements (CBAs) are a “proven way” of achieving a range of community priorities. A CBA is a legally binding document that

- addresses the issues relating to a specific project (as opposed to a provincial or company policy);
- sets out a process for collaboration between the project owner and the community for achieving a range of broad policy objectives, such as equity, poverty reduction, environmental protection, and local economic development;
- details the specific benefits that a community will receive from the project, such as equitable hiring practices, funding for training, neighbourhood improvements, and support for social enterprises; and
- includes monitoring and enforcement mechanisms.⁷

The Toronto Community Benefits Network (TCBN), a leading proponent of CBAs, summarized potential benefits of these arrangements:

[Community Benefit Agreements can address] the challenges of access to good jobs, local economic development and neighbourhood revitalization, particularly as they impact on historically disadvantaged communities and equity-seeking groups.

⁷ Toronto Community Benefits Network webpage, “What Is [a] Community Benefits Agreement, Or CBA?”

TCBN and other community groups recommend that the government embed a CBA requirement in the procurement process for every transit project. Witnesses mentioned the CBA negotiated for the Eglinton Crosstown LRT as a model for future projects. CBA “pilots” at a number of other current projects (Finch West LRT, West Park Healthcare Centre, Macdonald Block reconstruction) may also provide “best practices” for future agreements.

The Jane-Finch Community Centre

Recent confusion surrounding a community centre in northwest Toronto might lend support to those advocating for a provincial framework that embeds community involvement in the development of public infrastructure projects.

As described to the Committee, the residents of Toronto’s Jane-Finch neighbourhood maintain that Metrolinx, the provincial transit agency responsible for the Finch West LRT project, made a commitment some years ago that it would donate a strip of land related to the LRT project for the purpose of building a community centre (known as the Jane-Finch Community and Family Centre). Residents also understood that Metrolinx would make the land available once the Finch West LRT project is completed.

Confusion arose in July 2020, however, when Metrolinx reportedly took the position that it did not regard the discussions held with residents as having established a formal agreement, and that it was bound by law to sell the land at market value.

Community groups emphasized to the Committee that residents have “invested a considerable amount of time and energy” in the community centre proposal. For example, 1,500 area residents submitted a feasibility study to Metrolinx for its consideration in 2019. More generally, the community has made it clear from the beginning that it would like local concerns taken into account in the design and development of the project.

Witnesses urged the Committee to recommend that the provincial government ensure that the community centre is built. Some argued that the neighbourhood should “not [be] expected to pay or compete for the cost of the land.” Others asked the government to “partner” with the community.

The Committee notes that, shortly before the start of its hearings, the Minister of Transportation and the Premier co-signed a letter to Metrolinx, emphasizing the importance of the community centre and the Province’s desire that the land be used for that purpose.

Witness Recommendations

- *Community Benefits Agreements* — embed Community Benefits Agreements in infrastructure projects such as public transit projects.
- *Jane-Finch Community Centre* — ensure that the Jane-Finch Community and Family Centre is built.

GREEN INFRASTRUCTURE AND ACTIVE TRANSPORTATION

Testimony before the Committee revealed that the COVID-19 crisis has reinvigorated those who have long advocated for a shift toward a greener economy. Two branches of this movement are “green infrastructure” and “active transportation.”

Green Infrastructure

“Green infrastructure” refers to natural vegetative systems (wetlands, forests), enhanced assets (rain gardens; bioswales, or landscaped depressions that capture and treat storm-water runoff; and urban parks), and engineered assets (permeable pavement, cisterns) that “collectively provide society with a multitude of economic, environmental, health and societal benefits.” Stakeholders in this area include landscape and horticultural businesses, storm-water management services, parks, and conservation authorities. A recent study found that the sector employs 122,000 Ontarians and contributes over \$8 billion to the provincial economy.

According to presenters, the landscape and horticulture sector was able to recoup some losses after the Province lifted restrictions on nurseries and gardening centres; however, other sub-sectors are struggling due in part to the cancellation of large-scale planting events.

Despite recent setbacks, green infrastructure advocates say this sector is poised to play a prominent role in the Province’s economic recovery efforts. One area cited for immediate development is shovel-ready flood mitigation and storm-water management projects. These labour-intensive projects take the pressure off municipal storm-water systems by reducing the wear and tear on traditional infrastructure.

Our Green Conservancy highlighted the Indianapolis Cultural Trail as another example of a shovel-ready infrastructure project that could have significant benefits. Bioswales running along the 20-kilometer trail capture 95% of local rain water, with the result that only 5% of the water ends up in the municipal storm-water sewer system. The bioswales also create a barrier that encourages foot traffic and cycling.

Active Transportation

A number of witnesses presented cycling and other emerging modes of active transportation as areas governments should promote as part of an economic recovery/green economy strategy.

Cycle Toronto made the case that active transportation and public transit are complementary, noting that, “supporting active transportation doesn’t need to be a partisan issue.” The group recommended that the Province adopt a policy that active transportation infrastructure accompany all public transit assets.

As noted by Share the Road Cycling Coalition, the pandemic has not only encouraged more traditional cycling, it has stimulated demand for e-mobility and micro-mobility devices, including e-bikes, e-scooters, e-cargo cycles, and bike-share programs. Our Green Conservancy said that it intends to launch a Toronto pilot involving the use of e-cargo cycles, a type of heavy-duty electric bicycle capable of carrying loads of hundreds of kilograms.

Significant barriers to the development of both traditional and new forms of transportation, however, remain. For example, inconsistent municipal bylaws make e-bike movement and deliveries across municipal boundaries uncertain, while recreational bike lanes typically do not accommodate larger e-cargo vehicles used for business purposes.

The Guelph Coalition for Active Transportation (GCAT), a non-profit volunteer organization committed to increasing the quantity, quality, and safety of active transportation, presented two examples of successful “active transportation” assets in the Guelph area.

In June 2020 Guelph city council passed a motion allowing for the closure of the city’s downtown to traffic, opening the door for what is known as the “Downtown Dining Project.” Implemented with the advice of local business owners, the project allows retail businesses and restaurants to expand onto the sidewalks and streets, creating a “people-friendly area to dine and shop in safety while allowing much more physical distancing.” According to GCAT, the project has been so successful that “the downtown business association recommended it to be kept open all week until the end of summer.”

GCAT also cited the Goderich-to-Guelph Rail Trail (G2G) as another example of a successful active transportation initiative. The trail connecting the two communities runs 127 kilometers along a repurposed CP Rail corridor. Noting that there are still rough sections and missing bridges, GCAT said that “investing in making the Guelph trail a complete, safe experience could have enormous benefits to our economy locally.”

