The Monitor
A quarterly analysis of trends in the Canadian Construction and Cement Industries

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Summary:

- Once promising Covid-19 data are becoming worrisome as infections rates trending in the wrong direction in some parts of the country. Canadians are nervous watching the extent of new cases in the U.S.
- Also concerning, the federal government's scandal with the WE Charity seems to be increasing in intensity and Trudeau and his cabinet are spending more time protecting itself from it which is distracting the government from the pandemic fight
- Finance Minister Bill Morneau, himself under fire for his role in 'WeScam', has not provided answers yet about how economic recovery will be shaped
- Canadian and U.S. officials have agreed to keep the border closed to non-essential travel until at least August 21.

Notes on Federal Infrastructure Funding:

- July 23: Catherine McKenna, Minister of Infrastructure and Communities, announced that up to $2 billion in federal funding will be made available to cities and towns across Canada. The funding will support front line workers and critical municipal services as we keep people safe during the economic restart. Provincial and territorial governments will continue to support municipalities, and will cost-match federal supports with investments made this fiscal year. And to help cities keep their transit systems running so that Canadians can get to work and home to their families safely, the Government of Canada will be providing $1 billion in federal transit funding, Minister McKenna announced. (This is part of the $19-billion Safe Restart Agreement announced by Prime Minister Justin Trudeau on July 16). Ontario could receive $1 billion in transit funding under the federal government's "safe restart" agreement with provinces battling COVID-19, according to the Star
- July 16: A $19 billion deal has been reached between the federal government and the provinces and territories to help economies rebound from the pandemic. The new figure is up from the previously announced $14 billion "safe-restart agreement." The direct transfers are part of a comprehensive agreement to help those governments cover some of their budgetary costs over the next six to eight months as they reopen and prepare for a possible second

wave of Covid-19. The funds are intended for more testing and contact tracing, enhanced support for vulnerable communities and ensuring adequate childcare capacity

- The funding will focus on seven priority areas, including $4.2 billion for enhanced Covid-19 testing and contact tracing, $4.5 billion for the purchase of personal protective equipment (PPE) for front line and essential workers, and $625 million to fund more child care spaces so that parents can get back to work
- The federal government will put up to $2 billion toward the operating costs of Canadian cities for six to eight months; provinces and territories will be required to match that amount from their own funds. The feds also will match any new funding that provinces and municipalities put toward public transit, up to $1.8 billion
- Ottawa will create a temporary national sick leave program - providing 10 days of paid sick leave to those who don't already have it through their employers - at an estimated cost of $1.1 billion
- Trudeau said the provinces agreed to conditions that will prevent them from taking money designated for one priority area and spending it on another
- Ontario Premier Doug Ford said today that his province will get around $7 billion of the total, while B.C. Premier John Horgan said that British Columbia will get nearly $2 billion. Nova Scotia Premier Stephen McNeil said in a statement that $250 million will go to his province

- July 16: Proposals for new mines, power plants, pipelines or railways in Canada will have to include plans to hit “net zero” emissions by 2050 if they have any hope of getting approved. But the new rules, contained in the government’s final *Strategic Assessment on Climate Change* released July 16, are not the all-encompassing climate test environment groups had been hoping to see. Environment Minister Jonathan Wilkinson said the plan will ensure Canada’s goal to exceed its Paris climate agreement targets by 2030 and then hit net zero by 2050. In addition to putting time constraints on the review periods, including Indigenous expertise and consultation in the process, and adding a pre-review consultation process, the Impact Assessment Act for the first time will include a project’s effect on climate change as one of the considerations. The report released Thursday outlines how that will happen. It requires project proposals to include the greenhouse-gas emissions to be produced from construction and operations and what efforts are being made to minimize emissions. For any project that will still be operating in 2050, a plan to get to net zero is also required. A net-zero plan will be one of the enforceable conditions put on a project if it is approved, but there are no details about how such a plan would be measured or enforced. The new assessment rules apply to new projects beginning the review process.
    - Julia Levin, the climate and energy program manager at Environmental Defence, said she is disappointed with the rules. Not only do they fail to put any specific requirements for projects to be in line with Canada’s 2030 climate goals, the new rules only require projects that will operate after 2050 to have those net-zero plans. “This is not a climate test,” she said.

Notes on Changes to the Canadian Emergency Wage Subsidy (CEWS):

- On July 17th Finance Minister Bill Morneau announced sweeping changes to the Canada Emergency Wage Subsidy (CEWS). Following recommendations from many business groups, the program has been extended to December and the qualification rules have been slacked substantially

- Morneau announced the government would be nixing the revenue threshold. The previous restrictions offered a 75% payroll subsidy only if businesses had lost at least 30% of their revenues in a given month
- The primary change introduced by draft legislation is the substantial revision of revenue thresholds to permit all employers experiencing any revenue loss to qualify for the CEWS. Employers will now be paid amounts

proportionate to their revenue losses as subsidy amounts. The government has also introduced a new "top up" for employers that have been hit particularly hard

- The deadline for applications has been extended to January 31, 2021
- The new changes take effect until Nov. 21; CEWS is currently scheduled to end by Dec. 19:
  - The changes outlined in the legislation would apply to Period 5 (beginning July 5) and subsequent periods
  - The same eligibility criteria for the initial three claim periods (March 15 to June 6, 2020) would continue to apply for Period 4 (June 7 to July 4, 2020)
  - Effective July 5, 2020, the CEWS would consist of two parts:
    - a base subsidy available to all eligible employers that are experiencing a decline in revenues, with the subsidy amount varying depending on the scale of revenue decline; and
    - a top-up subsidy of up to an additional 25% for those employers that have been most adversely affected by the COVID-19 crisis.
- The specific (monthly) rules are quite complicated and reference to accounting advice is recommended. More details can be found here
- The most recent federal figures for the program show the government has given almost $20.4 billion in payroll help to about 262,200 companies
- Morneau's fiscal update boosted the budget for the program to $82.3 billion from $45 billion.

Notes on Other Federal Funding Programs:

- July 24: Provincial leaders are warning that the Canada Emergency Response Benefit is creating a disincentive to work and will result in even more economic hardship in the long run. Officials in three provincial offices told the National Post that finance ministers and economic development ministers in more than six provinces have raised concerns during private calls in recent weeks. Manitoba Premier Brian Pallister has been among the most outspoken critics of the CERB in its current form: "I think it's common sense and long overdue that we remove these impediments to people going back and taking another shift"
- July 7: Less than half of small businesses who qualify for a federal rent-relief program say their landlord has applied, leaving thousands of companies without help on a major expense during the Covid-19 pandemic, new survey results suggest. About 41 per cent of smaller companies who believe they qualify for the Canada Emergency Commercial Rent Assistance (CECRA) said their landlord has not applied to the program, while another 14 per cent said their landlord has "maybe" applied, according to results published Monday by Save Small Business, a lobbying group created to support entrepreneurs during the pandemic. The survey drew roughly 1,660 responses, with half coming from British Columbia. "CECRA should be declared an utter failure," Save Small Business said in a news release. "There needs to be an easier, better way to get rent relief funds directly to tenants who need it." Tenants should be able to provide their lease agreement and proof of payment from past months to get paid now, the group says
- July 7: The parliamentary budget office says it could cost more than $98-billion to provide almost all Canadians with a basic income for six months beginning this fall. That figure is the upper range of the scenarios the budget watchdog was asked to research as part of a report released Tuesday morning. Finance Minister Bill Morneau and other senior cabinet ministers have repeatedly been asked by senators and MPs about the concept. Advocates argue that it would be an expansion of the $80-billion Canada Emergency Response Benefit for workers who saw their incomes crash. The CERB and a $45-billion wage-subsidy program are set to expire in October
- July 2: Federal and provincial governments have agreed to extend a commercial rent relief program to help cover July costs for eligible small businesses, with a few changes. The Finance Department says the program will no longer

clawback the costs of insurance proceeds and provincial rent supports from the forgivable loans for current and new applicants. Previous clawback amounts will be given back to landlords that previously received loans through the program. As well, those who qualified for loans by showing revenue declines of 70 per cent in April, May or June will qualify anew without being reassessed on whether their earnings have dropped that much in July. As of June 21, the program had doled out $152 million in forgivable loans to landlords that agreed to give a rent break to more than 20,000 tenants.

