CECCO

As we see it

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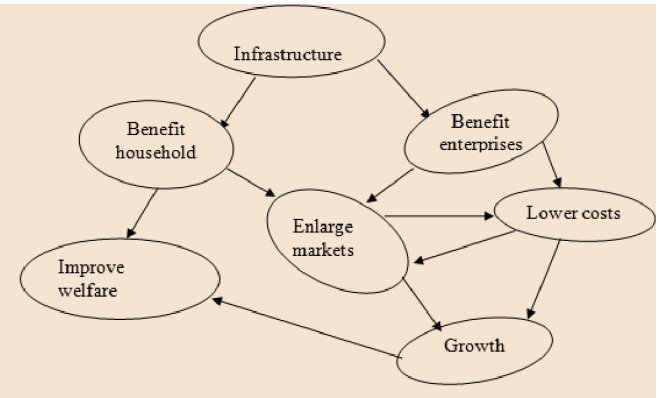
Unionized Construction Labour Management Interactions

In the Industrial, Commercial and Institutional sector of the construction industry we have collective agreement negotiations every three years where discourse naturally occurs. When leveraged against our monthly and quarterly endeavours that bring our unionized industry together such as joint labour and management apprentice training committees, jointly trusteed pension plans, jointly trusteed health and welfare plans, and joint labour and management safety committees, we are well placed to be the top choice of informed buyers of construction services.

Ontario Budget - Infrastructure Spending Commitment

We've had a few weeks to digest the 2022 Ontario Budget and the segment of prime interest to the construction industry is the $158 billion earmarked for infrastructure spending.



Researching articles on infrastructure spending, economists' opinions on the pros and cons of the spending vary widely.

It is a proven fact that public infrastructure investment boosts the productivity of private capital and labour, leading to higher output. But this positive effect can be offset if the investment is financed with additional government borrowing.

We know that infrastructure projects often take months to years to complete, meaning that the jobs will stay. These workers then spend their income locally and help stimulate the economy. Then, once the projects are complete, citizens can use transportation and utilities more efficiently to the benefit of their employers' productivity. Infrastructure spending leverages efforts of the industries, spurs productivity and efficiencies, adds value, triggers economic activities and creates opportunities.

Research conducted over the past 25 years has established beyond a doubt that public infrastructure investment generates high returns. A recent summary of that research finds that the rate of return on public investment is between 15 and 45 percent – higher than rates of return on private sector investments.

One example of the budget's planned infrastructure spending is the commitment of close to $1 billion to support critical legacy infrastructure such as all-season roads to the Ring of Fire. To take this a step farther, we need a commitment that the smelting and processing of these Ring of Fire rich mineral deposits will be carried out in Ontario.

Infrastructure Ontario has a lot on its plate, and we in the unionized construction industry are willing and able to assist on the challenges this workload creates.

Dollars Allocated Towards Skilled Trades

Ontario's budget also pledged $114.4 million towards a Skilled Trades Strategy designed to prepare the next wave of diverse entrants to the construction industry. We all know the situation we are currently in with the severe lack of trades personnel; to ensure these dollars are wisely invested, we will be working with the Government and offering input into the strategy and programs that will achieve the industry's desired outcome.

Questions or comments? Ideas for a future issue of **As we see it**? We want to hear from you! Email us anytime at admin@cecco.org.

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