Witness Recommendations

- *Funding* — dedicate 15% of infrastructure funding to green infrastructure.
- *Active transportation network* — maintain and improve existing active transportation assets; build new active transportation infrastructure in areas under provincial jurisdiction, including a provincial cycling network.
- *Regulatory barriers* — remove regulatory barriers to facilitate urban freight shipping by e-cargo cycles, and address age restrictions for e-cycles.
- *Consultation* — form a provincial advisory committee on active transportation to address emerging issues.
- *Promotion* – provide rebates on the purchase of bicycles and e-cycles, and vouchers for repairs and servicing.

SOCIAL SERVICES AND AFFORDABLE HOUSING

A number of presentations underscored the fact that the COVID-19 crisis has both highlighted and worsened pre-existing deficiencies and inequalities with respect to social services and affordable housing.

ACB Network in the Waterloo region made the case for infrastructure that takes into account access to social services:

We really need to look at a just recovery that involves strategic investment in our communities with regard to infrastructure and with regard to a reinvestment and reallocation of funds into social and health services to ensure a more equitable outcome as far as people being able to survive during this pandemic, as well as recovery out of this pandemic.

With respect to affordable housing, several witnesses noted that waitlists have grown considerably since the onset of the pandemic. According to the Jane and Finch Economic Opportunities Action Group, “housing is one of the biggest reasons why people are not moving up in their economic circumstances.”

The Rural Ontario Municipality Association observed that access to social services and housing is not exclusively an urban issue: “Rural Ontario faces the same challenges as the larger communities when it comes to human services people rely on.” The Kenora District Services Board, an agency responsible for the delivery of social programs, illustrated this point in its presentation. As outlined by the board, the lack of affordable housing and social supports has led indirectly to significant increases in the district’s operating costs. In 2018 alone, the Province spent \$5.5 million housing homeless people in the Kenora Jail. For the board, the result was that it was spending more on emergency medical services than it was for housing

infrastructure, housing supports, homelessness prevention, and emergency shelters—combined—for the entire year.

One of the board's current initiatives is to use the equity that has built up in existing housing stocks to finance community housing projects in partnership with the private sector. At the same time, the board acknowledged that the Social Services Relief Fund, administered by the Ministry of Municipal Affairs, has been a valuable safety net allowing the district to support families in hotels, set up isolation centres, and convert existing public infrastructure to spaces where families could self-isolate.

Infrastructure policy groups proposed ideas for developing housing infrastructure that do not involve direct government funding. For example, the Future of Infrastructure Group discussed “capitalizing land values,” which involves determining “what that land value is, and then how that can be captured and monetized.” The Ontario Home Builders’ Association suggested that building around and on top of public transit stations is another opportunity to develop affordable housing.

Witness Recommendations

- *Health and social services* — give priority to infrastructure projects that take into account access to health and social services.
- *Affordable housing* — invest in affordable housing; provide government guarantees to encourage development; consider alternative sources of funding such as capitalizing land values and tax incremental financing.

INDIGENOUS ISSUES

The First Nations Technical Institute (FNTI), based in Deseronto, Ontario, provides post-secondary education to First Nation communities. Fully accredited under the *Indigenous Institutes Act, 2017*, FNTI offers academic degrees in the areas of social work, public administration and Indigenous studies, as well as professional training for pilots. More than 4,000 individuals have graduated from FNTI during its 35 years of operation, and the institute prides itself on having a 93% graduation rate.

Due to the pandemic, FNTI closed its main instructional building and shifted to an online teaching platform. Asked how this has been working, the institute said that online delivery has presented challenges, noting that some students do not have internet access. Nonetheless, the institute has adapted, and said that it has not lost a single student during the transition.

Despite the current situation, FNTI is hoping to proceed with the construction of a new facility to replace its main building, described to the Committee as “inadequate” due to the lack of proper ventilation, heating, and air conditioning. Designed by FNTI and submitted as a proposal to both the federal and provincial governments, the new 50,000 square foot building would be “net zero” (carbon-neutral) and would allow for

the introduction of new programs on Indigenous food sustainability and traditional foods.

Lori Campbell, a two-spirit Cree-Métis community member and post-secondary educator working with indigenous students, described infrastructure gaps affecting the indigenous business community. Citing research from the Canadian Council for Aboriginal Business, she said that “businesses on-reserve face unique barriers at this time because of the lack of broadband and infrastructure that enables e-commerce ... [f]our in 10 either have no internet connection or a connection on which they cannot fully rely.”

Ms. Campbell also noted that Indigenous business owners face multiple financing barriers, including locating funding sources, meeting lending requirements, and completing complex application forms. As an example, the requirement to have existing capital in order to access matching funds programs is challenging for on-reserve Indigenous people who cannot own their homes or the land on which they are built.

The Kenora District Services Board echoed these concerns. With respect to residential development in Indigenous communities, the board said that “maybe we need to just get out of the way and set the environment so that Indigenous people actually have an opportunity and a fair shot at creating housing.” As an example, the board described a recent housing initiative in which the board collaborated with district municipalities to purchase and rezone land, and then transferred it to an Indigenous housing developer.

The Kenora board emphasized that all levels of government have responsibilities when it comes to the welfare of Indigenous communities:

There is a lot of responsibility on the federal government to adjust these issues because of on-reserve First Nation federal relations, but provincial, municipal and city governments have a role to play as well. Indigenous peoples and communities should not suffer because of inter-jurisdictional ambiguity.

Professional organizations and private sector companies also spoke to how infrastructure development can support Indigenous communities. The Ontario Society of Professional Engineers (OSPE) noted that mining is the largest private-sector employer of Indigenous people, and stressed the importance of creating professional technical capacity within these communities when planning mining projects. OSPE noted, for example, that members of Indigenous communities, trained as engineers and technicians, could operate the proposed chromium mining and smelting project in the Ring of Fire.

Bruce Power, the electricity generation company, said that it is working with the Saugeen Ojibway Nation to produce a new type of isotope to treat certain types of

cancer. Installation work is scheduled for completion by the end of 2021, with isotope production to start in 2022.

Witness Recommendations

- *Indigenous entrepreneurship* — provide reliable broadband service to Indigenous businesses and communities.
- *Funding* — provide funding for Indigenous-owned businesses, including Indigenous start-ups.
- *Housing* — support the delivery of housing infrastructure in Indigenous communities, including projects led by Indigenous developers.
- *Training* — support the development of professional technical capacity in Indigenous communities; assist with the construction of a new instructional building for the First Nations Technical Institute.

NUCLEAR ENERGY

Executives from several nuclear industry firms urged continued support for this sector, noting that nuclear power has proven to be a low-cost, clean, and reliable source of electricity throughout the pandemic. Moreover, as a major employer, the industry can play a key role in an economic recovery.