Federal Construction Notes:

- July 13: A new national *Task Force for Real Jobs, Real Recovery* launched to draw up a blueprint for Canada's economic recovery as the country emerges from the Covid-19 crisis. The Task Force is supported by a coalition of over 25 industry associations, unions, professional organizations and Indigenous organizations representing the energy, manufacturing, transportation, forestry and construction sectors. A group of 20 expert advisors has been appointed to help develop and communicate a forthcoming set of policy recommendations for rebuilding Canada's economic prosperity. The Task Force is being convened by *Resource Works*, a non-partisan, not-for-profit organization committed to the development of Canada's resources in a manner that is inclusive of Indigenous peoples and maintains a clean and healthy environment. The Task Force will complete its package of policy measures by the end of July, at which time it will present its recommendations to key federal government decision-makers, as well as to the Industry Strategy Council, a federal initiative launched in response to the economic effects of Covid-19.

Regulatory Matters:

- The Canadian Chamber of Commerce has created a national reopening government regulation tracker to access the rules and regulations that are in place according to federal and provincial/territorial jurisdictions which can be found here.

Provincial Construction Notes:

British Columbia:

- July 23: Finance Minister Carole James introduced a new set of supplementary estimates, adding $1 billion to fund the province's portion of municipal and transit services assistance as required to obtain matching funds from Ottawa - part of the federal government's $19-billion "safe restart" package
- July 21: Provincial officials in B.C. have announced the Acciona-Ghella Joint Venture as the preferred proponent for the Broadway Subway Project in downtown Vancouver. The team will now be tasked with negotiating a contract for designing, building and partially financing the project. The Broadway Subway Project will see Millennium Line extended almost six kilometres from VCC-Clark Station to Broadway and Arbutus. The province noted that SkyTrain service is badly needed in the area, which is B.C.'s second-largest jobs centre and hosts a growing residential community as well. The section of track, once open, will be an 11-minute ride. Officials anticipate this will save the average transit commuter almost 30 minutes a day, while also relieving traffic congestion along Broadway. Construction is scheduled to start later this year, with the line going into service in 2025. The project budget is $2.83 billion, funded and delivered by the Government of B.C., with contributions from the Government of Canada and the City of Vancouver
- July 21: A nine-page letter addressed to Labour Minister Harry Bains - signed by representatives from 21 business associations - argues the changes in Bill 23, *Workers Compensation Amendment Act*, are being proposed at the worst possible time. While the signatories said they "fully understand the need" for the measures contained, they claim

B.C. businesses cannot afford to carry any extra costs. “We urged your government to ‘do no harm’ and set aside any measures that increase costs, add to the regulatory burden or create further uncertainty for BC employers,” it reads. The letter cites a pulse survey indicating more than half of medium and large businesses have seen increased costs related to “WorkSafeBC measures that appropriately assist with keeping workers and customers safe from COVID-19.” It also argues that making Covid a presumptive condition - thereby waiving the 90-day waiting period workers infected on the job would normally have to wait to receive benefits - is unnecessary due to the impending federal sick pay program and regulatory overreach

- July 20: Employers and workers who need to extend temporary layoffs due to Covid-19 can now apply for a variance using a new online application at the Employment Standards Branch. The time period for temporary layoffs related to Covid-19 was extended o a maximum of 24 weeks, expiring on August 30. The new application allows employers and workers to jointly apply for an extension beyond the deadline. Hard copy documents and signatures are not required. An application deadline of Aug. 25 has been set to ensure all applications will be processed by the Aug. 30 expiry date.
- July 17: A coalition of British Columbia construction associations is calling out the province’s transportation and infrastructure minister as they take their legal challenge of the NDP government’s community benefits agreement (CBA) policy to the B.C. Court of Appeal. The coalition is asking the court to reverse a lower court decision that referred part of their case on the government’s labour rules infringing on the charter rights of workers to the Labour Relations Board (LRB) and to return the entire case to B.C. Supreme Court. In a Progressive Contractors Association of Canada (PCA) release, the collation stated its case “has been, and will continue to be, about Transportation and Infrastructure Minister Claire Trevena ’s decision - her statutory discretion - to impose an unfair and discriminatory policy on the construction industry. It is not challenging the collective agreement embedded in the CBA or any other issue within the jurisdiction of the LRB.” “Right now, government and industry should be working together to rebuild the economy. That’s a lot harder to do when public infrastructure dollars are not going anywhere near as far as they should,” said Independent Contractors and Businesses Association (ICBA) president Chris Gardner in the statement. The coalition is comprised of the BCCA, VRCA, ICBA, PCA and two unions, CLAC and the Canada West Union as well as the B.C. Chamber of Commerce, the Canadian Federation of Independent Business and as stated in the release “several construction companies, professionals and workers in launching the lawsuit aimed at halting restrictive labour policies in B.C.’s construction industry”
- July 16: Tenants in B.C. will have to pay their full month’s rent on September 1 or face eviction as the provincial ban on evictions for non-payment comes to an end. The Ministry of Municipal Affairs and Housing is rolling out a repayment framework for rent payments missed since the eviction ban went into effect for April 1. Landlords whose tenants have been unable to pay rent due to the pandemic will have to give their tenants until July 2021 to repay any outstanding rent. Landlords are required to provide a repayment framework to their tenants, outlining the total amount of rent owed, the amount to be repaid each month through July 2021 and the due date of the first repayment installment, which can be as early as October 1. The ministry estimates that 85 per cent of renters have continued to pay rent in full each month, 12 per cent have made partial payments and just three per cent of renters have not paid rent at some point during the pandemic
- July 14: The coronavirus pandemic has cost B.C. $12.8 billion, wiping out Budget 2020’s $227-million surplus. The NDP is now projecting a $12.5-billion deficit for the year, although how the numbers shake out will depend on how the global pandemic proceeds. Finance Minister Carole James called the deficit “staggering” but said the province has made “extraordinary investments” to support B.C. residents and businesses through the crisis — and plans to continue to spend in the months ahead. The province is spending $6.26 billion this year to fight the pandemic and its impact on the economy, mostly through its $5-billion Covid-19 action plan. Outside of that, Tax deferrals and late payment penalty waivers have cost $762 million and the one-time, five-fold increase in the province’s Climate Action Tax Credit cost $500 million. The province is still examining whether to further extend the supports it has put in

place so far — as well as whether to forgive tax deferrals currently set to come due by the end of the year. Liberal Leader Andrew Wilkinson castigated the NDP for lacking an economic recovery plan four months into the pandemic. Thousands of B.C. businesses will have been forced to shutter by the the fall, he told reporters, noting that many federal support programs are currently set to wind down then as well. He said the government should not be "waiting for the situation to resolve itself" before rolling out a build-back plan. Pre-pandemic, B.C. had long boasted one of the lowest unemployment rates in the country but is now projecting unemployment will remain in the double digits this year at 11.3 per cent. In 2021, the province is projecting an unemployment rate of 8.9 per cent. B.C. is projecting a 6.8 per cent drop in GDP for 2020, followed by 3.1 per cent growth in 2021 - assuming labour force recovery continues to be modest, government support spending remains "measured" and pandemic management measures continue for the foreseeable future. During the 2008 crash, the province saw GDP drop by 2.4 per cent, while the 1982 recession brought a 6.4 per cent contraction. James is set to release the province's public accounts on August 31 and said an economic recovery framework will be released in September, when B.C.'s first quarterly results are also set to be made public. The NDP's newly tabled Bill 18, *Economic Stabilization (Covid-19) Act*, would allow the province to run deficit budgets through 2024. However, James pledged to revisit the pace of economic recovery "each and every year" with an eye to possibly balancing the province's books sooner

