



# Acoustical Association Ontario

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*Provincial in scope ...*

*Provincial in outlook*

## *Tony Dean to lead OCOT review*



ONTARIO COLLEGE OF TRADES  
ORDRE DES MÉTIERS DE L'ONTARIO

The Ontario Liberal government has tapped Tony Dean to lead a review of the Ontario College of Trades (OCOT). A former head of the Ontario Public Service and Secretary of Cabinet, Mr. Dean chaired the 2010 provincial expert advisory panel that reviewed Ontario's workplace safety and hazard prevention system.

Dean stated that "I appreciate the opportunity to contribute to the ongoing development of the College of Trades' mandate and its role in strengthening the apprenticeship system and skilled trades in Ontario."

The government stated that Dean "will review issues related to scopes of practice — or type of work performed in a trade, as well as the process for determining whether certification should be compulsory or voluntary to practice a trade. OCOT's trade classification review process will be paused during his review.

Although Dean will consult with stakeholders and receive support from the Ministry of Training, Colleges and Universities (MTCU) and the College of Trades, he will, however, function independently of both. "It was a privilege to be asked to take on this important independent review. I am looking forward to hearing from and talking to the organizations and individuals who have ideas and proposals on the areas encompassed by my terms of reference, said Dean. His appointment is effective October 2014 and will continue for one calendar year. He will deliver his report to OCOT and the MTCU.

## *AAO Joins Prompt Payment Coalition*

The Acoustical Association Ontario (AAO) has joined a new coalition from a wide segment of the Construction industry which will advocate for the enactment of prompt payment legislation in Ontario. As readers may recall the National Trades Contractors Coalition of Canada (NTCCC) had taken up the cause to get this legislation enacted through Bill 69—Prompt Payment Act, which was introduced as a private members bill by Liberal Steven Del Duca and was supported by the governing Liberals as well as the Progressive Conservatives and the New Democratic Party.

In March of this year, Attorney General Madeleine Meilleur announced that the government was withdrawing its support of Bill 69 and would instead make prompt payment part of a broader objective of updating the Construction Lien Act.

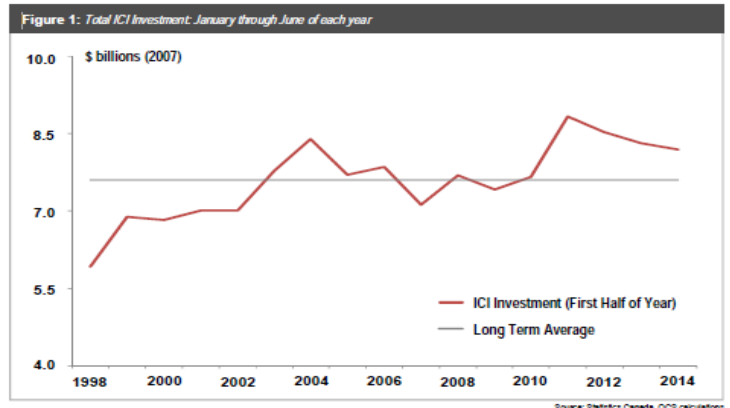
In response to this and as a result of the issues raised during Bill 69's consultation process, industry supporters of prompt payment legislation identified that official support needed to come from a wider range of stakeholder such as labour and the residential sector of the construction industry. Given that the NTCCC specifically excluded, by definition, union participation, Prompt Payment Ontario (PPO) was established and designed to expand upon the scope of the prompt payment group to include union representation and the Residential sector as well as other industry stakeholders.

Eryl Roberts, President, noted that there are three main reasons for Prompt Payment Ontario:

- To keep the government focused on prompt payment and the fair distribution of risk.
- To complete the NTCCC work on Bill 69— Prompt Payment Act.
- To include all industry stakeholders that are supportive of prompt payment legislation.

## Industry Outlook

On a seasonally adjusted basis, ICI investment advanced 1.7% to \$4.1 billion in the second quarter of 2014 over the first quarter driven entirely by the commercial market according to the Ontario Construction Secretariat's (OCS) latest analysis of the market. However, as the graph in Figure 1 indicates, the level of investment in the first half of 2014 was slightly lower than in 2013 but above the long term annual averages. Following is a sector by sector industry outlook as reported by OCS.



### Industrial Sector

OCS reported that building permit data was indicating lower investment over the next few quarters as investment intentions dropped by 7% over the first half of 2014 (compared to the same period in 2013). However they noted that over the medium term the strengthening of the U.S. economy and big transit and energy projects currently on the books will allow for a pickup in this sector. The report outlined that "merchandise exports, which correlate strongly with industrial investment, jumped 6% in the second quarter" boding well for the sector.

### Commercial Sector

As was pointed out, the commercial market has done very well so far this year and will likely continue to do well over the near term given that OCS reported that investment intentions for commercial buildings jumped by 20% in the January to June period, in comparison to the same period in 2013. The Ottawa area contributed the most to the strength in the commercial market this year, with \$400 million worth of investment. Toronto, as has been the story for several years now, showed strong investment in this sector as a result of the office market boom. Interestingly, St. Catharines-Niagara had its healthiest first half for commercial investment since 2003. On a negative note, first half declines were registered in London, Windsor, Brantford and Kingston, Hamilton and Kitchener-Waterloo. On the whole the sector showed very positive growth in investment in the first half of 2014. However, OCS notes that there are signs that over the medium term things may slow down. In Toronto, for example, office vacancy rates have been trending higher and commercial permits as a share of GDP are at their highest level since 1989 which may indicate that the area may be at the end of a bullish market.

### Institutional Sector

Building permits, a strong indicator of investment intentions, increased 8% in this sector in the first half of 2014 according to OCS, indicating that we may have turned the corner and may experience an upturn in institutional investment in the near future. The Secretariat noted that "an important reason for this tentative optimism stems from the fact that the level of investment is currently so low further significant deterioration would be inconsistent with market fundamentals." It was noted that, notwithstanding the fact that the Province must deal with its spending, the governing Liberal's recent budget allowed for spending increases in institutional structures that they earmarked for the current fiscal year.



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