MHCA
MANITOBA HEAVY CONSTRUCTION ASSOCIATION

THE Heavy News Weekly

WORKSAFELY MHCA

May 26, 2011

WORKFORCE MHCA

Municipal Infrastructure Funding – A Comprehensive Approach is Required

By Chris Lorenc, BA, LL.B., MHCA President

The Infrastructure Funding Council (IFC) which I had the privilege of chairing, was asked by the Association of Manitoba Municipalities (AMM) and Winnipeg Mayor Sam Katz to objectively examine available information, and make comprehensive recommendations on what internal and external strategies municipal governments might consider to address the municipal infrastructure funding deficit, along with an implementation strategy. And we have done that.

Make no mistake, we face a real deficit, with real challenges. Winnipeg's total deficit could reach $7.4 billion and rural Manitoba's municipal infrastructure deficit could reach $6 billion with current practices and current funding levels. That's a combined total of $13.4 billion. The numbers appear daunting and the solutions are challenging. But the problem is not insurmountable.

The IFC developed 17 recommendations along with a revenue model which form a comprehensive plan for public consideration. We recognize the problem took decades to create and will require decades to address. The recommendations assume a three year implementation period, preceded by public discussion and referendum.

The report's name 'New Relationships: A New Order – A balanced approach to funding municipal infrastructure in Manitoba' (see at www.winnipeg.ca) reflects in our judgment what must be considered to address our growing infrastructure deficit.

The IFC's 17 recommendations are separated into three distinct groups: those within municipal control; those which require provincial support; and those which assume the federal role in municipal infrastructure funding.

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Municipal Infrastructure Funding (continued from page 1)

Broadly speaking, the IFC recommends that municipalities utilizing existing municipal sources of revenues augment current infrastructure budgets equal to the average of the last five years and provide for annual increases equal to the rate of inflation and population growth.

Second, we recommend that municipalities enhance practices designed for efficient capital investment. These include: regional delivery of infrastructure services; introduce asset management systems; support sustainable development principles and environmental practices; focus reinvestment in existing infrastructure; focus on public transportation to minimize surface transportation capital costs; and use borrowing prudently to ensure each generation pays its fair share of the investment and maintenance costs.

Third, and likely the most important observation, is that municipalities must consider all decisions in the context of growing the economy. Without this, discussions of revenue streams are moot and the numbers of shoulders capable of addressing the burden remain static, or even worse, shrink.

The IFC recommends that Manitoba vacate property taxes with which to fund education and increase provincial funding to 80% of total public schools education expenditures from its general revenues. This is generally consistent with a commitment made by it in 2007. In doing so it would enable municipalities access that tax room. Education falls under provincial jurisdiction, but municipalities collect $669 million in net property tax on its behalf each year. This is neither transparent nor accountable taxation.

The IFC also recommends that Manitoba allocate above the recent budget 2011 revenue shifts, the equivalent of an additional 1% of the Provincial Sales Tax (PST) to municipal infrastructure and explicitly dedicate through legislation, all revenues associated with such allocations to municipal infrastructure.

The federal government has committed to establishing a long term solution to Canada's infrastructure challenges. Accordingly, the IFC recommended that the collective public initially urge the federal government to index existing federal fuel tax transfers to the rate of inflation and transition a full transfer of fuel taxes to municipalities over a three year period.

The IFC has developed a financial model with its projected increased investment in municipal infrastructure transitioned over a 20-year period. Notwithstanding the additional revenues, there will still be a sizable municipal infrastructure deficit but one that is on the decline. By the year 2030 Winnipeg's infrastructure deficit is reduced from $7.4 billion to $2.3 billion and for municipalities outside Winnipeg, from $6 billion to $2.4 billion.

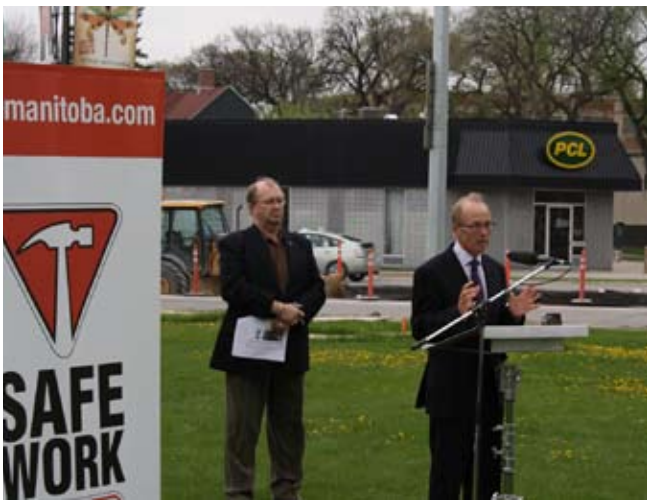
To properly phase in next steps, the IFC recommended an Implementation Committee be jointly appointed by Manitoba, the AMM and Winnipeg. Its mandate would be to develop within 12 months of appointment, an implementation strategy. Its elements would include the criteria for municipal access to new revenue streams including legislation dedicating all new revenues to municipal infrastructure; outline the new intergovernmental infrastructure funding relationship taking into account competitive constraints, economic impacts, transitional periods and financial capacity; and a protocol that requires annual public reporting and five-year public reviews to measure progress against a 20-year infrastructure plan.