- July 7: The Legislature of B.C. returned to committee stage on Bill 19, Covid-19 Related Measures Act, which would allow the province to extend emergency orders related to Covid-19 beyond the provincial state of emergency.
- July 6: Government officials have announced new infrastructure investments for B.C.'s northern communities to stimulate the economy as Covid-19 restrictions are loosened. Twenty-four projects in northern British Columbia will get a funding boost under the Investing in Canada Infrastructure Plan. Ottawa is committing $49.9 million to the projects. The Government of British Columbia is contributing over $15.4 million and the individual applicants are contributing more than $11.5 million through the Community, Culture and Recreation Infrastructure Stream as well as the Rural and Northern Communities Infrastructure Stream
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Alberta:

- July 21: Being deemed an essential service hasn't immunized Alberta's commercial construction sector from the effects of Covid-19. While existing building sites remain busy, few new projects are breaking ground over supply chain woes and economic uncertainty. "When the province deemed [construction] an essential service, there was the expectation that schedules wouldn't be affected," says Frederick Vine, chair of the Alberta Construction Association. "It's quite a discussion to be having with the client that although construction wasn't shut down, we were still impacted." Unlike Ontario or Quebec, where, initially, commercial construction was halted by provincial governments, Alberta allowed work to continue without interruption as long as Alberta Health requirements could be met. "Structural steel comes from Quebec and [that] industry was shut down completely," Mr. Vine says. Some sites could be ordering doors from Washington State and it shut down early in the pandemic, he added. "We have seen some supply-chain-related issues largely for material sourced from outside of Canada. That has included furniture, kitchen cabinets, specialty equipment for food production, mechanical and electrical fixtures. But for the most part … schedules have been met and will continue to be met." "We may be looking at commercial or industrial projects and saying there's too much vacancy in the market. We may need to right size them or change the land use," Mr. Naqvi says. "We're having to reposition and decide if what we're building is sellable in the post-COVID environment. …We're probably safer to convert some of those [projects] to residential. Although residential is down as well in this market, it has a better chance of [recovering] sooner than commercial"
- July 20: Alberta's government recently announced (and passed) Bill 32, the *Restoring Balance in Alberta's Workplaces Act* will result in a number of amendments to Alberta's *Employment Standards Code* (the ESC) and *Labour Relations Code* (the LRC). Many of these amendments will assist employers to better manage their workforces and address many of the issues that have arisen over the past few years due to prior amendments to

the ESC and the LRC. Bill 32 enacts three key changes to the ESC which will take effect on August 15, 2020, with others to take effect on November 1, 2020. Effective August 15, 2020, when employers terminate 50 or more employees at a single location within a four-week period, they would need to give the Minister of Labour (the Minister) a written group termination notice. Effective November 1, 2020, the rules for calculating general holiday pay are simplified to better align with pay cycles. as well as more flexible rules for employers to establish hours of work averaging arrangements and other measures

- July 20: In October 2019, Emissions Reduction Alberta (ERA) launched the Natural Gas Challenge and invited technology developers to share project concepts for innovation opportunities in Alberta's natural gas industry. Alberta's government is providing $58 million through ERA to support this opportunity to create jobs in the natural gas sector. The 20 new projects have the potential to reduce a combined one million tonnes of emissions by 2030 – the same as taking about 750,000 cars off Alberta's roads. These projects will also get Albertans back to work by creating more than 750 new jobs when they are needed most
- July 17: The Government of Alberta will twin a 66-kilometre stretch of the David Thompson Highway between Sylvan Lake and Rocky Mountain House. This $120-million project is part of Alberta's Recovery Plan and will create about 582 jobs, while upgrading the highway and improving traffic flow along this important recreation corridor. The David Thompson Highway project is part of the more than $10 billion infrastructure spending announced as part of Alberta's Recovery Plan
- July 7: Environment and Parks Minister Jason Nixon introduced Bill 31, *Environmental Protection Statutes Amendment Act,* which establishes more stringent requirements for pits and clarifies the definition of sand as a mineral. The bill follows a May 6, 2020, Alberta Court of Appeal decision that ruled sand be considered a mineral under the EPEA definition. Previously, all sand, gravel, clay and marl was regulated under rules for pits. Now sand removal must be regulated under a "quarry" regulatory framework. Nixon said Bill 31 will provide "clarity and consistency for job creators in the sand and gravel industry while still maintaining stringent environmental protection regulations." Future sand projects that extract more than 45,000 tonnes will require an Environmental Impact Assessment and must meet more complex requirements to gain approval. The changes to the law are expected to affect approximately 500 applicants
- July 3: Alberta construction industry leaders are praising the provincial government's new map to get out of multiples crises. "We've reviewed the plan and we applaud the government. It's a massive infrastructure investment and it's very important not just for construction employers and workers, but also for the entire economy," said Progressive Contractors Association of Canada president Paul de Jong. "It's been a pretty ragged few months for everyone. There was pressure on the economy for Alberta going into the pandemic, and Covid-19 brought another chapter into that equation," said Calgary Construction Association president Bill Black.

Saskatchewan:

- July 23: Despite working through a pandemic, Saskatoon's summer construction plans haven't skipped a beat. On Thursday representatives from the city's construction and design team reported on a $114 million investment into roadways, sidewalks, watermains and other infrastructure projects. $61 million is dedicated to roadway preservation and watermain upgrades along Eighth Street and $53 million is for development of new infrastructure in developing neighbourhoods. "The pandemic has not slowed down or interrupted all other planned work. We're on track to invest a similar amount than what we had envisioned before the pandemic," said Matt Jurkiewicz, director of construction and design with the city. "The scope of the program has slightly changed as far as locations but the overall value of the construction program is as it was prior to Covid"
- July 23: The Saskatchewan Heavy Construction Association had concerns coming out of the Covid-19 shutdown. A major issue was whether municipalities would invest in construction projects or use stimulus money to avoid deficits. "There was some concern from our members that infrastructure funding would be cut to balance budgets,"

association president Shantel Lipp said. “Before the MEEP (Municipal Economic Enhancement Program) funding became available that was exactly what was happening.” She said with the provincial funding there is light at the end of the tunnel but it’s still slow going. “We haven’t seen a lot of tenders being released because Covid-19 has caused such a delay. So we’re not quite sure exactly how much work municipalities are going to put out this year,” she explained

- July 17: The Saskatchewan Construction Association says new provincial legislation aimed at ensuring contractors and subcontractors are paid in a timely manner leaves out the tradespeople most vulnerable to slow payments. Minister of Justice Don Morgan told CBC that the government didn’t intend for the prompt payment amendment to the Builders Lien Act, passed in the spring of 2019, to apply to the residential sector. Mark Cooper, the president of the Saskatchewan Construction Association (SCA), said the province is making a mistake by planning to exempt parts of the construction industry like the residential and mining sectors. “Any exemption falls short of the standard that we should be seeking in this law,” Cooper said. The legislation was passed more than a year ago, but it’s still not in force because government and industry are continuing to consult on regulations. A Ministry of Justice spokesperson said the new law should be in force early next year. Right now, the timing of payments in the construction industry is unregulated in Saskatchewan. It’s not uncommon for contractors to have to wait 60 to 90 days or even longer to get paid.