Bruce Power, the operator of a large nuclear facility on the shores of Lake Huron, produces over one-third of Ontario's electric power. It is also the world's largest producer of Cobalt 60, a medical isotope used to sterilize personal protective equipment. Electricity and isotope production were both deemed essential work at the start of the pandemic.

To assist with economic recovery efforts, Bruce Power recently formed the Retooling and Economic Recovery Council. The purpose of the council, which includes all of Bruce Power's Ontario-based suppliers, is to identify projects that could accelerate work on the company's reactor Life-Extension Program, launched in 2016. The council is seeking an interest-free loan from the federal government that would fund the building of products necessary for the refurbishment of the remaining units at Bruce Power within "the next five years instead of over the next 10 years." According to the council, the accelerated production proposal would support 3,700 jobs and up to \$2 billion in economic activity between 2020 and 2023.

One of the companies involved with a project identified by the Retooling and Economic Recovery Council is Nu-Tech Precision Metals, an Ottawa Valley manufacturer of specialty metal pipe and tubing. The company is planning to provide Bruce Power with 2,400 pressure tubes over the next ten years to refurbish its reactor units. The council is hoping to secure a zero-interest loan that will finance the early production of these tubes, with the principal repaid when the tubes are sold.

According to Nu-Tech, “unless a decision is made to accelerate supply, 20 workers . . . will be laid off and our purchases from Ontario-based suppliers will fall, resulting in greater economic fallout.”

Northern Transformer, a manufacturer of liquid-filled transformers located in Maple, Ontario, has been servicing the nuclear energy industry for decades. The company is facing strong competition from overseas, and recently lost a large project to a Korean company. According to Northern, “the problem . . . when competing with Korea or Taiwan, is that they have subsidies . . . Their price can be half of what our cost is, and there is no way that we can compete with that. If other governments are willing to subsidize the products, it cuts us.” To support the production of transformers in Ontario, the Retooling and Economic Recovery Council is hoping to obtain funding that could reduce the timeline for building 70 transformers from 10 years (as originally planned) to 2-3 years. This would allow Northern to immediately hire and train new employees.

Cameco Corporation specializes in the production, refinement, and supply of uranium used by nuclear facilities in Ontario and the United States. It employs 740 people at three Ontario fuel fabrication facilities. Echoing the comments of other companies, Cameco said that as the Ontario government considers what an economic recovery might look like, it should keep in mind that

[the nuclear sector] can play a significant role in underpinning this recovery by providing highly skilled, well-paying jobs, engaging suppliers in a wide range of skilled trades and expertise, and also stimulating innovation in a variety of disciplines.

Cameco said that investing in projects identified by the Retooling and Economic Recovery Council is one of the important ways in which governments can support the industry.

Cameco also referenced the potential benefits of Small Modular Reactors (SMRs), technology that might be suitable in smaller, remote communities that do not need a large facility. An SMR test facility in Chalk River, Ontario, is currently in the planning stage.

Witness Recommendations

- *Support the province’s nuclear industry* — invest in provincial nuclear projects, manufacturing of specialized equipment, and new technologies such as Small Modular Reactors.
- *Retooling and Economic Recovery Council* — support Bruce Power’s reactor Life-Extension Program.
- *Nuclear supply chains* — explore collaboration between provincial and federal supply chains to support economic recovery efforts.

- *Medical Isotopes* — recognize the strategic importance of and invest in medical isotope production.

WASTE MANAGEMENT

Waste management in Ontario is a \$3.9 billion industry that employs more than 15,000 full-time employees. Declared essential work under emergency management orders, waste collection and processing staff have remained on the job throughout the pandemic.

Nonetheless, as an industry that touches on almost every area of the economy, the industry has not escaped the effects of the COVID-19 crisis. Since the outbreak, the volume of work in the residential waste sector has increased by 20% to 25%, while the commercial waste sector has experienced a significant decline. The Ontario Waste Management Association (OWMA) reports that roughly 17% of commercial waste customers have suspended their service entirely.

The OWMA presented several recommendations to help grow the sector in the post-pandemic period. The first stems from a 2014 Conference Board of Canada report, which found that the “right” recycling policies could create 13,000 new jobs in Ontario and \$1.5 billion in GDP.⁸ Citing these findings, the OWMA recommended that the Province adopt more aggressive producer responsibility targets. Specifically, the recommendation is to set stricter obligations on producers, retailers, and brand owners to recover the materials they produce and distribute. The OWMA says this would encourage manufacturers to create packaging and products that produce less waste and are easier to recycle.

The OWMA also recommended an amendment to the environmental assessment process so that it encourages private-sector investment in new landfill capacity.

Finally, the OWMA would like the Province to intervene to lower the cost of financial assurance (for example, ensuring that funds are available for future clean-ups and remediation of landfills) so that it is more in line with what the industry views as the actual level of risk associated with waste diversion, recycling, and disposal activities.

Canada’s largest building materials company, Lafarge, also proposed changes to the Province’s waste management system. Currently recycling over two million tons a year in Ontario, the company would like to increase that amount as part of a move to the “circular economy.” One proposal is that the government consider prescribed percentages for recycled aggregates in building materials, and carbon content requirements for building materials, similar to an Energy Star rating for consumer products.

⁸ V. Gill and J. Knowles, *Opportunities for Ontario’s Waste: Economic Impacts of Waste Diversion in North America*, The Conference Board of Canada, May 28, 2014.

Witness Recommendations

- *Producer responsibility* — amend waste management regulations to place greater responsibility on producers and distributors to recover materials.
- *Red tape* — reduce red tape to encourage growth in the waste management industry.
- *Financial assurance* — lower the cost of financial assurance, so that it is more in line with the actual level of industry risk.
- *Circular economy* — prescribe minimum requirements for recycled content in building materials.

SKILLED TRADES AND ACCREDITATION

A common refrain during the hearings was that the pandemic is an opportunity to invest in the development of skills, and specifically the skilled trades. The Associated Equipment Distributors, the Ontario Society of Professional Engineers, and the Construction and Design Alliance of Ontario (CDAO) all recommend that the government continue to invest in skilled trades programs to address the shortage in this area of the labour market.

Several witnesses commented on the importance of promoting the skilled trades as a career for youth, the marginalized, and women. For the Jane-Finch Economic Opportunities Action Group, a priority is to design programs for those from racialized communities who work in the manufacturing and retail sectors. Both sectors have been heavily affected by the current pandemic and ongoing automation.

