



Creating a vision for Canada's national infrastructure investment

Report from the working group session
at the 2022 CCA Annual Conference

March 9, 2022
Vancouver, British Columbia

I. INTRODUCTION

This report builds on the work done by participants at the Canadian Construction Association's (CCA) conference that was held from March 8-11, 2022 in Vancouver, British Columbia. The participants met to develop a long-term vision for Canada's infrastructure investment, with a focus on determining potential priority areas. This report is the summary of the discussions and represents the opinions of our members who were in attendance.

As discussed in our response to the National Infrastructure Assessment (NIA), there are many competing and inherently political priorities – e.g., immediate vs long-term; hospitals vs bridges, East vs West, resource economy or green economy, developing a Western Trade Corridor or investing in mass transit in the Greater Toronto Area (GTA). Having an apolitical, independent advisory group would help ensure an appropriate level of scrutiny and oversight leading to evidence-based decision making.

Our economic future will hinge on enhancing trade-enabling infrastructure like transportation, telecommunications, and energy corridors. We need to ensure that our infrastructure investments are forward-looking in terms of addressing the need for resilience in the face of a changing climate and a long-term vision on the international economy and trade.

The purpose of the workshop was to further refine the priorities for infrastructure investment, reflecting the views of close to 75 industry experts, from all sectors, firm sizes, and geographies across Canada.



II. VALUE OF THE SECTOR

- The construction sector is one of Canada's largest employers and a major contributor to the country's economic success. The industry, 70 per cent of which is made up of small and medium-sized enterprises (SMEs), employs more than 1.4 million Canadians and contributes 7.8 per cent towards Canada's Gross Domestic Product (GDP).
- In terms of economic contribution, using pre-pandemic numbers, the industry accounted for \$149 billion of the \$1.97 trillion in GDP from all industries recorded in 2019.
- Annually, the industry is responsible for nearly \$400 billion of put-in-place construction.
- Stimulating the construction and maintenance industry is one of the strongest and most effective options governments have for driving economic growth in the post-pandemic era.
- The sector could play a role in contributing to reducing Canada's carbon footprint during the construction process.



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IV. A VISION FOR INFRASTRUCTURE IN CANADA

During the working session three important themes emerged on where Canada should prioritize its infrastructure investment with the goal of strengthening Canada as the best place to work, invest and live. The participants in attendance concluded that Canada should:

1. Be an efficient, trusted domestic and global trading partner.
2. Better integrate and connect working and living communities.
3. Be world leaders in the green economy.

A full summary of each of the priorities, along with specific areas of focus can be found below.

1. Canada should be an efficient, trusted domestic and global trade partner.

Trade enabling infrastructure across the country should be seamless and multimodal to ensure Canada's position as a trusted and strategic trading partner. Through predictable energy, materials and access to workforce, the investment in this focused construction will create economic opportunities domestically and internationally. It should also contain digitized, intelligent, and connected logistics systems and networks to operate effectively.

With a focus on improving capacity and efficiency of coastal ports, the investment into automated container management and the reduced dependency on others for ship building would allow Canada to compete globally with other top trading partners and improve our attractiveness for foreign collaboration.

There were two scenarios under this theme we asked the working group to consider. They will be explored further below in points A and B.

A. Canadian business leads collaborative partnerships with the United States and Mexico, with significant investment in a North American trade corridor to become globally competitive.

The priority for infrastructure investment under this scenario should focus on freight, road, ports and air routes where shared common geography and existing trade relationships are in place. The emphasis on optimizing trade within North America to compete globally, would ultimately allow a freer flow of people, goods and materials that would address current workforce challenges. There could also be a significant competitive advantage to explore green infrastructure across the continent.

In order to make this happen, Canada needs to:

- Work with Mexico.
- Create joint ventures.
- Invest in pre-fabrication and modular construction opportunities.
- Better understand trade policy and opportunities.
- Establish a North American Development Bank.



B. Empower Canadian business by creating an efficient transportation network with expanded hubs to bring goods and services to Canadians and to export markets, including Asia.

The priority for infrastructure investment under this scenario should similarly focus on increasing rail, airport, port and road capacity. This investment would help to establish new trade corridors (Churchill, Halifax, Western Canada, Arctic, etc.) and develop new inland ports.

A focus on increasing refinery capacity, while investing in alternative fuel development, LNG pipelines, etc. would create efficiencies that would spur private sector investment and improve consumer confidence with the added ease in getting goods and services to all Canadians. This would be further supported if a sophisticated supply chain management system was implemented to handle more effective container tracking, manage port capacity and other operational improvements across trading hubs.

In order to make this happen, Canada needs to:

- Attract foreign investment.
- Develop a more agile workforce.
- Invest in more artificial intelligence (AI) platforms for logistics management and supply chain.

2. Canada should better integrate work and living communities.

Rather than moving people from the suburbs to downtown, Canada should focus infrastructure investment on connecting communities where people live and work to cater to families and a post-pandemic agile workforce.

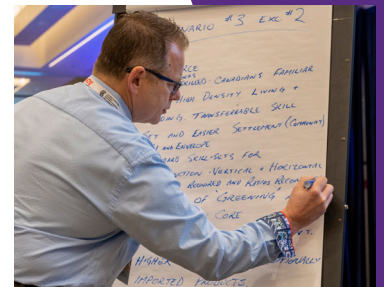
Canada is a family-friendly country with significant investments made to secure the necessary workforce to drive our economy. Our infrastructure should reflect this through affordable housing and improved childcare options. With an increasing migration of businesses out of downtown cores as companies transition to flexible, hybrid or remote working options, there is an opportunity to repurpose office buildings for housing to increase supply. There is also an opportunity to shift the focus of urban design from business-centric purposes to people and communities in the years to come.

With this shift in demographics, transit needs will vary across communities however the requirement for mass transit, bullet trains, etc. as well as improved bike and walking paths remains ever present to better connect communities and integrate a seamless working and living experience. Connecting these communities will allow more flexible work options and improve participation among rural and remote communities.

Finally, to recognize the shift in demographics out of urban areas and to scale up immigration to increase our workforce capacity, investments in clean water and better sewage facilities will be required.

In order to make this happen, Canada needs to:

- Communicate to the public about the value of these investments.
- Improve manufacturing capacity including solar, pre-fab, etc.



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- The man is standing next to a whiteboard. The whiteboard has the following text:
- Uzbekistan
 - Cherry
 - seas
 - Enrichment
 - Transferring
 - Monitoring
 - ✓ Communication
 - Education
 - More Green
 - All Green
 - ✓ - Environmental

A man with a beard, wearing a red blazer, is standing and writing on a whiteboard with a blue marker. He is looking at the board with a smile. The whiteboard has some handwritten notes and diagrams. In the background, there is a large window and a person sitting at a table.

- Focus research and development on new low carbon materials and products.
- Invest in alternative energy sources (solar, geothermal, electrification) and the circular economy.
- Prioritize green technology in procurement.
- Assist education institutions in adapting their curriculum.

We are here to advocate for, and collaborate with Canadian business, government and communities to realize Canada's full potential. This can best be obtained by long-term, prioritized and urgent investment in infrastructure, empowering the economy and benefiting Canadians.