Manitoba:

- July 15: The government of Manitoba announced the Back to Work in Manitoba initiative, a hiring program designed to encourage employers to recall or hire new employees. This program aims to provide assistance to Manitoba employers by covering half of the wages paid for up to ten employees until the fall of 2020. Employers who meet the criteria can receive reimbursement of 50% of the total wages paid to designated employees over the period of July 16, 2020 to October 31, 2020, to a maximum of $5,000 per worker. Employers can apply to receive funding for a maximum of ten positions and receive up to $50,000. The funding is only applicable for wages paid to employees hired on or after the date the employer submitted its application for this program. Business owners are not eligible to receive reimbursement for wages paid to themselves. The reimbursement to the employer will be made as a lump sum payment once the employer provides proof of the payment of wages, which must be submitted by January 4, 2021. There is no maximum wage amount that can be reimbursed, although the maximum amount of reimbursement is $5,000 per worker
- July 13: A Manitoba judge has ordered the City of Winnipeg to repay developers tens of millions of dollars after a three-year court battle over the legitimacy of impact fees. Justice James Edmond sided with a group of developers and homebuilding advocates, stating although it is reasonable for the city to try and justify the fees with its charter, their arguments fall short. “The bylaw and resolution imposes a constitutionally invalid indirect tax and is not saved as a valid user fee or regulatory charge,” wrote Edmond in his decision. He ordered the city to refund all the impact fees plus interest it had acquired. The city has collected $29.7 million of impact fee revenue as of the end of 2019.

Ontario:

- July 23: The Ontario government is investing over $500 million to build 30 new schools and make permanent additions to 15 existing facilities, supporting over 25,000 student spaces across the province. The government is investing over $12 billion in capital grants over 10 years, including over $500 million invested in this year alone to build critical new school capital projects and permanent additions. To find out more about ongoing projects across Ontario, visit the Ontario Builds map here
- July 16: MTO unveiled a new online tool to view the north and south highway management program. The program features an interactive map for the current and planned expansion and rehabilitation work for the next three years. This information will be updated annually. From April 2020 to March 2021, the Ontario government is committing

$2.6 billion to repair and expand provincial highways and bridges. This includes construction funding of $1.6 billion in southern Ontario and $625 million in northern Ontario. These investments are estimated to create or sustain approximately 15,830 direct and indirect jobs and improve quality of life for workers, families and small businesses across Ontario

- July 15: The Ford government is changing the way it funds long-term care home construction to spur development. The new measures slash the number of new beds promised by the PCs while upping the amount LTC providers receive for new construction projects. During a tech briefing Wednesday, officials acknowledged new beds have been slow to grow and said the new funding formula will accelerate construction. The solution is to increase the Construction Funding Subsidy based on regional categories (large urban, urban, mid-size and rural) and provide grants to cover 10 to 17 per cent of upfront capital costs such as land and development charges. Thanks to the per-home spending increase, the PC's previously earmarked $1.75 billion will now bankroll nearly 8,000 new beds and redevelop 12,000 others over five years. The moneypot was initially going to fund 15,000 new and 15,000 renovated beds over that timeline. At least 4,000 beds are expected to come online by 2022, the end of the Ford government's first mandate. The PCs also reiterated their campaign pledge to open 30,000 new beds over a decade
- July 15: The Tarion reform legislation, Bill 159, *Rebuilding Consumer Confidence Act*, cleared third reading after question period and has received royal assent
- July 8: The government introduced an omnibus bill to the legislature (**Bill 197**: *COVID-19 Economic Recovery Act 2020*), which will impact a number of sectors from housing to education. Some of the major highlights:
    - The *Act* is 188 pages, and would alter 20 different pieces of existing legislation.
    - Changes to the Environmental Assessment Act alone span 75 pages - many of the measures were laid out last year in a government discussion paper. Instead of requiring assessments for public-sector projects by default (private-sector projects are usually exempt) as the regime is currently set up, the changes would mean projects only need a full assessment if designated by the minister. The government is working on a 'project list' to identify what will require an assessment. It's not clear what will be on it, but Municipal Affairs Minister Steve Clark has said the province will look to exempt projects with a low impact on the environment. Environmental Assessment (EA) process will be streamlined, allowing for online submissions, and reducing average times by half for the largest projects. The Minister will be able to designate which projects require a class EA (*for further details, please read this* ***endnote***[i])
    - Hearings of necessity will be eliminated and the Minister may establish a process for receiving comments for expropriations
    - Land designated as a "transit-oriented community project" can be expropriated without the hearings process under the Expropriations Act
    - Major new included proposed legislation related to infrastructure and development can be found in this ***endnote***[ii]
    - Bill 197 passed its first reading in the legislative assembly on July 8, 2020. If ultimately passed, the amendments in Bill 197 will be phased in over time to allow for the development of new regulations that would be required to implement the changes to the EAA
- July 7: The government intends to extend emergency orders to align with **Bill 195** *Reopening Ontario (A Flexible Response to Covid-19) Act, 2020*, if passed. This proposed legislation is part of the government's plan to cautiously reopen Ontario in a way that recognizes the ongoing impacts of Covid-19 even after the provincial declaration of emergency has ended. The bill, if passed, would allow Ontario to continue its path to recovery by easing restrictions where appropriate, while maintaining important select tools to address the ongoing threat of this deadly virus and protect Ontarians.

- July 6: The Government of Ontario announced it has developed a made-in-Ontario plan for growth, renewal and economic recovery. This plan includes measures, included in **Bill 197**, that would make it easier and faster to build provincial highways, major transit infrastructure projects and quality, affordable housing, while ensuring there are meaningful opportunities for community consultation and input. As part of the government's plan, the province is proposing to accelerate key provincial highway construction and priority transit projects by establishing an exemption from the Hearing of Necessity process. Provincial Hearings of Necessity occur approximately 5-10 times per year on average for provincial highway projects. Each hearing adds months of red tape and construction delays for critical provincial infrastructure, costing up to five months for transit projects and up to 12 months for provincial highway projects. "Communities need reliable transit, transportation and housing as a strong foundation for future economic growth," said Minister Mulroney. "These initiatives would create tens of thousands of new well-paying jobs, make our roads safer, reduce gridlock, and put home ownership within reach of many people across the province." As part of this plan, the government would also enter into new commercial agreements with partners to build transit-oriented communities. This would allow for the development of more housing around transit in an integrated manner and put more job opportunities within the reach of more people. The measures would also save taxpayers money by having the development industry make direct, significant contributions to the cost of building transit for the benefit of communities, all transit riders, and Ontario taxpayers
- July 6: Transportation Minister Mulroney reiterated that the province is investing $2.6 billion total funding for MTO's Highways Capital Budget, of which, $2.3 billion is allocated for construction. During the announcement Premier Ford emphasized that investment in transportation infrastructure is key to revitalizing Ontario's economy
- July 6: Mayor John Tory is warning that the city will soon have to "begin the process" of implementing a myriad of devastating service cuts, unless the federal and provincial governments come to an agreement on a major bailout package for municipalities. Tory made the comment following a virtual meeting with mayors and regional chairs from across the province on Monday morning. He said that while he is still holding out hope that the other levels of government will cover an estimated $2 billion shortfall in Toronto's budget due to the Covid-19 pandemic, time is quickly running out for them to do so
- July 2: Francis Drouin, Member of Parliament for Glengarry-Prescott-Russell, on behalf of the Honourable Maryam Monsef, Canada's Minister of Women and Gender Equality and Rural Economic Development; and the Honourable Steve Clark, Ontario's Minister of Municipal Affairs and Housing and Member of Provincial Parliament for Leeds-Grenville-Thousand Islands and Rideau Lakes on behalf of Laurie Scott, Ontario's Minister of Infrastructure, announced funding for five road and bridge projects in Eastern Ontario. The Government of Canada is investing over $9 million in these projects through the Rural and Northern Communities Infrastructure Stream of the Investing in Canada infrastructure plan. The Government of Ontario is contributing more than $6.5 million for these important infrastructure projects in these communities while municipalities are contributing over $3 million in total towards the projects.
- July 2: In a letter addressed to Premier Ford, the Association of Municipalities of Ontario and Cupe Ontario wrote, "Time is running out for municipal governments and the municipal workers who have kept this province safe and delivered the frontline and core services Ontarians rely on most. The time for a federal-provincial cost shared emergency financial relief plan for municipalities is now... Without emergency financial assistance, these shortfalls will result in significant property tax hikes, services cuts and the deferral or cancellation of capital projects."
- MTO is undergoing a major reorganization in an effort to streamline the efficiency of work lines, by implementing a new organizational structure that features seven divisions instead of the current five. ORBA has requested further details on the reorganization and will provide that information to members as it becomes available. Two new