Another proposal is to invest in education infrastructure so that schools can provide night courses and training for adults who wish to pursue a different career or upgrade their skills. The Toronto Community Benefits Network (TCBN) noted that employers often claim that they simply do not have the networks to find people from diverse communities. TCBN has set up a website it hopes will bridge the divide between employers and skilled workers in diverse communities.

The testimony also highlighted the challenges newcomers to Canada face with respect to the recognition of foreign credentials. According to the Black Creek Community Health Centre, many new arrivals living in northwest Toronto hold nursing degrees earned in other countries, but are unable to work in the profession due to domestic professional regulatory barriers. The CDAO detailed a similar situation in the area of the skilled trades, suggesting that it was an area for the Province to work on with the federal government.

Witness Recommendations

- *Skilled trades* — continue to invest in and promote the skilled trades, with a focus on programs that encourage women and racialized communities to participate in these professions.
- *Re-purposing schools* — invest in schools to provide more adult education and skills training.
- *Foreign accreditation* — work with the federal government to recognize more foreign-trained workers.

RECREATIONAL TRAIL MAINTENANCE

The Ontario Federation of Snowmobile Clubs manages infrastructure related to snowmobiling, including approximately 3,500 bridges, 15,000 culverts, and 250 buildings. According to the federation, COVID-19 has caused it to fall behind on trail, bridge, and groomer repairs, and estimates that its five-year capital infrastructure deficit will be \$11 Million. Falling behind on the upkeep of the trails, the federation noted, can lead to snowmobilers to “ride in places they should not, putting themselves and others at risk while harming our environment, farm fields, and landowners’ private property.”

Snowmobile clubs are asking the Province to provide funding to help maintain the infrastructure related to snowmobile trails. In support of this request, the clubs’ representative emphasized that snowmobiling is a safe, socially distanced recreational activity that contributes up to \$3.1 billion to the economy and supports many small businesses that have been struggling during the pandemic.

Witness Recommendations

- *Snowmobile Trails* — invest in maintaining snowmobile trails across the province.

“CHANGING THE WAY WE DO THINGS”

Stakeholders from across the infrastructure sector, represented by policy-focused organizations and leading infrastructure-related companies, emphasized that the COVID-19 crisis is an opportunity to consider longer-term regulatory and policy changes that would make it easier to identify priority projects, assist in the transition to a greener economy, and generally make the infrastructure process more efficient.

The many proposals submitted for the Committee’s consideration draw on both years of pre-pandemic experience in Ontario and on recent international trends. Some of the more notable suggestions are outlined below.⁹

- *Government/Private Sector Collaboration* — collaborate with the private sector to identify and address key infrastructure issues. A leading precedent is New Zealand’s *Construction Sector Accord*, signed in 2019 by the government and major infrastructure sector stakeholders. The accord established a forum for government and industry to address critical sector issues such as skills and labour shortages, unclear regulations, a lack of coordinated leadership, an uncertain pipeline of work, and a culture of shifting risk.
- *Project Pipeline Transparency* — develop a multi-year project pipeline document, based on municipal asset management plans and similar to Infrastructure Ontario’s Market Updates, which keep the public informed on the status of major public infrastructure projects. Project pipeline documents allow the private sector to plan and allocate resources to meet the province’s future infrastructure needs. International precedents for pipeline documents exist in the United Kingdom and Australia.
- *Performance Standards and the Circular Economy* — adopt “performance standards” for the construction industry. In contrast to the current “ingredients-based” system, which regulates what must go into a product, “performance standards” regulation focuses on the desired final result of a product, such as safety, longevity, and chemical resistance. In other words, “don’t tell us how to make the chocolate cake, tell us what you want it to look and taste like, and we’ll take it from there.” A move to performance standards would foster the “circular economy”—an economy in which resources are kept in use as long as possible—by encouraging the private sector to use more recycled and low-carbon materials. Possible regulatory incentives include a recycled aggregate requirement of 10% and/or a limit on carbon content for sidewalks and roads. European jurisdictions have adopted performance standards regulation.
- *Streamlined Approvals* — adopt measures to streamline the project approvals process. Possible reforms include “strategic development zones,” which streamline approvals for development on lands surrounding mega-projects that have been designated as areas of economic/social importance. Ireland’s *Strategic Development Zones* program was described as a useful precedent. New Zealand recently passed legislation establishing a temporary two-year fast-tracking program for “shovel-ready” walking and cycling, transit, road, housing,

⁹ See the submissions of the Residential and Civil Construction Alliance; the Future of Infrastructure Group; the Ontario Society of Professional Engineers; the Construction and Design Alliance of Ontario; the Ontario General Contractors Association; Associated Equipment Distributors; the Ontario Home Builders’ Association; Asset Management Ontario; and Lafarge Eastern Canada.

and environmental infrastructure projects; approvals are issued in 25 days; 50 days for large-scale projects.

- *New sources of funding* — find new ways to fund infrastructure, such as tolling and other user-pay arrangements.
- *Priorities* — invest in infrastructure projects according to clearly defined priorities; for example:
 - select projects that will create jobs immediately, and build more resilient infrastructure¹⁰ that has clear long-term benefits such as savings and efficiency;
 - allocate infrastructure stimulus funding to projects on an evidence-based, business-case approach, using the municipal asset management plan system¹¹ as a model;
 - give priority to “core” infrastructure (roads, transit, water, wastewater) that will support the province’s growing need for housing;
 - continue to invest in rural municipal infrastructure, including development of the Ring of Fire;
 - invest in public transportation systems to keep them in a state of good repair; and
 - accelerate electrification of the transportation system, including electric vehicles.

¹⁰ For example, *The City Resilience Framework*, developed by Arup International Development in 2014, helps cities “to assess the extent of their [infrastructure] resilience, to identify critical areas of weakness, and to identify actions and programs to improve the city’s resilience;” the report is posted on the Rockefeller Foundation’s website.

¹¹ Ontario Regulation 588/17 (Asset Management Planning for Municipal Infrastructure Regulation), under the *Infrastructure for Jobs and Prosperity Act, 2015*, requires every municipality to prepare an asset management plan in respect of its municipal infrastructure assets.

