

PROVINCE AT RISK



Rachael Williams

Inadequate infrastructure investment in Ontario by the federal and provincial governments is jeopardizing the economic prosperity of the province.

This was the conclusion reached by an independent [report](#) commissioned by the **Residential and Civil Construction Alliance of Ontario**. The report concludes that the federal government and Queen's Park have dragged their feet on providing much-needed financial support to maintain and improve Ontario's crumbling infrastructure.

The report was prepared by the **Canadian Centre for Economic Analysis** and released on August 20 to coincide with the **Association of Municipalities of Ontario** annual general meeting.

"Our infrastructure spending has been decreasing relative to the growth of the population and the growth of the economy and from a long-term point of view, this puts our economic prosperity in some jeopardy," said CANCEA president and CEO **Paul Smetanin**.

The report is a follow-up to a 2011 RCCAO report that stated Ontario could reach maximum GDP growth if 5.1 per cent of the province's

GDP (\$651.9-billion in 2017) was invested annually in infrastructure—3.25 per cent from the province and municipalities and 2.15 per cent from the federal government.

However, since 2010, the percentage of investment in infrastructure from both levels of government has fallen below 3 per cent, with the federal government investing a meagre

0.4 per cent in 2017.

"We're at a point in Ontario where if [the provincial government does] get forced into spending more because we need to grow into a modern society, then we will go more into a deficit," said RCCAO executive director **Andy Manahan**.

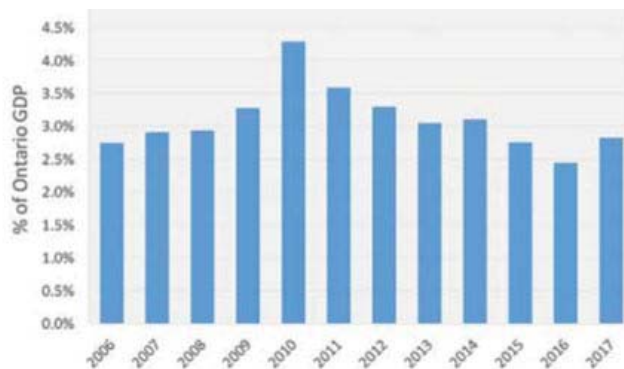
When former Ontario Liberal finance minister

Charles Sousa tabled the March 2018 pre-election budget, he argued the \$6.7-billion deficit was required to tackle emerging crises in healthcare, childcare and mental health in Ontario. He also contended that deficit spending is critical to attracting foreign direct investment, which would accelerate the amount of money flowing into the province.

But the report warns that increasing infrastructure investment through debt

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INFRASTRUCTURE TYPE	FEDERAL CONTRIBUTION	ONTARIO CONTRIBUTION	TOTAL
Public Transit	\$8.3 billion	\$7.3 billion	\$15.6 billion
Green Infrastructure	\$2.8 billion	\$2.4 billion	\$5.2 billion
Community, Culture, and Recreation	\$407 million	\$336 million	\$743 million
Rural and Northern Communities	\$250 million	\$206 million	\$456 million
Total	\$11.8 billion	\$10.2 billion	\$22 billion



An independent study commissioned by the Residential and Civil Construction Alliance of Ontario breaks down the federal and provincial infrastructure commitments slated for Ontario between 2018 and 2028. These funding commitments were detailed in the bilateral agreement signed in March 2018.

SOURCE: ONTARIO MINISTRY OF INFRASTRUCTURE

A report on the federal and provincial infrastructure investments in Ontario concludes that since 2010, infrastructure investments in the province as a percentage of GDP have fallen below the target of 5.1 per cent, which is hindering economic growth in Ontario.

SOURCE: CANADIAN CENTRE FOR ECONOMIC ANALYSIS

The bilateral agreement between the federal and provincial governments identifies \$15.6-billion in public transit spending in Ontario from 2018 to 2028. This represents 70 per cent of the federal government's total infrastructure commitment in Ontario, according to the CANCEA report.

SOURCE: CANADIAN CENTRE FOR ECONOMIC ANALYSIS

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refinancing could result in long-term structural deficits.

In order for the province to get back on track, the report estimates 5.4 per cent of Ontario's GDP will need to be invested in infrastructure over the next 50 years. With the federal government receiving the greatest portion of tax revenues (60 cents per tax dollar), Smetanin said a larger federal contribution is needed.

In March 2018 the federal and provincial governments signed a bilateral agreement that will provide more than \$11.8-billion in federal funding

over the next decade to enhance public transit, green infrastructure and recreational and cultural infrastructure in Ontario. This agreement builds on the Ontario Liberals' long-term infrastructure plan to spend \$190-billion over the next 13 years for schools, hospitals, public transit, roads and bridges.

"I know there's a good relationship, I think, between the federal Liberals and the Ontario Liberals," said Manahan. "The big question mark right now is how will the Doug Ford government

relate to the Justin Trudeau government."

Citing Ford's speech at the AMO annual general meeting, Manahan told *NRU* he is optimistic Ford will honour the previous commitments to investing in local infrastructure needs.

"Ford did say that we have some crumbling infrastructure and that we need to invest more in roads and transit but unfortunately there wasn't a lot of details [in his speech]," said Manahan.

Halton Region councillor **Mike Cluett**, who also serves as a local councillor for the Town of Milton, said there were discussions around the need for sustainable provincial and federal funding for infrastructure projects that will be needed to accommodate the

anticipated 13.5-million people projected to live in the Greater Golden Horseshoe by 2041.

"Our groups met with a number of new provincial ministers [and they] once again urged the province to address Milton's concerns including the fact that despite being the fastest growing region, our school boards receive the lowest amount of funding," he said. "We leave the conference this week with cautious optimism and look forward to working [more closely] with them." 🌟

For Sale (Proposal Number: RFP-2-2018)

Residential subdivision development opportunity located on a portion of the Former Oakville Trafalgar Memorial Hospital Site

The Town of Oakville is pleased to offer for sale a portion of the former Oakville Trafalgar Memorial Hospital (OTMH) site outlined in the attached photo (the "Property"). The Property has an approved draft plan (24T-18001/1613) for nineteen (19) single family detached lots and sixteen (16) town house dwellings.

The former OTMH site, owned by the town, is situated within an established residential area north-east of downtown Oakville and south-east of the Oakville GO station. The entire former OTMH site is approximately 5.7 hectares in size, which is intended to include a community centre, neighbourhood park, parking garage, and a future seniors-oriented housing development. The Property being offered for sale is approximately 2.0 ha in size.

 OAKVILLE oakville.ca

This is a rare chance to acquire an extraordinary development site in a mature desirable neighbourhood in the Town of Oakville – one of the most affluent and well-established urban communities in Canada with an expanding population of 201,200 residents.

This Property is being offered without an asking price.

We invite respondents to submit an offer on or before 2 p.m., local time on Wednesday, September 5, 2018 in accordance with the RFP requirements.

For more information about the site and to obtain the full RFP package, please visit <https://oakville.bidsandtenders.ca>.

For further information on the proposal process please contact: Kathy Wyatt, CPPO, CPPB Manager of Purchasing and Risk Management Town of Oakville at 905-845-6601, ext. 3087 or by email at kathy.wyatt@oakville.ca.