Assistant Deputy Minister (ADM) positions have already been announced: Jennifer Graham Harkness will be ADM for the Transportation Management division, and Eric Doidge will be ADM for the Operations division.

Quebec:

- July 9: CAC officials attended a virtual meeting with senior bureaucrats responsible for the economic recovery at the Ministry of Economy and Innovation (MÉI). The meeting, which was organized by the Conseil Patronal de l'Environnement du Québec (CPEQ), focused on the potential inclusion of an environmental or carbon criteria in the public procurement processes. While MÉI's officials were interested in the principle and were open to have further discussion, they also reminded participants that the "lowest initial cost" was still the preferred approach to procurement within the Quebec Government. They offered their help to bring other relevant government officials at the table, especially officials from Treasury Board responsible for procurement. They were also adamant that any "green" factor included in procurement would have to comply with all international trade rules. The CPEQ is working with a consulting firm to develop a document that will show the life-cycle benefits of local production of goods. Further discussion on this topic are planned for late summer.

Nova Scotia:

- July 7: There's a lumber shortage in Nova Scotia and it's forcing big and small construction companies to make some tough decisions on what jobs they can complete. Some big construction companies are going to feel a lumber crunch this summer — the busiest time of year for their industry. One of the reasons for the shortage is the industry has been overwhelmed with people doing projects during Covid-19. Mark Wartak mainly does roofing and construction jobs in the New Glasgow area. He says the lumber shortage is coming at a bad time. "Any contractor you talk to right now would tell you the same thing: it is way busier now than it ever has been," said Wartak. "I was just trying to think about what kind of jobs I could do that don't require timber."

Competing Building Materials Notes:

- July 16: Greenhouse gas emissions created by logging in Canada's boreal forest aren't being properly regulated or accounted for, threatening the country's ability to meet its 2050 climate targets, according to a new report released on Thursday. The report, "*The Logging Loophole: How the Logging Industry's Unregulated Carbon Emissions Undermine Canada's Climate Goals*" by released by the Natural Resources Defense Council, Nature Canada and Environmental Defence Canada. "Industry has perpetuated a narrative of perfect regrowth: for every tree cut down another one is regrown," Jennifer Skene, the report's author and an attorney with the Natural Resources Defense Council, said in an interview. While industry has long maintained that harvested forests will eventually regain their ability to sequester carbon dioxide if new trees are planted, Skene pointed to evidence to the contrary. The Report states that the government first needs to acknowledge the actual emissions associated with the logging industry and include them in its climate targets. The report calls on the federal government to integrate logging emissions into its national carbon pricing program under the Greenhouse Gas Pollution Pricing Act, a carbon tax largely aimed at the fossil fuel industry.
- July 14: The Government of Canada announced the following measures: Funding for Covid-19 Safety Measures in Forest Operations. The Federal Government has announced its intention to provide up to $30 million dollars for small and medium enterprises in the forest sector to offset costs associated with Covid-19 safety measures. Specifically these funds will primarily cover costs for:
    - sanitization stations
    - additional accommodations and/or transportation
    - facilities and services targeted at maintaining social distancing; and
    - personal protective equipment.

This funding will help support the scheduled planting of 600 million trees.

Economic Analysis & Commentary:

Canada:

- July 17: According to a new survey by the Canadian Federation of Independent Businesses, three quarters of small businesses have taken on debt due to Covid-19. And as many as 68% of those with debt think it will take more than a year to pay off. Laura Jones, executive vice-president at CFIB, said in a press release. “I’ve talked to many businesses that are open again, but are worried about being able to outrun the debt they have accumulated, particularly with sales still down. Recovery is going to be a slow slog and both governments’ and customers’ support is critical to make it happen.” Based on these survey results and after adjustments to reflect the entire economy, CFIB estimates that the total debt taken on so far by Canadian small businesses as a result of Covid-19 is $117 billion.
    - A separate CFIB survey on small business shows businesses are finding it difficult to rehire staff with only a third of small firms reporting that they are at normal staffing levels, and one quarter having a hard time finding the staff they need to operate. “Staffing is one of the many challenges for small businesses trying to get back to normal,” CFIB president Dan Kelly in a press release. “More than a quarter (27 per cent) of small firms report that some of their laid-off staff have refused to return to work when recalled.” According to small business owners, as many as 62 per cent of workers said they would prefer to stay on CERB, 47 per cent are concerned about their and their family’s physical health, and just over a quarter are concerned about childcare obligations.
- July 15: Bank of Canada: The Bank of Canada projected that the Canadian economy will shrink by 7.8 per cent this year. The forecast, the central bank’s first in six months, came as the bank announced its latest policy decision, holding its key interest rate steady at a record-low 0.25 per cent and leaving its large-scale bond-purchase programs unchanged. The bank reinforced that it intends to keep both policies in place far into the economic recovery. In its quarterly Monetary Policy Report (MPR) Wednesday, the central bank estimated that the Canadian economy lost “about 15 per cent” of its economic activity in the second quarter compared with end-of-2019 levels, as containment measures for the pandemic were at their height. However, it noted encouraging signs of a rebound now under way, with economies reopening in Canada and many other parts of the world. The bank estimated that real gross domestic product plunged 13.1 per cent in the second quarter, on top of a 2.1-per-cent contraction in the first quarter. It said it expects a bounceback of 7.1 per cent in the third quarter, reflecting the rapid return of activity as containment restrictions continue to be lifted. The forecast assumes that “about 40 per cent” of the drop in output in the first half of the year will be recouped in the third quarter. However, it cautioned, this early rebound “is expected to give way to a recuperation phase during which the pace of the recovery will moderate, as the pandemic continues to affect confidence and the economy undergoes widespread adjustments, including in the energy sector,” it said
- July 14: Statistics Canada: Canadian Survey on Business Conditions: Impact of Covid-19 on businesses in Canada, May 2020: As Canada's economy continues to move towards a recovery, Statistics Canada has run the Canadian Survey on Business Conditions to better understand the ongoing effects on businesses as the economy begins to reopen. Here are some of the high-level results:
    - Nearly two-thirds of businesses expect their number of employees to remain the same over the next three months
    - Four-fifths (80.5%) of businesses need or expect to need personal protective equipment or supplies as physical distancing measures are relaxed. Over two-thirds (68.1%) of businesses reported that they need or will need masks and eye protection, while over three-fifths (64.4%) need or will need cleaning products. Two-thirds (66.5%) of businesses indicated they were likely or very likely to provide facemasks, gloves, and