COMMITTEE RECOMMENDATIONS

The Standing Committee on Finance and Economic Affairs recommends that:

1. The government should digitize documentation to allow electronic submissions for projects.
2. Ontario should consider reviewing its infrastructure asset portfolio to determine areas where it could leverage private sector capital by monetizing, selling, or recycling assets.
3. Ontario should provide education and training to municipal leaders and staff to equip them with the skills to structure, procure, and successfully deliver their infrastructure projects.
4. For smaller similar projects, the government should consider bundling smaller similar projects. The program can be built around similar types of asset or geographically.
5. Place more emphasis on the role of organizations such as Infrastructure Ontario in assisting the municipal sector deliver worthwhile projects.
6. The provincial government should work with supportive stakeholders to aggressively advocate for federal infrastructure stimulus support on provincial priorities.
7. Work with the federal government to upgrade and modernize digital infrastructure and build out broadband. These issues are significant in rural, northern, and Indigenous localities.
8. Leverage Ontario's broadband action plan funding to ensure that modern broadband connectivity is available in more public library branches in communities across Ontario, most especially rural and northern areas.
9. The Province should explore ways to reduce the high costs of utility pole access that are a detriment to expanding broadband.
10. As part of the post pandemic recovery strategy, the Province should consult on the potential adoption of a utilities model used in other jurisdictions for the financing and delivery of critical water and wastewater infrastructure.

WITNESS LIST

Organization/Individual	Date of Appearance
ACB Network (Waterloo Region)	August 4, 2020
Asset Management Ontario	August 4, 2020
Associated Equipment Distributors	July 30, 2020
Amalgamated Transit Union (Local 113)	Written Submission
Bell Canada	Written Submission
Black Creek Community Health Centre	July 30, 2020
Brotech Precision CNC	July 30, 2020
Bruce Power	July 30, 2020
Buy Social Canada, Ontario Non-profit Network	Written Submission
Cameco Corporation	August 4, 2020
Canadian Council for Public-Private Partnerships	Written Submission
City of Kitchener	August 4, 2020
Civic Hospital Neighbourhood Association	Written Submission
Construction and Design Alliance of Ontario	August 4, 2020
Consulting Engineers of Ontario	Written Submission
County of Renfrew (Pembroke)	August 4, 2020
Cycle Toronto	August 4, 2020
Emery Village Business Improvement Area	Written Submission
Federation of Ontario Public Libraries	July 30, 2020
First Nations Technical Institute	July 30, 2020
Future of Infrastructure Group	August 4, 2020
Gordon Grant	Written Submission
Grape Growers of Ontario	July 30, 2020

Organization/Individual	Date of Appearance
Green Infrastructure Ontario Coalition	July 30, 2020
Guelph Coalition for Active Transportation	August 4, 2020
Infrastructure and Engineering Services Chatham-Kent	Written Submission
Infrastructure Ontario	August 4, 2020
Jane-Finch Centre	August 4, 2020
Jane-Finch Economic Opportunities Action Group	August 4, 2020
Jodi Di Menna	Written Submission
Kenora District Services Board	July 30, 2020
Lafarge Eastern Canada	July 30, 2020
Lori Campbell	August 4, 2020
Mike Aubrey	Written Submission
Ministry of Infrastructure	July 30, 2020
Municipal Finance Officers' Association of Ontario	Written Submission
Municipality of Chatham-Kent	August 4, 2020
Municipality of West Grey	August 4, 2020
Muskoka Lakes Chamber of Commerce	July 30, 2020
Northern Transformer Corporation	July 30, 2020
Nu-Tech Precision Metals	July 30, 2020
Ontario Construction Secretariat	Written Submission
Ontario Federation of Snowmobile Clubs	July 30, 2020
Ontario General Contractors Association	August 4, 2020
Ontario Good Roads Association	Written Submission
Ontario Home Builders' Association	August 4, 2020

Organization/Individual	Date of Appearance
Ontario Library Association	July 30, 2020
Ontario Public Transit Association	Written Submission
Ontario Society of Professional Engineers	July 30, 2020
Ontario Waste Management Association	July 30, 2020
Our Greenway Conservancy	August 4, 2020
Residential and Civil Construction Alliance of Ontario	July 30, 2020
Rural Ontario Municipal Association	July 30, 2020
Share the Road Cycling Coalition	August 4, 2020
Toronto Community Benefits Network	August 4, 2020
Xplornet Communications	July 30, 2020

**APPENDIX A:
TERMS OF REFERENCE***

That the Leaders of the parties represented in the Legislative Assembly as well as Independent Members may file copies of letters with the Speaker, who shall cause them to be laid upon the Table, containing their recommendations to the Minister of Finance with respect to the economic and fiscal measures they proposed to be included in the provisions of Bill 188, and such letters shall be deemed to be referred to the Standing Committee on Finance and Economic Affairs; and

That when the committees of the Legislature resume meeting, the Standing Committee on Finance and Economic Affairs shall be authorized to consider the Party Leader and Independent Member letters, together with An Act to enact and amend various statutes as passed by the Legislature today, with the first witness during such consideration to be the Minister of Finance;

**Votes and Proceedings, March 25, 2020, 42nd Parliament, 1st Session*

That, notwithstanding any Standing Order or Special Order of the House, the Standing Committee on Finance and Economic Affairs, and all other committees when they are authorized to resume meeting pursuant to the Order of the House dated March 19, 2020, are authorized to use electronic means of communication when meeting, and committee members, witnesses, and/or staff are not required to be in one physical place, in accordance with the following guidelines:

- a) The electronic means of communication is approved by the Speaker;
- b) The meeting is held in a room in the Legislative Building, and at least the Chair/Acting Chair, and the Clerk of the Committee are physically present;
- c) Other Members of the committee participating by electronic means of communication, whose identity and location within the Province of Ontario have been verified by the Chair, are deemed to be present and included in quorum;
- d) The Chair shall ensure that the Standing Orders and regular committee practices are observed to the greatest extent possible, making adjustments to committee procedures only where necessary to facilitate the physical distancing and electronic participation of Members, witnesses, and staff; and

That, notwithstanding the Order of the House dated March 19, 2020, the Standing Committee on Finance and Economic Affairs is authorized to meet at the call of the Chair to consider its Order of Reference dated March 25, 2020, respecting the *Economic and Fiscal Update Act, 2020* (Bill 188); and

To study the impacts of the COVID-19 crisis on the following sectors of the economy and measures which will contribute to their recovery:

- a) Tourism
- b) Culture and Heritage

c) Municipalities, Construction, and Building

d) Infrastructure

e) Small and Medium Enterprises

f) Other economic sectors selected by the Committee

- The committee shall study Bill 188 and each specified economic sector for up to 3 weeks with one additional week allotted for report-writing for each.
- The Sub-committee on Committee Business shall determine the method of proceeding on the study, and at its discretion, may extend each sectoral study by one week where a public holiday may fall during the scheduled time for the sectoral study.
- The Legislative Research Service shall make itself available to the Committee collectively, and to members of the Committee individually, on a priority basis.
- That in accordance with s. 11 (1) of the *Financial Accountability Officer Act* the Financial Accountability Officer shall make the resources of his office available to the Committee collectively, and to members of the Committee individually, on a priority basis.
- The time for questioning witnesses shall be apportioned in equal blocks to each of the recognized parties and to the Independent Members as a group.
- The Committee may present or, if the House is not sitting, may release by depositing with the Clerk of the House, interim reports, and a copy of each interim report shall be provided by the Committee to the Chair of the Ontario Jobs and Economic Recovery Cabinet Committee; and
- The Committee shall present or, if the House is not sitting, shall release by depositing with the Clerk of the House, its final report to the Assembly by October 8, 2020 and a copy of the final report shall be provided by the Committee to the Chair of the Ontario Jobs and Economic Recovery Cabinet Committee; and

