

# Before spending infrastructure billions, Liberals launch trial balloon

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As Justin Trudeau's Liberals prepare to roll out billions of dollars in infrastructure investments, an emerging debate around just how aggressively they should try to draw immediate economic and social gains from that spending may be about to come out into the open.

This week, rookie Liberal MP Ahmed Hussen will introduce a private member's bill aimed at attaching "community-benefits agreements" to public-works contracts – potentially compelling companies bidding for building or maintenance work to make commitments such as hiring local workers and running training and apprenticeship programs.

Speaking by phone, Mr. Hussen said that while it won't be spelled out in the legislation, one of the objectives would be to ensure work-force opportunities for groups in need of them, such as "at-risk youth," First Nations and returning veterans.

Like all private members' bills, Mr. Hussen's is anything but assured of passage. But it will serve to test the waters for a concept that, according to several sources, is very much on the radar of Infrastructure Minister Amarjeet Sohi – and that could put Ottawa on a collision course with other levels of government.

For a new federal government that at once wants to invest in long-term infrastructure needs such as public transit and social housing, provide short-term relief to the country's struggling economy and demonstrate an immediate commitment to addressing income inequality, community-benefits agreements have obvious appeal. Increasingly popular since they were pioneered south of the border in the 1990s, CBAs typically involve working with towns or neighbourhoods (particularly low-income ones) surrounding major development projects to set targets for employment, procurement, improvement to public spaces or other measurable benefits.

A catch for Ottawa, though, is that it doesn't fund all that many large-scale infrastructure projects directly. Mr. Hussen's bill would empower the Infrastructure Minister to demand CBAs of bidders for federal work, and also require that minister to report to Parliament on the community benefits delivered on each project under his or her watch. But to really go down this road, the Liberals would likely have to tell provinces and municipalities that to get federal funding for their projects of choice, *they'd* have to include CBAs in their contracts.

In some cases, that would be an easy sell. Ontario's Liberal government, from which much of Mr. Trudeau's backroom talent is drawn, last year passed legislation that includes community benefits as a principle of infrastructure planning. A CBA in the works for the crosstown light-rail transit line being built in Toronto is to serve as something of a test case.

In other provinces, it could be a considerably more difficult one. More conservative governments, such as those in Saskatchewan and British Columbia, could be unenthusiastic about the relative heavy-handedness of this approach. (They might also note that CBAs' emphasis on local labour tends to make them very popular with unions.) And the unsurprising general message from municipalities, since the Liberals took office, has been that they'd like infrastructure dollars to come with few strings attached.

Beyond parochialism, that points to some valid concerns. Even as there are reports that the Liberals will accelerate their infrastructure spending commitment, as of now roughly \$125-billion over a decade, negotiating community benefits could slow things down. It could also make projects more expensive, not just for Ottawa but for the other governments sharing the bill.

Mr. Hussen and other proponents of the model would counter that if anything, CBAs might help get shovels in the ground faster by minimizing community opposition to potentially disruptive projects. And they could point to developers increasingly embracing such agreements for precisely that reason. (Kinder Morgan, for instance, has made a show of signing agreements with some B.C. communities through which its contentious Trans Mountain pipeline expansion would pass.)

The fact that an enthusiastic report about CBAs was co-produced last year by the Mowat Centre, whose former director helped write the Liberal platform and was recently appointed to a senior job in the federal bureaucracy, hints at the sympathy the arguments in favour will find in this government.

But already dealing with plenty of intergovernmental stress points, and wanting to start getting money out the door soon, the Liberals will have to keep a close eye on how Mr. Hussen's trial balloon lands.