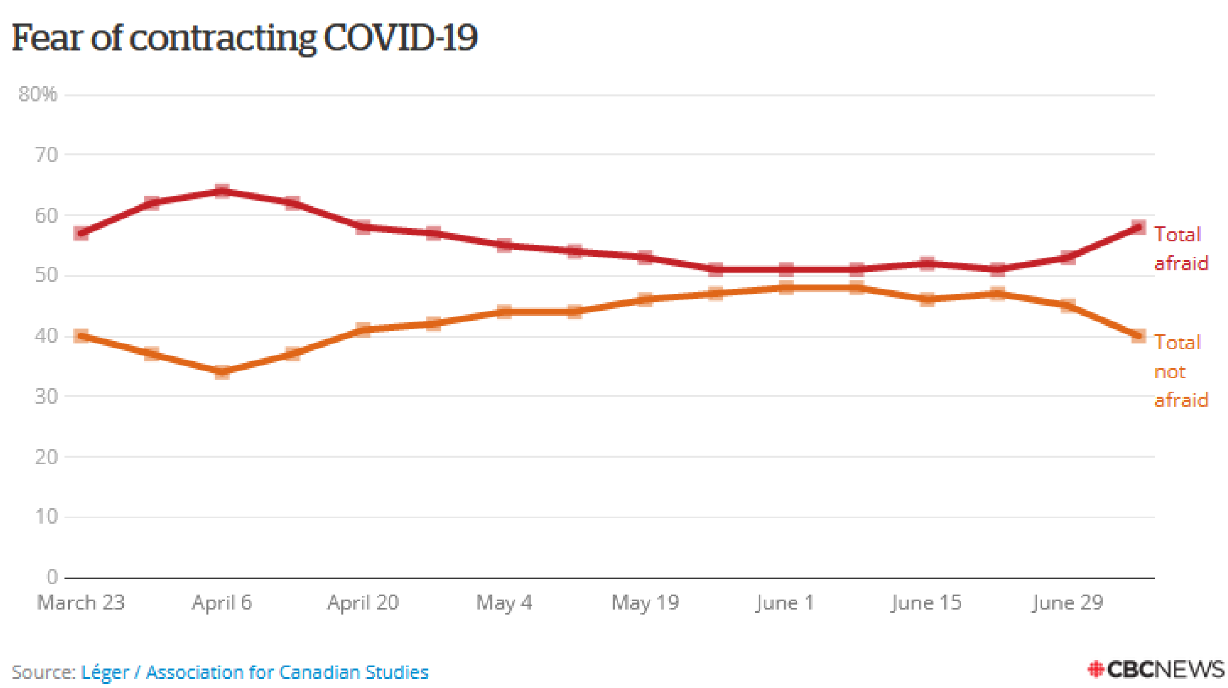
other personal protective equipment to employees. Three-quarters (74.8%) of businesses reported they were likely or very likely to increase sanitization of the workplace. Over one-fifth (22.0%) of businesses were experiencing or expect to experience difficulty procuring personal protective equipment or supplies

- Nearly one-third (32.6%) of businesses reported 10% or more of their workforce was teleworking or working remotely on May 29, 2020. This was almost twice the level reported as of February 1, 2020, when 16.6% of businesses reported 10% or more of their workforce was teleworking or working remotely. Once the COVID-19 pandemic is over, close to one-quarter (22.5%) of businesses expect that 10% or more of their workforce will continue to telework or work remotely
- Over half (51.6%) of businesses reported that their revenues for the month of April were down 30% or more compared with April 2019. More than one-third (35.3%) of businesses reported that revenues were down by half or more. While revenue was down sharply, just over two-fifths (40.9%) of businesses reported that their expenses (excluding salaries and wages) have stayed the same year over year, while close to one-third (32.4%) saw expenses decline by 10% or more
- Nearly two-thirds (63.7%) of businesses reported being approved for funding from government programs or credit from external providers in light of the COVID-19 pandemic. Businesses in Quebec (72.0%) and Prince Edward Island (67.0%) were most likely to be approved for funding or credit. Over three-quarters of businesses in the accommodation and food services sector (84.2%) and in the arts, entertainment and recreation sector (75.2%) were approved for funding. Nearly one-quarter (22.6%) of businesses reported being approved for the CEWS
- Two-fifths (39.9%) of businesses reported reducing staff hours or shifts due to the COVID-19 pandemic, while over one-quarter (28.4%) laid off staff. Close to one-fifth (17.4%) of all businesses laid off half or more of their workforce. Of the businesses that laid off at least one employee, over three-fifths (61.3%) laid off 50% or more of their workforce
- Almost one-fifth (19.3%) of businesses reported they could continue to operate at their current level of revenue and expenditures for less than six months before considering further staffing actions, closure or bankruptcy.

- July 10: Statistics Canada: The agency says 953,000 jobs were added last month, including 488,000 full-time and 465,000 part-time positions. The unemployment rate fell to 12.3 per cent in June after hitting a record-high of 13.7 per cent in May. As in May, even though more people found jobs, more people were also looking for work. The average economist estimate for June had been for an addition of 700,000 jobs and the unemployment rate to fall to 12.0 per cent, according to financial data firm Refinitiv. Statistics Canada says the unemployment rate would have been 16.3 per cent had it included in unemployment counts those who wanted to work, but did not look for a job. The unemployment rate for women was 12.7 per cent in June compared to 12.1 per cent for men. Similarly, the participation rate for core-aged men was less than one percentage point below the February level, while for women it was 1.4 percentage points short. The underutilization rate — which counts those who are unemployed, those who want a job but didn't look for one, and those working less than half their usual hours — was 28.3 for women and 25.5 per cent for men. Alberta saw no gains in employment for the month - 15.5 per cent (15.5 last month)
- July 5: A new survey suggests a majority of Canadians support closing non-essential businesses again if cases spike. The new poll conducted by Nanos Research for CTV News surveyed 1,049 Canadians within the past week, and found that two-thirds of respondents support, or somewhat support, another round of business closures in the event of a significant rise in cases and hospitalizations. Forty-two per cent of respondents said they support the closures, while another 28 per cent said they somewhat support them. About one in four Canadians oppose (16 per cent) or somewhat oppose (11 per cent) the idea. Support for shutting down businesses during a second wave was strongest in Ontario (53 per cent) and weakest in Quebec (24 per cent). Those older than 55 -- who are more

susceptible to the virus -- were more supportive of the closures, at 77 per cent, than younger Canadians aged 18 to 34, at 64 per cent support

- July 8: As the number of new cases of COVID-19 being reported daily in Canada has declined over time, Canadians' concerns about the spread of the disease have spiked. The uncontrolled outbreak south of the border might be the reason why. Nevertheless, Canadians are feeling more worried today, according to a recent poll. The survey, conducted by Léger for the Association for Canadian Studies between July 3 and 5, found that 58 per cent of respondents were personally afraid of contracting COVID-19. That figure has increased seven percentage points in two weeks and is now the highest it has been in Léger's weekly polling since mid-April. It's a notable shift in public opinion. Concern peaked in early April, when 64 per cent of Canadians reported being personally afraid of getting sick. At the time, Canada was reporting over 1,200 new cases every day. From that peak, fears consistently decreased over the seven weeks that followed before falling to a low of 51 per cent. Concerns hovered around that level, with little variation from week to week, between late May and late June. Canadians are reporting more pessimism about the future, despite the apparently improving situation here. According to the Léger poll, 82 per cent of Canadians expect a second wave — that's up six points from early June.



