

January 26, 2018

Elizabeth Elder
Senior Policy Advisor
Ministry of Economic Development, Employment and Infrastructure
Infrastructure Policy Division
Policy and Planning Branch
900 Bay Street, Floor 5
Mowat Block
Toronto, ON M7A 1C2

RE: EBR Registry Number: 013-1907
Building Better Lives: Ontario's Long-Term Infrastructure Plan 2017

Dear Ms. Elder:

The Ontario Stone, Sand & Gravel Association (OSSGA) welcomes the opportunity to provide our comments on *Building Better Lives: Ontario's Long-Term Infrastructure Plan 2017* (LTIP).

We support the Province's focus on the need to invest in existing infrastructure and lay the plans for ensuring that the infrastructure of tomorrow will meet the growing needs of all Ontarians.

Our roads, buildings, bridges and sewers all require aggregate as the basis for their construction. Ontario is blessed with a large quantity of primary aggregate spread throughout much of the province. That said, a growing concern is the scarcity of *high quality reserves close to market*, which are especially necessary for large buildings and bridges. Using inferior aggregate products for infrastructure projects reduces longevity and increases the life cycle cost of infrastructure investment. Our province is already starting to see the consequences of using lower quality aggregate products for infrastructure, with roads, watermains, sewers and bridges aging before their time.

The current average distance for supplying projects in the GTA involves roundtrips as far as 80-100 km. As the supply of close-to-market high quality reserves becomes depleted, this is going to force the industry to revert to other supply sources where high quality aggregate can be located. This will in turn involve greater roundtrips of up to 200 or even 300 km, which will double transportation costs, increase road traffic and increase GHG emissions. It will also negatively impact the Ministry of Transportation budget for building roads!

Climate change mitigation and life cycle assessment are two strategies outlined in *Building Better Lives* that OSSGA is pleased to support.

.../ 2

In Ontario, 745,454 loads of gravel are delivered on any given work day. If every gravel truck were to drive just an extra 75 km to and from its job site, nearly 1,000,000 tonnes of extra GHG emissions would be generated annually OR the equivalent of emissions from 225,000 cars per year. Not to mention the extra trucks that would be required because of the increased distance.

Responsible climate change mitigation, however, requires close to market aggregate.

The availability of high quality reserves within a competitive market, at competitive prices, is a result of grandfathered licences which are coming to an end. (For example, 75% of GTA licences were grandfathered in the early 1970s). New supply is not being licensed at sustainable rates, as evidenced by the fact that the ratio of consumption to replacement is approximately 3:1. Licensing of new reserves is not keeping pace with consumption due to increasing restrictions, as well as longer licence approval timelines and costs. The increased difficulty and cost associated with getting new licences will reduce investment by the industry in Ontario.

There are several reasons for this decreased supply, but the recent changes to the Provincial Plans announced last year by the Ministry of Municipal Affairs all but restricts new product in the Greater Golden Horseshoe (GGH) to coming from the expansion of existing sites. Aligning the Infrastructure Plan with Land-Use Planning (Provincial Plans) is necessary to effectively meet the growing needs of Ontario, however OSSGA is concerned about provisions in the Provincial Plans that would negatively impact the province's ability to meet current and future infrastructure needs. To achieve a licence in Ontario, most new or expanded mineral aggregate operations within the GGH will need to comply with the *Aggregate Resources Act*, multiple permit requirements under the MOECC, as well as demonstrate consistency/conformity with:

- a) one of the three Provincial Plans;
- b) regional official plans which will have to be modified to conform to those in a), as well as;
- c) local official plans which will become subject to the new regime for OMB Reviews.

All these factors not only will place limits on the amount of additional supply available, but will potentially limit the number of new entrants into the market to invest in aggregate extraction.

The impact of these changes will not be felt right away, but they will become more apparent with the passage of time, and will serve to delay or undermine the rate and quality of the renewal of the Province's infrastructure. This is not a 'pleasant message' to convey on behalf of the industry, and may come across as 'alarmist' to some, but it is the collective thinking of our industry which has been doing business in Ontario for many years, and we feel compelled to offer this perspective as part of our contribution to this policy review. It is not an exaggeration to say that there will likely be no applications for **new** close to market supply of aggregate in the next decade.

.../ 3

Building Better Lives speaks to evidence-based planning and the importance of Asset Management Planning. OSSGA and its members could not agree more and encourage the Ministry's call to coordinate planning among all orders of government.

OSSGA is also pleased to see that the Infrastructure Plan includes managing natural resources and the sustainable environment in Section 5.7 and encourages the sustainable management of aggregate resources.

The use of recycled aggregate is another important component to life cycle assessment. OSSGA and its members believe that all recovered aggregate materials from demolition projects, road reconstruction, demolition of curbs and sidewalks, and other infrastructure projects where appropriate - should be re-engineered and re-used as recycled aggregate in new construction projects as a substitute for primary aggregates.

Across the province, millions of tonnes of aggregate recovered from construction sites are stockpiled ready to be used in new road constructions projects. Although the provincial government - through the Ministry of Transportation - and some municipalities have been leaders in using recycled aggregates for several years, many municipalities' specifications do not allow for recycled aggregates to be used in construction projects. It is essential to maximize the use and value of Ontario's aggregate resources by promoting the greater recovery and recycling of aggregates from construction projects. The Ministry could provide leadership in this area by requiring the use of recycled aggregates where appropriate.

OSSGA is a not-for-profit industry association representing over 280 sand, gravel, and crushed stone producers and suppliers of valuable industry products and services. Collectively, our members supply the substantial majority of the approximately 164 million tonnes of aggregate consumed annually in the province to build and maintain Ontario's infrastructure needs. OSSGA works in partnership with government and the public to promote a safe and competitive aggregate industry contributing to the creation of strong communities in the province.

OSSGA appreciates the opportunity to comment on this important work. We look forward to working with you to help supply the essential materials for building a strong Ontario.

Sincerely,



Norman Cheesman
Executive Director
Ontario Stone, Sand & Gravel Association