



Acoustical Association Ontario

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Provincial in scope ...

Provincial in outlook

OCS Economic Update



According to its latest Economic Update, the Ontario Construction Secretariat (OCS) reported that ICI investment grew to \$2.9 billion in the second quarter of 2012, a modest 1% increase over the first quarter; however, it was the first increase since the first quarter of 2011. Following is a sector by sector summary of the OCS report.

Industrial

The trend for the Industrial sector has been dismal with five consecutive quarters of declines until investment jumped by 6% in the second quarter of 2012, leaving, on balance a 3% decline from the first quarter of 2011. Over the long term, OCS reported, investment in industrial projects have trended down ward. Whereas the sector accounted for 30% of all ICI investment in 1997, today it accounts for only 10%. OCS suggests that “a lack of business confidence is hampering investment activity” in this sector, claiming that industry confidence surveys support this argument. They noted, however, that the investment data for the industrial sector does not capture “industrial” investment in the mining sector, a sector that is becoming more and more important to Ontario’s economy.

On a go forward basis, OCS predicts a low level of activity in the coming quarters. They reported that for the first six months of 2012 the value of issued building permits came in at just over \$1 billion, equal to the level reached in 2011. Although building intentions for factories/plants and mining/agricultural buildings were higher the value of permits issued for transportation and utilities buildings declined significantly.

Commercial

The trend for the Commercial sector has not been encouraging, with investment being weak since mid 2011 averaging a 2% quarterly decline. In the second quarter of 2012 investment in this sector totalled \$1.6 billion a 7% drop over 2011 levels, which, according to OCS was “consistent with only modest growth in retail sales, dropping business confidence, and higher office vacancy rates in all regions but Toronto.” On a regional basis there were huge declines in the northern Ontario, Windsor, London, Grand Valley and the Hamilton-Niagara areas.

On a positive note, the value of commercial building permits did jump 32% in the first half of 2012 versus 2011 led by retail buildings, recreational buildings and warehouses. This, OCS maintains, is indicative of “increased commercial investment in coming quarters”, suggesting the performance will outpace other categories.

Institutional

The most positive data came from the Institutional sector posting a solid performance in 2011 and “accounting for 40% of ICI investment.” But investment in this sector waned in the first half of 2012 registering a 1% decrease during this period. This, of course, would be consistent with the fact that all levels of government are beginning to tighten their purse strings to reduce and control spending. On a regional basis, the strength came from two areas—Toronto and London while other areas were only up slightly or in some cases declined.

Data on institutional building permits indicate that investment in this sector may continue to decline in the ensuing quarters. Permit values were down 36% in the first half of 2012 in comparison to the same period the previous year. OCS explained that “this was expected, as the record amount of building permits issued in 2011 was going to be difficult to maintain.” In fact permits issued for hospitals were down 73% with school permits falling by 44%.

The Mathews Dinsdale Minute



The Ministry of Labour has announced the focus of its winter workplace safety blitzes. In February and March one area of focus is Workplace Violence in the health care sector (obviously not relevant to you) but the other area of focus is titled "Slips, Trips & Falls". Obviously number two is important to your workplaces.

The focus of the Slips, Trips & Falls blitz is ensuring that all workplace parties are aware of their roles and responsibilities with respect to fall prevention. Inspectors will be looking at employer, supervisor and worker duties; worker information, education and training; and safe work practices, including:

- Hazard recognition and controls
- Fall prevention best practices
- Adequate measures and procedures
- Emergency planning
- Ladder safety, including the safe use of portable, manufactured ladders
- Vertical access ladders
- Job built ladder used at Ontario construction sites.

We know that you are all deeply aware of fall hazard and arrest rules, but this blitz will serve as a reminder that you need to constantly review and ensure employee and supervisor vigilance of these issues in your workplace. If you haven't done an internal audit recently perhaps this is a good time... before a Ministry inspector comes to check on you.



Membership Survey

As was indicated in President Carmine Giamberardino's Annual Message, the Board of Directors would like to make AAO more relevant to the needs of the membership. As a first step in achieving this goal the Association forwarded a survey to all members by both regular mail and email. To those members that have completed the survey we thank you. Members that have not completed the survey are strongly urged to do so as soon as possible. It will take only a few minutes to complete and the information gathered will be of great assistance in drafting a way forward for the Association.

We have asked Laura Ross, who has been retained to assist us in gathering this information, to call members who have not completed or returned the survey. Please give her a bit of your time so that we make get through this process. Thank You.



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