United States:

- July 9: Former Vice President Joe Biden laid out part of his economic campaign plan which included the president's rhetoric is the idea that contracts for large-scale public projects should go to U.S. firms. Biden has promised to spend $400 billion US on clean energy and infrastructure with American products, materials, services and shipping companies favoured; he then reiterated the pledge in a Pennsylvania speech. "Products made by American workers," Biden said. "When we spend taxpayers' money — when the federal government spends taxpayers' money — we should use it to buy American products and support American jobs. I plan to tighten the rules to make this a reality." Existing free-trade rules guarantee Canadians some access to U.S. publicly funded construction work, within limits. The rules are more porous for work funded at the state and local level. Also, the old NAFTA procurement rules have been eliminated in the new agreement, leaving Canadian companies relying on similar rules agreed to at the World Trade Organization

- July 1: The U.S. Census Bureau reported that construction spending during May 2020 was estimated at a seasonally adjusted annual rate of $1,356.4 billion, 2.1% (±1.0%) below the revised April estimate of $1,386.1 billion. The May figure is 0.3% (±1.5%) above the May 2019 estimate of $1,352.9 billion. During the first five months of this year, construction spending amounted to $543.2 billion, 5.7% (±1.2%) above the $513.7 billion for the same period in 2019. Nonresidential construction was at a seasonally adjusted annual rate of $465.3 billion in May, 2.4% (±0.7%) below the revised April estimate of $476.9 billion. In May, the estimated seasonally adjusted annual rate of public construction spending was $355.2 billion, 1.2% (±2.0%) above the revised April estimate of $350.9 billion. Highway construction was at a seasonally adjusted annual rate of $106.6 billion, 2.8% (±6.7%) above the revised April estimate of $103.7 billion. Educational construction was at a seasonally adjusted annual rate of $87.3 billion, 0.1% (±2.0%) above the revised April estimate of $87.2 billion. Spending on private construction was at a seasonally adjusted annual rate of $1,001.2 billion, 3.3% (±0.7%) below the revised April estimate of $1,035.2 billion. Residential construction was at a seasonally adjusted annual rate of $535.9 billion in May, 4.0% (±1.3%) below the revised April estimate of $558.3 billion:
    - "Three short-lived factors may have boosted construction spending in May: emergency healthcare projects, acceleration of highway work to make use of the drop in road traffic and the end to some state government shutdown orders," said Associated General Contractors of America's (AGC) Chief Economist Ken Simonson. "Unfortunately, these stimuli have now worn off, and there is a high risk that construction spending will soon shrink as state and local governments start a new fiscal year today with large budget gaps that they must close. Too often, they turn to postponing and canceling construction."

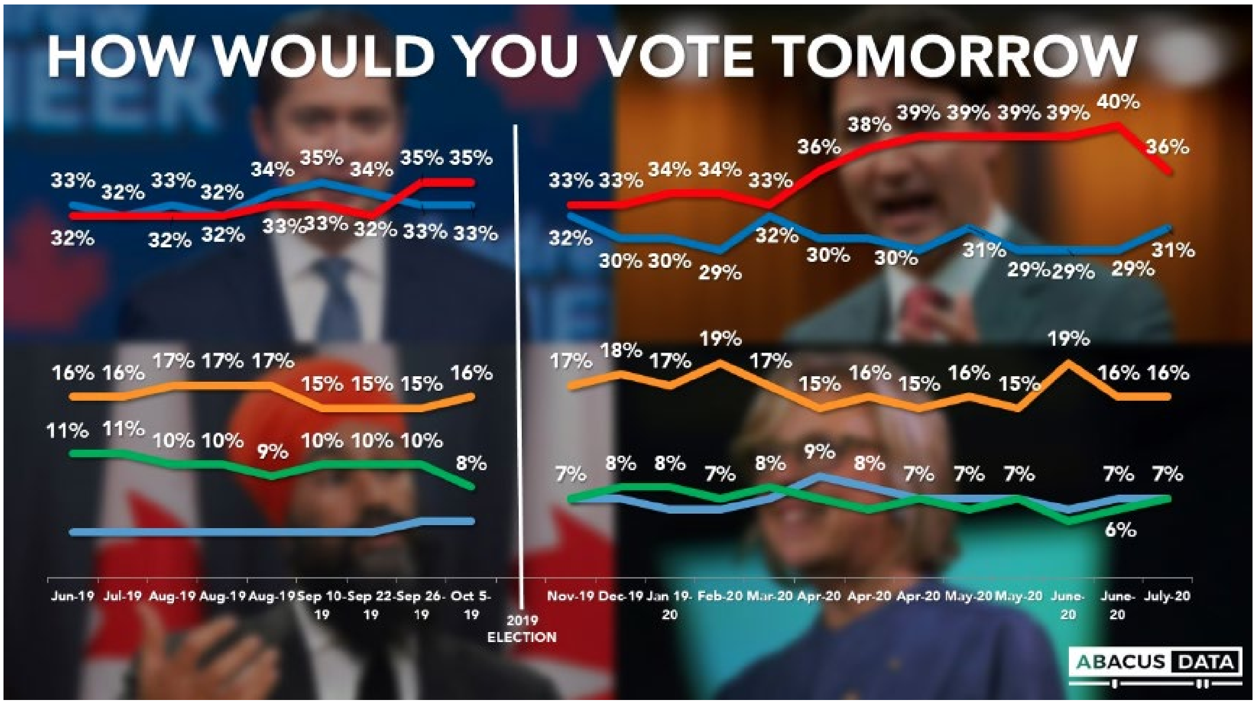
International:

- July 21: After an acrimonious four-day summit that nearly collapsed, European Union leaders early Tuesday signed off on an unprecedented stimulus package that will see the bloc issue €750-billion in joint debt to help member countries repair their pandemic-battered economies. The recovery package came alongside the approval of a €1-trillion budget that will cover the bloc between 2021 and 2027. The recovery fund is composed of two elements: €390-billion in grants and €360-billion in low-interest loans. The EU will borrow the funds in the capital markets through 2026, and 70 per cent of the grants will go out the door in 2021 and 2022. But the first payments to EU states will probably not be delivered until mid-2021, meaning the hardest hit countries – notably Italy, Spain and France – will have to find their own fiscal measures to prevent their economies from deteriorating for another year. Almost a third of the stimulus package is to be devoted to fighting climate change, though details were scant as to what kinds of projects would be eligible for the funding. The EU agreed that all spending must be consistent with the carbon-reduction goals of the 2015 Paris climate agreement.

Political Check-In:

- Canada: July 20: According to a new poll by Abacus Data, if an election were held right now, the Liberal Party (36%) lead nationally – five-point ahead of the Conservatives (31%) – but Liberal support has slid four points since our last measurement at the end of June. Public impressions of the Prime Minister have also taken a hit, dropping 5-points over the past month. Today 42% have a positive view of Mr. Trudeau and 36% say their feeling is negative. On a regional basis, Mr. Trudeau is net +6 nationally (42% positive, 36% negative), +9 in BC, +9 in Ontario, +6 in Quebec and +14 in Atlantic Canada. Based on what they have heard about the We Charity matter to date, 18% say the federal government has managed the matter well, another 28% say "ok", while a majority give the government poor

(29%) or very poor (24%) marks. Reactions are fairly negative across the country, and even 40% of those who voted Liberal last fall says the government handled this poorly



- British Columbia: The BC NDP has a 17-point lead over the BC Liberals, according to a new poll from Ekos Research. When the NDP formed government in 2017, the two parties were both polling at about 40 per cent - since then support for the NDP has grown by six points while the Liberals saw an 11-point drop. The Greens have also lost some ground since 2017 - the Ekos poll indicates the leaderless party has 13 per cent support. The NDP lead was consistent across regions except for the Interior, where it is in a statistical tie with the Liberals. The poll found that "other parties" in the Interior enjoyed 17 per cent support, which may indicate the provincial conservative party could split the vote
- British Columbia: The NDP government's handling of the coronavirus pandemic has propelled Premier John Horgan's approval rating to new heights, according to a poll from Insights West. Horgan now enjoys a 68% approval rating, up from 51% in November 2019. Eight-five per cent of respondents approve of the NDP government's handling of the crisis while just seven per cent disapprove
  - Support for the NDP has also received a boost - if the provincial election were held tomorrow, 47% of the poll's 830 respondents said they would vote NDP, a 12-point jump over last November and an all-time high for the party. However, 23% of respondents said they were undecided
  - The Liberals and Greens have both seen their election prospects soften since last year - both have seen the percentage of British Columbians who plan to vote for them drop by three points since November. Support for the Liberals sits at 29% per cent while the Greens have sunk to 11%
  - Liberal Leader Andrew Wilkinson's approval rating has dropped five points to 30% - the first approval drop Wilkinson has seen since being elected party leader in 2018.

