



Realizing Canada's Economic Potential Through Infrastructure

Recommendations to the Standing Committee on Finance

Submitted by:

The Association of Consulting Engineering Companies - Canada

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Recommendation 1

Engage with stakeholders to develop and implement a National Infrastructure Assessment and create a long-term strategy for addressing infrastructure needs that will ultimately strengthen and secure Canada's economy.

Recommendation 2

Create a long-term funding program to close the current infrastructure deficit and address immediate needs.

Recommendation 3

Establish a National Infrastructure Corridor to capitalize on Canada's resources and create long-term economic independence and prosperity.

Recommendation 4

Champion innovative project procurement and delivery models for nation-building infrastructure.

About ACEC

ACEC is the national voice of over 400 companies that provide engineering and other professional services to both public and private sector clients across Canada and the world. Our members, who range from employee-owned small businesses to some of the largest engineering companies in the world, collectively employ over 60,000 Canadians. Consulting engineering firms are Canada's trusted advisors who are at the forefront of designing and building a more prosperous, sustainable Canada.

Visit www.acec.ca or contact us at president@acec.ca to learn more.

Introduction

Over the past several years, Canada has experienced a marked slowdown in overall economic activity, which has adversely affected our national performance and global competitiveness. Key indicators such as productivity, GDP per capita, and business investment have all shown troubling signs of stagnation or decline. This trend poses significant challenges to our long-term economic prosperity and resilience.

Yet, Canada remains a nation abundant in natural resources, intellectual capital, and skilled talent. These strengths provide a solid foundation for renewed growth – if supported by the right policies and strategic investments.

The Association of Consulting Engineering Companies – Canada (ACEC) represents consulting engineering companies from coast to coast to coast. Our members play an essential role in building a more sustainable, accessible, and connected Canada. Consulting engineering firms share the federal government’s goals of building thriving communities, creating good jobs, and growing the economy. We commend the federal government for its swift and proactive measures to stabilize and stimulate the economy. Initiatives aimed at modernizing and streamlining the delivery of major infrastructure projects – particularly in transportation, energy, critical minerals, and digital connectivity – are welcome steps toward building a more dynamic and future-ready economy. These efforts not only enhance our economic resilience but also make Canada a more attractive destination for private sector investment and innovation.

However, it is essential that we do not lose sight of the pressing needs of our existing infrastructure. To ensure that we are spending effectively, and on the right things, we must move forward with a comprehensive, data-driven, and long-term approach to planning and investment. A piecemeal or reactive strategy will no longer suffice in addressing the scale and complexity of Canada’s infrastructure needs and challenges.

That is why ACEC continues to advocate for a national, long-term infrastructure strategy; timely delivery of projects procured in a manner that ensures maximum innovation and lifecycle cost savings; and predictable, sustained funding. Collectively, these measures create a strategy that is critical to unlocking Canada’s full economic potential, enhancing our global competitiveness, and securing our independence and prosperity for generations to come.

In this submission, ACEC outlines targeted recommendations to support the development and implementation of this strategy and to ensure that infrastructure investment remains a cornerstone of Canada’s economic policy. In brief, we recommend that the federal government:

1. Engage with stakeholders to develop and implement a National Infrastructure Assessment in order to understand the current state of our infrastructure, establish a data-driven vision for Canada’s infrastructure needs, and create a long-term strategy for addressing those needs that will ensure strategic investment and strengthen Canada’s competitiveness.
2. Create a long-term funding program to address immediate needs and close the current infrastructure deficit that hinders growth and prosperity.
3. Establish a National Infrastructure Corridor to streamline the development of energy, transportation, and trade networks in order to ensure Canada’s long-term economic independence and prosperity.
4. Champion innovative project procurement and delivery models for nation-building infrastructure.

Recommendation 1

Engage with stakeholders to develop and implement a National Infrastructure Assessment and create a long-term, data-driven strategy for addressing infrastructure needs that will ensure strategic investment and strengthen Canada's competitiveness.

Understanding and meeting the infrastructure needs of a country as complex as Canada requires a comprehensive, data-based, long-term vision. This was recognized by the federal government with its commitment to creating a National Infrastructure Assessment (NIA). Announced in Budget 2021, the NIA will help all levels of government to understand the current state of our infrastructure and to establish a strategic approach to near-, medium-, and long-term investment priorities for Canada over the next 30 years. It will create an infrastructure investment roadmap to close the current infrastructure deficit and proactively address future needs in a strategic and systematic manner.

ACEC was pleased with the announcement of the Canadian Infrastructure Council (CIC), an expert advisory body to provide impartial advice and deliver an evidence-based NIA. The CIC acted swiftly to engage with key industry stakeholders as it began its critical work of gathering the necessary data for this project. Ongoing consultation with both public and private sector stakeholders must continue to ensure that the NIA will be comprehensive, respond to Canada's needs, and support all orders of government in making informed, data-driven, and effective public policy. The NIA will allow public officeholders and officials to make better investment decisions that are strategic and forward-thinking. This will then help ensure that the engineering, architectural, and construction sectors can better invest in their human and technological resources and manage supply chains to deliver infrastructure effectively and efficiently.

