



**Labourers' International Union of North America
Ontario Provincial District Council**

Submission to the City of Toronto Budget Committee
2023 City Budget Consultation

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Introduction

The Labourer's International Union of North America (LiUNA) has over half a million members in North America and more than 130,000 here in Canada. In collaboration with government and employers, LiUNA fights for worker safety, innovative skills training, and best-in-class wages and benefits. In Toronto, LiUNA has a long and storied history striving to improve conditions for our members and ensure they have meaningful, safe, and well-paying employment.

From hospitals to highways, our members play a large role in major public and private sector construction projects. We have anchored construction of the watermains, transit systems, and housing developments that have created the Toronto that we know today and continue to lead the projects that will build our city's future.

The following submission will discuss reasonable and measured investments which will render immediate and long-term benefits to the municipality. Specifically, LiUNA's recommendations focus on capital infrastructure and state-of-good-repair (SOGR) spending as a means of supporting economic activity and offsetting the impacts of the forecasted recession.

Recommendations

1. That the City refrain from project postponements and increase its SOGR spending as a means of generating economic activity and maximizing the useful life of its assets.

2. That the City increase spending on capital infrastructure projects such as roads, cycling infrastructure, and transit as a means of preparing for future growth and accommodating current levels of demand.

State-of-Good-Repair Investments

At the core of a municipality's responsibilities is its obligation to ensure that public infrastructure is safe, reliable, and accessible. While well maintained assets may not necessarily earn public praise, potholes and crumbling infrastructure reflect poorly on municipal administrations. As such, it is critical that the City prioritize, rather than postpone its regular investments into capital infrastructure maintenance and continue to tender work on a regular basis. Recognizing its financial limitations, it is critical that the City carefully review spending allocations and ensure that SOGR projects are completed – important work which forms the backbone of its duties.

SOGR projects prevent regular wear and tear to capital assets from becoming more serious – which usually requires more expensive and disruptive repairs or replacements. Regular maintenance can prevent unplanned and long-term service disruptions caused by asset failures and limit their impacts on municipal finances and our local economy. Through smaller, regular spending on maintenance, the municipality can avoid greater asset degradation which requires more extensive, costly, and lengthy repairs or replacements.

Moreover, SOGR projects employ thousands of workers – many from small and medium-sized business in the GTA. According to research by the Residential and Civil Construction Alliance of Ontario (2020), SOGR projects create more than 65,000 direct jobs in Ontario’s construction sector in addition to more than 32,000 jobs in the construction supply chain. Based solely on the magnitude of Toronto, the largest portion of the employment opportunities are created in the City and will be filled by its residents. These projects not only extend the life of the City’s assets, but also create immediate economic activity from which it will benefit.

Additionally, increased SOGR projects will contribute to the City’s goal of increasing employment opportunities for equity seeking groups. LiUNA is proud of its participation in the City’s Community Benefits Advisory Group and understands the importance of the group’s work advancing Toronto’s efforts to ensure equitable employment opportunities across all sectors with all municipal partners. With projects across the city, employers will be able to hire workers from neighbourhoods and socio-economic backgrounds which may be currently under-represented in that field’s workforce. LiUNA proudly works with organizations such as the Toronto Community Benefits Network to address the underrepresentation of equity-seeking groups in the construction industry, provide free apprenticeship training, and create employment opportunities. These employment opportunities offer well-paying, meaningful employment while supporting workers who contribute to their community’s economy and success.

We strongly urge the Budget Committee to consider increasing spending on SOGR projects as a means of preventing future expenditures, creating immediate economic activity, and providing new job opportunities to equity-seeking groups. The numerous benefits offered by SOGR work maximize value to taxpayers and will continue to provide lasting benefits to the City's capital assets.

Investments into Capital Infrastructure

Recognizing the region's projected growth and province's efforts to increase housing in Toronto, investments into capital infrastructure will be critical to service delivery and supporting our population. Projects including transit builds, utility modernization, and road development are required to achieve Toronto's long-term goal of becoming a connected, liveable, and world class city accessible for all residents. In order to continue to grow in a sustainable manner, the City must continue to invest in sufficient infrastructure to support growing public needs.

The City's aging infrastructure, such as the Gardiner Expressway, will be unable to support future demands for transportation routes which will be driven by Toronto's rapidly growing population. Demonstrated by the Gardiner and current subway system, Toronto's capital infrastructure is unable to handle current levels of demand and is ill-equipped for future growth. Without prudent capital infrastructure investments, the City's growth will be unsustainable, placing additional burdens on municipal services. Immediate investments into capital works will be assist in minimizing the direct and indirect economic costs of gridlock and service outages.

In order to support development and minimize disruption in Ontario's main economic hub, the City should increase spending on its much-needed capital projects, which should be integrated into its multi-year plans. The City's road networks are unable to handle current levels of demand, warranting further investments into enhancements to critical arteries like the Gardiner. Similarly, as the City continues to promote transit, it should continue to enhance its current transportation network to reduce crowding and expand ridership by providing a convenient option. The City must continue to support a thought-out approach to regional mobility which ensures safe and reliable access to roadways, cycling infrastructure, and public transit – connecting our City and neighbours.

Investing in capital infrastructure is a tested, costed, and proven method for delivering economic stimulus and sparking recoveries. As the City looks to rebuild from the impacts of the COVID-19 pandemic, such investments will prove critical to delivering stimulus funds in an expeditious manner, while creating tangible assets for long-term public use. Such investments will provide long-overdue enhancements to capital infrastructure while creating new employment opportunities in the construction sector – which continues to serve as an economic driver throughout the pandemic. This will enable the City to provide residents with the infrastructure they need, while supporting the many small and medium-sized local businesses who operate in the region's construction industry.

Furthermore, projects like the Ontario Line will provide many benefits to communities where construction takes place. Members of equity-seeking groups are encouraged to consider the many apprenticeship opportunities which will be created by the Ontario Line project. Additionally, the City's Community Benefits Advisory Group has made similar recommendations to increase hiring across all skilled trades. Capital infrastructure investments can successfully accomplish many of the City's strategic goals. As such, LiUNA urges the Budget Committee to consider allocating funds in its tax-supported budget towards long-term investments.

Conclusion

LiUNA members are proud to serve in Toronto and look forward to participating in its growth for years to come. We respectfully ask the Budget Committee to consider increasing the allocation of funds for SOGR and capital infrastructure projects as part of its 2023 tax-supported budget. Both investment streams will deliver immediate economic stimulus to the City, while rendering long-term benefits for the public assets relied upon by residents. These investments are critical to both satisfying the needs of the City today while preparing for decades of planned growth in the future. Moreover, the City will have an opportunity to participate in the construction industry's efforts to address underrepresentation in the sector. LiUNA is grateful for the Committee's consideration and looks forward to participating in the City's economic recovery.