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[i] **Key features of Bill 197 include**:

- **Establishing a Project List**: The current EAA applies broadly to significant public projects proposed by the provincial and municipal governments and, in a few cases, environmentally sensitive private projects, which are all referred to as undertakings. The proposed amendments would remove the reference to undertakings. Instead, projects requiring EAs would be identified in a regulation and referred to as "designated projects." This project list approach would be similar to the approach in other Canadian jurisdictions, including the federal framework under Canada's Impact Assessment Act. The government has not released draft regulations or indicated which projects would be included on the project list.
- **Replacement of Class Environmental Assessments**: Under the EAA, the class EA regime allows a proponent to obtain an EA in respect of a class of undertakings pursuant to an approved EA process that is less onerous than the process for an individual EA. Bill 197 would replace class EAs with a "streamlined" EA process that will be set out in the regulations. The streamlined process will apply to certain projects to be designated in the regulation. If Bill 197 is enacted, currently approved class EAs will continue to apply to undertakings in each class until each one is revoked and replaced by regulations setting out streamlined EAs for those projects. Non-streamlined EAs, which are currently referred to as individual EAs, will be referred to as "comprehensive" EAs under the proposed amendments. Current individual EAs will be deemed as comprehensive EAs if the amendments are enacted.
- **Changes to Ministerial Orders for Comprehensive Environmental Assessments**: The EAA currently allows any person to request that the Minister of Environment (Minister) order that a project follow the more onerous individual EA process, instead of an approved class EA process. The Minister may also, by order, impose conditions on such projects. The proposed amendments would limit the timeframe in which the Minister could make such an order and would limit the grounds on which such a request could be made.

- **Required Municipal Support for Landfills**: The proposed amendments would require proponents seeking to establish a landfill site to obtain municipal support for the project from the municipality in which the landfill would be located, and from adjacent municipalities if the landfill would be within a certain distance from land authorized to be used for residential purposes.
- **Standardized Terms of Reference**: Under the EAA, proponents are required to submit terms of reference to outline the workplan for an EA for their project. The terms of reference must then be approved by the MECP. Bill 197 introduces language that clarifies the authority to create regulations prescribing requirements for terms of reference for categories of projects. The government has indicated it intends to create regulations standardizing terms of reference to be used by proponents where workplans will not vary significantly between projects within a sector.
- **Harmonization Between Jurisdictions**: Bill 197 would introduce changes to clarify existing provisions of the EAA that are intended to allow for harmonization and substitution where EA requirements from multiple jurisdictions apply to one project.
- **Expiry Dates for Individual/Comprehensive Environmental Assessments**: Bill 197 would amend the EAA to provide a 10-year expiry date for all individual (comprehensive) EAs that do not currently have an expiry date. Projects approved by the new streamlined EA process—that will replace class EAs—would also be given expiry dates.

[ii] **The following aspects of Bill 197 relate to the promotion of infrastructure projects in Ontario and towards developers:**

- **Transit-Oriented Communities Act, 2020**: One of the two new statutes envisioned by the Act, the Transit-Oriented Communities Act, 2020, if enacted, will permit the Lieutenant Governor in Council to designate land as "transit-oriented community land" if, in the opinion of the Lieutenant Governor in Council, it is or may be required to support a transit-oriented community project. The draft statute provides that if land, any part of which is transit-oriented community land, is expropriated in specified circumstances, a related hearings process under the Expropriations Act does not apply in relation to the expropriation. Instead, the current version of the bill permits the establishment of a process for receiving and considering comments from property owners respecting a proposed expropriation of such land. A "transit-oriented community project" is defined as "a development project of any nature or kind and for any usage in connection with the construction or operation of a station that is part of a priority transit project, and includes a development project located on transit corridor land within the meaning of Bill 171, Building Transit Faster Act, 2020." More information on Bill 171 is outlined below.
- **Ministry of Infrastructure Act, 2011**: If enacted as discussed above, the Transit-Oriented Communities Act, 2020 also includes provisions which will amend the Ministry of Infrastructure Act, 2011. The amendments principally function to permit the applicable minister, with the approval of the Lieutenant Governor in Council, to establish, acquire, manage, participate in or otherwise deal with corporations, partnerships, joint ventures or other entities for the purpose of investing assets in, supporting or developing transit-oriented community projects related to priority transit projects. These powers extend to borrowing and management of financial risks in connection with such projects, and provide Ontario with very broad tools to encourage both public and private sector participation in transit-oriented communities and related development projects. These changes have the potential to advance the purpose of the companion Transit-Oriented Communities Act, 2020.
- **Public Transportation and Highway Improvement Act**: Changes are being proposed to the existing Public Transportation and Highway Improvement Act in order to eliminate hearings of necessity for expropriations of property for public transportation and highway projects. Instead, the changes contemplate that the appropriate minister may establish a process for receiving comments from property owners about such expropriations. These changes would advance the goal of removing potential roadblocks to construction, including infrastructure projects.
- **Planning Act**: Among other amendments, sections 37 and 37.1 of the Planning Act are being replaced. The declared aim of the changes is to allow municipalities to impose certain community benefits charges against land to pay for the capital costs of facilities and services required due to local development or redevelopment. Provisions are also included to more clearly establish the relationship between community benefits charges and development charges that can be imposed under the Development Charges Act, 1997,

and those that can be funded from the special account used for the acquisition of land to be used for park or other public recreational purposes. The proposals also include expanded order-making powers for the Minister, with respect to projects and lands that are not in the Greenbelt Area—within the meaning of the Greenbelt Act, 2005—including with respect to site plan control and inclusionary zoning. Among other things, the changes will provide the Minister of Municipal Affairs and Housing with the ability to mandate the exterior design of buildings, landscaping and pedestrian and vehicle access, and to require the inclusion of affordable housing units in the development or redevelopment of specified lands, buildings or structures.

- **Development Charges Act**: Among other changes to the Development Charges Act, 1997, the list of services for which development charges apply has been expanded, and a new subsection 2 (4.1) sets out the relationship between development charges and the community benefits charges that can be imposed by by-law under the Planning Act. The stated purpose of the changes is to allow municipalities to recover 100 per cent of the cost to build critical community services, such as long-term care, child care, public health facilities and affordable housing; they are also meant to additionally provide for a separate community benefits charge, which will enable municipalities to fund growth-related capital costs of services due to higher density developments.
- **Occupational Health and Safety Act**: Amendments to the Occupational Health and Safety Act will permit regulations that allow for the adoption by reference not just of codes, standards, criteria and guides, but also any amendments that are made from time to time, simplifying the ability for Ontario’s standards to be updated more regularly, without further regulatory amendments.
- **Building Code Act**: Changes are included to the Building Code Act, 1992 to place regulation-making authority with the Minister of Municipal Affairs and Housing—rather than the Lieutenant Governor in Council—which changes are intended to allow for expedited and responsive processes.