Four pillars of the long-term plan in the National Infrastructure Assessment must be:

1. An assessment of the current state of infrastructure in Canada.
2. The establishment of long-term goals to meet Canada's future infrastructure needs.
3. A roadmap that predictably outlines the demand for new and renewed infrastructure that will be delivered over the decades ahead with regional specificity.
4. Regular review, re-evaluation, and updating of the NIA.

All orders of government, businesses, and taxpayers will benefit from the National Infrastructure Assessment. Every dollar spent on infrastructure in this country will go further if delivered in the context of a long-term strategy. The NIA will also bring significant environmental benefits. An overarching strategy will allow policy leaders and decision-makers to consider all new assets in the context of one another, opening the door for planning and lifecycle efficiencies that ensure a strong economy.

Recommendation 2

Create a long-term funding program to address immediate needs and close the current infrastructure deficit that is hindering long-term growth and prosperity.

A strategic plan is only successful when tied to consistent, reliable funding.

The consequences of lapsed infrastructure program funding are significant and disruptive, not only delaying necessary repairs, revitalizations, and expansions, but ultimately hindering governments' ability to take on more strategic, nation-building projects. Without consistent funding, both the public and private sectors face uncertainty in terms of the resources available to address immediate infrastructure needs and projects necessary for Canadians' daily lives to be safe and prosperous.

There is significant demand for immediate infrastructure investment across the country; lack of action worsens the situation. A long-term financial commitment will help governments close the current infrastructure deficit. It will also ensure that owners and operators of infrastructure assets – as well as the public and private sector investors that plan, design, and build infrastructure – can make informed business decisions, manage supply chains, and develop the skilled talent necessary to deliver projects on a large scale. Such funding will also enable the private sector and all orders of government to work collaboratively to address many of our country's challenges, including reinforcing Canada's economy, remedying supply chain issues, and bolstering productivity.

The federal government has ambitious infrastructure goals, as evidenced by the commitments made over the past several months. ACEC believes that nation-building projects are essential to Canada's economic prosperity and independence; however, we must ensure that significant funding goes toward addressing current infrastructure deficits in tandem with the nation-building energy and natural resource projects that have been proposed. Without sustainable funding for Canada's essential infrastructure needs, we will be unable to meet the moment and build those large-scale projects that will advance our society.

Recommendation 3

Establish a National Infrastructure Corridor to ensure Canada's long-term economic independence and prosperity.

Canada stands at a pivotal moment. As global socio-economic uncertainties persist, we have an opportunity to strengthen our nation from within – by fostering economic growth, diversifying trade, and ensuring long-term resilience. At the heart of this opportunity is the National Infrastructure Corridor – a bold initiative that would ensure Canada's economy is competitive, resilient, and future-ready. The corridor would encompass multiple types of infrastructure assets, including telecommunication and forestry projects, utilities, roads, and rail, linking the country and enabling the construction of future infrastructure projects along a designated pathway that connects Canadian communities.

ACEC commends the federal government for its vision and leadership in committing to a national trade and energy corridor. Realizing the full potential of this nation-building initiative will require significant coordination and collaboration among all levels of government, Indigenous rights holders, and industry stakeholders.

Our member firms possess the technical expertise and capacity to play a vital role in this process. From conducting the complex surveying and environmental assessments needed to identify and plan the corridor's routes, to supporting proponents in the scoping, design, and construction of infrastructure projects within the corridor, our industry is well-positioned to contribute meaningfully at every stage.

The consulting engineering sector stands ready to support the government in the conceptualization, development, and implementation of the National Infrastructure Corridor. With the right partnerships and long-term commitment, this initiative can serve as a cornerstone of Canada's economic future and a model for strategic infrastructure planning on a national scale.

Recommendation 4

Champion innovative project procurement and delivery models for nation-building infrastructure.

As Canada prepares to undertake a new generation of nation-building infrastructure projects, it is essential that the federal government lead by example in adopting modern, collaborative project procurement and delivery models that reflect the complexity and evolving priorities of today's infrastructure landscape.

ACEC recommends that the federal government actively consider and pilot innovative delivery models such as Progressive Design-Build (PDB), Integrated Project Delivery (IPD), and Alliancing for federally funded infrastructure projects. These models promote early collaboration among stakeholders, equitable risk-sharing, and greater transparency, resulting in improved project outcomes, particularly for complex or sustainability-focused initiatives.

Unlike traditional Public-Private Partnerships (PPPs), these emerging models are better suited to address challenges such as:

- Climate resilience and environmental performance
- Lifecycle efficiency and long-term asset management
- Cost predictability and schedule certainty
- Innovation in design and construction

By adopting and championing these approaches, the federal government can set a precedent for other levels of government and public sector agencies, encouraging a shift toward more adaptive, quality-driven infrastructure delivery across the country.

ACEC and its member firms are well-positioned to support the implementation of these models, bringing deep expertise in collaborative project planning, design, and execution.

Conclusion

A long-term strategic vision for infrastructure. Investments to close the infrastructure deficit. A National Infrastructure Corridor to ensure economic independence and prosperity. Project procurement and delivery models that maximize investment.

ACEC strongly believes that these four recommendations will work together to build the resilient and prosperous economy that Canadians deserve.