That notwithstanding Standing Orders 38 (b), (c), and (d) the interim reports presented under this Order of Reference shall not be placed on the *Orders and Notices Paper* for further consideration by the House nor shall the government be required to table a comprehensive response; and

That notwithstanding Standing Orders 116 (a), (b) and (c), the membership of the Standing Committee on Finance and Economic Affairs for the duration of its consideration of the Order of Reference provided for in this motion shall be:

Mr. Sandhu, Chair [Sub-committee Chair]

Mr. Roberts, Vice-Chair

Mr. Arthur

Mr. Cho (Willowdale) [Sub-committee Member]

Mr. Crawford

Ms. Hunter [Sub-committee Member]

Mr. Mamakwa

Mr. Piccini

Mr. Schreiner

Ms. Shaw [Sub-committee Member]

Ms. Skelly [Sub-committee Member]

Mr. Smith (Peterborough—Kawartha)

Ms. Andrew (non-voting member)

Mr. Blais (non-voting member)

Ms. Fife (non-voting member)

Mr. Hillier (non-voting member)

Ms. Khanjin (non-voting member)

Mr. Rasheed (non-voting member)

Mr. Vanthof (non-voting member); and

That, should the electronic participation of any voting Member of the Committee be temporarily interrupted as a result of technical issues, a non-voting Member of the same party shall be permitted to cast a vote in their absence.

**Votes and Proceedings, May 12, 2020, 42nd Parliament, 1st Session*

**APPENDIX B: DISSENTING OPINION OF THE NEW DEMOCRATIC PARTY
MEMBERS OF THE COMMITTEE**

The Official Opposition is grateful for the stakeholders who came forward to share their time and expertise with the members of the committee, particularly in the midst of many competing priorities. That's why it's disappointing that the recommendations put forward by the majority of the committee fail to act on their valuable advice on how to better leverage public dollars in the pursuit of a more inclusive recovery and the steps required to insulate the province from anticipated future waves of COVID-19 and other unforeseen challenges. It is our concern that the leaders who took the time to come forward will not see their feedback reflected in the recommendations which will only undermine confidence in the recovery plan.

There is a compelling body of data that reveals that the effects of COVID-19, while felt throughout Ontario, had a disproportionate impact on communities across the province. The hard questions that this evidence prompts us to ask also provides a chance to do things differently, and it is incumbent on the Assembly to seize this opportunity to help build a stronger and more just society. Instead, the path forward advanced by the majority of the committee overlooks the realities exposed by COVID and instead doubles down on past approaches to infrastructure stimulus that are proven to have limited benefit and, as such, the New Democrat members of the committee cannot support these recommendations.

As with preceding sector reviews, once again, the recommendations display an over reliance on following the path of least resistance, with the emphasis on cutting red tape and leveraging private sector dollars instead of making critical investments that provide the framework that will foster private sector investment. One key example of this flawed approach is the existing rural and northern broadband access recommendation, where the Ford government has simply – and inappropriately – repackaged its same underfunded strategy unveiled in 2019 as new initiatives to address COVID-19. Understandably, the private sector will go where the opportunities and profits are most readily available, and it should come as no surprise that the places that have benefitted from the government's current strategy are those that fall in the shadow of higher service areas; there has been little uptake in remote northern and rural communities where the path to profitability is most difficult and the impact of the lack of access becomes an even bigger problem in the face of challenges like the pandemic.

A second missed opportunity is the government's unwillingness to appropriately leverage the limited public investment dollars already committed for projects in ways that not only accomplish the primary project goal, but also help build capacity and better distribute opportunity in communities across Ontario. Absent are recommendations such as broader use of community benefit agreements or a government commitment to address woefully underfunded social infrastructure. Here again, emphasis is disproportionately placed on simply reducing regulation and "encouraging" private sector participation as the only effective use of public dollars, instead of developing the policies and approaches necessary to create the conditions of investment – and actually *make* the required investments – that foster both the economic and social stimulus necessary in post-COVID Ontario.

If our goal is to foster the conditions that are necessary to build stronger and more resilient communities, then we cannot simply repackage previous measures or double down on ineffective existing policies to address the current challenge before us. The Ford Government needs to heed the evidence and the advice of stakeholders and the Official Opposition and immediately:

1. Make necessary and appropriate investments in municipal infrastructure, reducing the overreliance on property taxes and user fees for these items.
2. Develop a social infrastructure investment strategy that includes adequate stimulus provided for the development of affordable housing, community amenities and incorporates tools like inclusionary zoning.
3. Ensure that recovery strategies and plans emphasize a just recovery and address the challenges faced by marginalized groups, women and racialized communities, placing an emphasis on equity for all proposed solutions, such as community benefit agreements
4. Invest adequate provincial dollars to build broadband capacity in remote rural and northern communities
5. Accelerate funding for Indigenous and on-reserve water and wastewater projects
6. Leverage provincial investment to encourage the use of local labour and local supply chains for procurement and local infrastructure projects through the RFP process.
7. Discontinue the use of the P3 project model, freeing up more public dollars for investment in infrastructure.

**APPENDIX C: DISSENTING OPINION OF THE LIBERAL PARTY MEMBERS
OF THE COMMITTEE**

Introduction

We heard from several presenters who outlined the impacts of the COVID-19 pandemic on the infrastructure sector, all of whom are calling for increased funding and support.

We understand and acknowledge the impact that the COVID-19 pandemic has had on the infrastructure sector, and that immediate support and investment is required to ensure the overall economic recovery of our Province.

Our recommendations represent what the Committee members heard and reflect what the infrastructure sector will require in the form of financial support, red tape reduction and regulatory change, in order to recover from the COVID-19 pandemic.

Recommendations

1. Expediting provincial infrastructure funding to already approved and viable projects as a form of important local and regional economic stimulus.
 - a. Simplify procurement and tendering procedures; and
 - b. Increase project eligibility and reduce the limitations on eligible costs that add layers of administration to complicated infrastructure projects.
2. The Government should make temporary spending increases to infrastructure related to education infrastructure by:
 - a. Building 14,000 new classroom locations with consideration to the use of community centres, college and university campuses, arenas, etc.
 - b. Invest in re-developing and retrofitting school transportation networks so that they are safe and clean for our children.
3. The Government increases funding for the Ontario Broadband and Cellular Action Plan and redevelops it to ensure that every Ontarian has access to affordable and reliable high-speed internet by 2025.
4. The Government increases on-reserve infrastructure spending to ensure every Ontarian has access to clean, running water.
5. Support the delivery of housing infrastructure in Indigenous communities, including projects led by Indigenous developers.
6. Provide reliable broadband service to Indigenous businesses and communities to promote Indigenous entrepreneurship.
7. The Province develops a digital infrastructure strategy with rural and agricultural stakeholders with a focus on reduction of input costs.
8. Ontario adopts construction performance standards that drive innovation by focusing on decarbonization and end result performance.
9. Ontario creates new recycling regulations that expand producer responsibility to increase collection and diversion targets, and puts stricter obligations on producers, retailers and brand owners to recover materials.
10. The Government promotes the development of Ontario's Green Auto Industry by
 - a. Restoring Ontario's electric vehicle purchase incentive program; and

- b. Creating a partnership program to expand the availability and affordability of both private and public electric vehicle charging stations.
- 11. Form a provincial advisory committee on active transportation and micro-mobility with the goal of creating a provincial active transportation strategy.
 - a. Build new active transportation infrastructure in areas under provincial jurisdiction; and
 - b. Provide support and funding to municipalities for their pandemic mobility planning.
- 12. Allocate infrastructure stimulus funding to priority projects using evidence-based business-case approaches, supported by asset-management plans for municipal projects.
- 13. Establish a maintenance grant program for rural municipalities.
- 14. Integrate community benefits agreements into infrastructure projects.
- 15. Address the skilled trades shortage by:
 - a. Increasing investment in training and education programs for women in the construction industry; and
 - b. Permitting apprentices in the skilled trades to work for more than one organization and providing incentives to hire and train new workers from the local area.
- 16. Invest in Ontario's mining industry including the development of the Ring of Fire.

Concrete Investments in Education Infrastructure are Critical

Concrete investment in education infrastructure is needed to ensure a safe return to school. We would have liked to see this reflected in the report and recommendations.

Our Leader, Steven Del Duca, has called for 14,000 new classroom locations and investments in re-developing school transportation networks. These steps of action are vital to ensure safe, physically distant learning. While our children's safety is our number one priority, investing in re-developing educational infrastructure is also the first step in getting parents back to work and reopening the economy.

A safe return to the classroom is especially necessary for rural communities, as they lack adequate and affordable high-speed internet to learn from home safely. Parents should not have to choose between risking their children's exposure to the virus and returning to work or their children's education.

Schools need to be just as safe as grocery stores, and this requires investments in classroom and school transportation infrastructure.

Broadband

Ontario's infrastructure needs are not limited to roads and transit. The lack of access to reliable internet connectivity hinders the ability of Ontarians to work and learn from home, as well as to undertake commercial activities, on a daily basis.

As Ontario moves through the COVID-19 pandemic and into the stages of recovery, one thing has become clear: any question about the necessity and importance of broadband internet access must finally be put to bed.

The committee heard repeatedly about the need to address the ongoing gap in equitable broadband access across Ontario, which is affecting primarily the residents and businesses located in rural, northern, and Indigenous communities.

Debbie Robinson, Warden of the County of Renfrew, articulated the importance of ensuring broadband access is available to everyone. The lack of access for rural Ontarians cannot be ignored and COVID-19 has demonstrated that Ontarians in all communities rely on digital access. Much like roads and bridges have long been considered critical forms of infrastructure, broadband has now become just as important.¹

Access to broadband is also of particular importance to Indigenous communities, who have long been disadvantaged by this gap in digital access. Lori Campbell echoed these concerns, claiming that Indigenous people and businesses miss out on opportunities to access education, jobs, grants, and health care as a result of not having internet access.²

Ontario must treat broadband as an essential service. The government should take a leadership role and ensure that all residents have access to fast, reliable and affordable broadband within the next five years. Moreover, the government should report on its progress in meeting this target every six months.

Green & Active Transportation

The committee heard from several presenters calling on Ontario to prioritize active transportation with the ultimate goal of establishing a province-wide strategy that supports active and green infrastructure projects.

Jamie Stuckless, from Share the Road Cycling Coalition, articulated the changing mobility needs of Ontarians and the importance of including plans for cycling and active transportation in any recovery effort to ensure these needs are met.³ While cars and public transit have always been the traditional methods of transportation,

¹ County of Renfrew testimony

² Lori Campbell testimony

³ Share the Road Cycling Coalition testimony

the COVID-19 pandemic has highlighted the need for developing infrastructure that meets the increased demand for walking, cycling and other means of moving about.

Equally important to the promotion of active transportation are regulatory changes the Government can make active transportation a more attractive and safer option.

Additional funding and support for green infrastructure projects will help promote healthy and active forms of transportation and tourism and will be key to the province's overall economic recovery.

Rural Issues

An essential element of moving Ontario into economic recovery is to ensure that rural communities receive the funding they need to address the unique challenges that have been amplified by the pandemic.

The committee heard from several presenters who outlined the unique needs of rural communities that range from access to reliable broadband services to funding ongoing infrastructure renewals.

Communities require new jobs and investment if they expect to survive this pandemic's economic impacts. Rural communities already experience broadband barriers as we adjust to a virtual world, so physical connectivity to neighbouring towns is essential for survival.

The Tories stalled two community transport pilot projects that were to launch later this year, and we highly encourage that they immediately continue the flow of funds for these projects. One connected people within Perth County while the other connected Stratford, St. Marys and Listowel with larger regions such as London and Kitchener-Waterloo.

These transportation networks are vital for rural Ontarians to obtain employment, access medical appointments and other services. Businesses in their communities have shut down throughout the pandemic and need increased connectivity if we expect an economic restart anytime soon.

Rural municipalities are in a unique position because they require key infrastructure, like roads and bridges to accommodate the large groups of tourists that they attract, but these tourists do not play a direct role in funding these key infrastructure projects

For example, in West Grey, the taxpayers alone cannot fund the bridge and road program, but due to the pandemic, they will see an increased volume in vacationers this summer.⁴ A maintenance grant program would go a long way to helping smaller

⁴ Municipality of West Grey testimony

municipalities extend the lifespan of key infrastructure, without needing to fully fund their replacements.

Skilled Trades & Accreditation

Equally important to the economic recovery of the infrastructure sector, is to ensure that the skilled labour shortage is addressed. The COVID-19 pandemic has highlighted how essential skilled trades and technology jobs are, and the critical role they play in creating and renewing infrastructure including generating economic activity.

As part of Ontario's economic recovery, more programs are required to move people into apprenticeship or skilled trades work.⁵ The OHBA recommends that government focus on attracting and retaining the next generation of skilled workers by incentivizing companies that train new construction workers from a project's local community.

A special lens should be applied to study any gender inequities that exist, so that the government can focus specifically on attracting and retaining women in the construction and skilled trade industry. Time and time again, we have heard that COVID-19 has impacted women more greatly than men. Now more than ever these opportunities for skilled jobs should be promoted to women. The Province should establish a task force of stakeholders to recommend how women can participate more in the construction industry and ensure they have fair and equal access to job opportunities.

Indigenous Communities

Indigenous communities throughout the province have long been marginalized and have continuously faced the consequences of severe infrastructure gaps. While the COVID-19 pandemic has certainly identified many of these infrastructure gaps, it has also presented an opportunity to rethink our systems and make them more resilient. The government should prioritize investments that will bring Indigenous infrastructure up to par and ensure that indigenous people and businesses are given the opportunities necessary to be successful.

“The provincial government must continue and even increase funding to Indigenous specific skills and training supports. This needs to be available for various levels, such as development of business plans, how to access financing, and develop leadership skills, but there is also a substantial need for investment in skills training for Indigenous peoples more

⁵ Ontario Home Builders' Association written submission

broadly, to expand the pool of skilled labour that Indigenous businesses need to grow and succeed.”⁶

Committee members also heard from presenters who detailed Ontario’s Indigenous water crisis. Canada and Ontario are among the world’s leaders, yet many Indigenous populations can’t access the most basic services. The water on many Indigenous reserves is contaminated, hard to access, or toxic due to faulty treatment systems. The Province needs to take urgent steps to address their role in this crisis by increasing infrastructure spending on reserves to ensure that every Ontarian has access to clean, running water. Moreover, the government should report on its progress in meeting this target every six months.

Ensuring an adequate supply of affordable housing for indigenous communities was also an important topic discussed at committee by stakeholders. In their testimony, the Kenora District School Board argued that the province should support the delivery of this additional housing by pushing for projects that are led by Indigenous developers.⁷

⁶ Lori Campbell testimony

⁷ Kenora District School Board testimony

**APPENDIX D: DISSENTING OPINION OF THE GREEN PARTY MEMBER OF
THE COMMITTEE**

Many presenters at Committee discussed the vital role infrastructure investment will play in the economic recovery from COVID-19. The Green Party of Ontario agrees that infrastructure investments are essential to economic recovery and job creation. The infrastructure investments we make today provide an opportunity to build back a better Ontario for tomorrow.

It is the Green Party's position that the path the province was on prior to the pandemic was not sustainable or just. The old path did not adequately care for the people and places we love. As we invest in infrastructure development, we need to embark on a greener and more caring recovery.

A greener recovery will keep our air clean and communities safe while creating jobs in the fastest growing markets. By investing wisely in greener choices for a healthier future, Ontario can become a leader in EV manufacturing and low pollution travel including transit and expanded cycling infrastructure; healthy efficient homes; sustainable forestry and responsible mining.

Time in quarantine highlighted the value of a safe home and liveable community. We can reshape our neighbourhoods to make it easier to get around, whether walking, cycling or taking public transit, to provide access to park space, and to get a handle on soaring housing prices so that everyone can have an affordable place to call home. And we need to start by addressing the inequities faced by our Indigenous communities, many who lack access to clean drinking water.

Conserving nature is an investment in our shared future. By protecting forests, farmland, and wetlands, we ensure that local food continues to grow and water continues to flow. Let's uphold the laws that protect the places we love because nature is our best defence against floods, storms and other climate threats.

The Green Party of Ontario puts forward the following recommendations to the Provincial Government to provide additional support to the infrastructure sector:

1. Declare and treat broadband access as an essential service and work with the federal government on a federal provincial funding program to create incentives for broadband expansion across Ontario.
2. Make the necessary regulatory changes to ensure Internet Service Providers have better access to the infrastructure needed to expand broadband access in rural areas and eliminate barriers to development.
3. Invest in developing and expanding the digital infrastructure of libraries.
4. Embed Community Benefit Agreements in infrastructure projects such as transit projects.
5. Ensure that the Jane-Finch Community and Family Centre is built.

6. Provide funding for green infrastructure projects, prioritizing shovel ready flood mitigation and storm-water management projects that reduce wear and tear on traditional infrastructure.
7. Identify ways to remove regulatory barriers to facilitate urban freight shipping by e-cargo cycles and age restrictions for e-cycles.
8. Maintain, improve and expand active transportation assets, including a provincial cycling network.
9. Invest in cycling infrastructure to develop Ontario as a premier cycling tourism destination. This means prioritizing connections between communities, attractions, natural spaces and public transit e.g. GO stations. Please include the installation of bike racks and wayfinding as part of these investments.
10. Invest in building more affordable and supportive housing.
11. Prioritize and invest in public infrastructure accessibility retrofits to ensure all Ontarians are treated equitably with access to our public buildings and spaces.
12. Fund infrastructure projects that increase access to health and social services prioritizing under-served communities.
13. Support the funding of housing infrastructure in Indigenous communities, prioritizing projects led by Indigenous developers.
14. Invest in infrastructure projects to deliver clean water and wastewater infrastructure on First Nation reserves to ensure that all Indigenous communities have access to safe, clean water.
15. Assist with the construction of a new instructional building for the First Nations Technical Institute.
16. Support the development of professional technical capacity in Indigenous communities.
17. Amend waste management regulations to place greater responsibility on producers and distributors to recover materials.
18. Prescribe minimum requirements for recycled content in building materials.
19. Adopt performance standards for the construction industry instead of the current ingredients –based system.
20. Accelerate electrification of the transportation system, electrified public transit and electric vehicle charging infrastructure.
21. Reinststate a rebate program to incentivize the purchase of electric vehicles.

22. Implement a green retrofit program for public buildings, homes, apartments and small businesses.
23. Accelerate infrastructure investments in HVAC systems in schools, healthcare facilities and other public sector buildings.
24. Legislate prescribed percentages for recycled aggregates in building materials, and carbon content requirements for building materials, similar to an Energy Star rating for consumer products.

Recognizing the severe financial impact this pandemic has had on the provincial government's budget, the Green Party of Ontario urges the government to provide smart, flexible and responsible financial investments to the infrastructure sector so that our communities can rebound in not only a sustainable, but a greener and more caring way.