The IFC's task was to diagnose the problem, objectively prescribe a comprehensive approach and offer it to Manitobans. Its report is now a matter of public record.

The broad public task now, is to begin the debate on how best this province can address its municipal infrastructure deficit.

SAFE Roads Launches 2011 Campaign with Increased Awareness

By Jason Rosin, MHCA Manager of Communications



Winnipeg Mayor Sam Katz speaking at the SAFE Roads event.

If you know or have a loved one working in road construction, as a fireman, paramedic, or police officer, then you may know the dangers that exist for them each and every day they go to work.

Many though do not know or think of the dangers for anyone who works in or around Manitoba's many roads and highways.

On Thursday, May 19th, the SAFE Roads campaign kicked off into high gear urging motorists to drive slowly and consider their surroundings when passing workers on the streets and highways throughout Manitoba.

The campaign targets motorists across the province, asking them to slow down and exercise caution when driving past road construction projects and when sharing the road with emergency workers such as firefighters, paramedics and police officers.

Over eight in 10 Manitobans surveyed say they think about the safety of road construction workers. That concern is reflected in the growth of SAFE Roads.

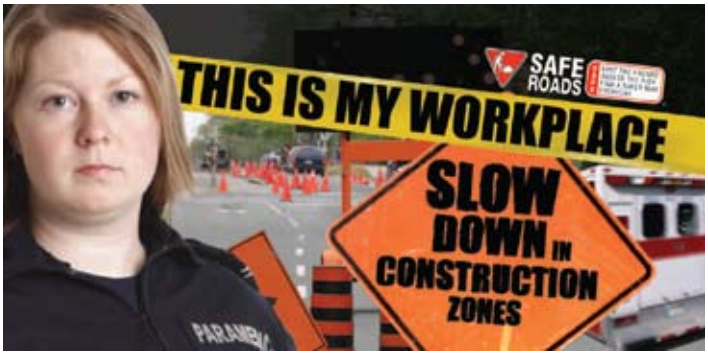
'For many Manitoban construction and emergency workers, our roads are their offices," said Minister of Education Nancy Allan, on behalf of Labour and Immigration Minister Jennifer Howard. 'As we head into the summer months, we need to respect their workplaces by slowing down and being aware of what's going on in construction zones."

'As the summer months approach, we need to be aware of safety and exercise caution when driving through construction zones," says Labour and Immigration Minister Jennifer Howard.

The SAFE Roads media event kicked off at the site of the Disraeli overpass — a high traffic area that is undergoing reconstruction over the next several months.

The campaign includes radio and transit bus ads to encourage speeding motorists to slow down in construction zones and raise awareness of Manitoba's roads as a workplace.

"City of Winnipeg workers are busy repairing our city's infrastructure. Motorists need to be respectful and mindful of these workers," says City of Winnipeg Mayor, Sam Katz. "Remember to pay attention and slow down when passing construction and emergency workers."



SAFE Roads ad. Watch for it on transit bus backs and billboards across Winnipeg until the end of June.

'Building a culture of health and safety for all Manitobans is our priority," says WCB President and CEO Doug Sexsmith. 'The SAFE roads partnership is another avenue where safety and health awareness for construction, city and emergency workers ensures a safe work place for all Manitobans. Drive safely, and do your part to prevent a tragedy."

The campaign runs from May 16th – June 27th, with the goal to ensure all roadway workers are safe in their workplace this summer and beyond.

For more information, visit the SAFE Roads website at www.saferoadsmanitoba.com.

Winnipeg working to regain role as transportation 'gateway to the West'

Courtesy of The Globe and Mail

Often-overlooked Winnipeg, a city that had become predominantly known for wind, bugs, crime and floods, is experiencing a quiet renaissance, reinventing itself at every level and embracing its past in an effort to shore up its future.

The most visible change to the Manitoba capital's landscape, and likely its psyche, is the imminent return of the National Hockey League. This was the news that had hundreds of people celebrating in Jets sweaters at the corner of Portage and Main last week, with the city's True North Sports and Entertainment, owners of the MTS Centre, a recently completed downtown arena.

The move comes 15 years after Winnipeg lost the financially troubled Jets in 1996 when the team moved to Phoenix, and Mayor Sam Katz said recently that the return of major league sports is simply 'correcting something that never should have happened."

But hockey alone cannot save a city. Winnipeg is in the midst of some major course corrections, most importantly a return to its roots with an ambitious plan to re-establish itself as a major transportation hub, one that will be built largely around the belief that rail shipping, too, is poised to make a comeback.

'There is no one silver bullet that addresses this problem," Mr. Katz said recently of revitalizing Winnipeg. 'Every one is a piece of the puzzle, People thought, okay, you build the MTS Centre, everything's going to be wonderful. Well it doesn't work that way. That was asking too much and expecting too much. But a lot of good things are happening right now."

CentrePort Canada, a 8,000-hectare inland port being developed on the city's edge is a one-stop shop for air, truck and rail shipments and is designed to reroute North American trade through the middle of the country.

'The history of Winnipeg is as the gateway to the west and the so-called Chicago of the north," said Diane Gray, CentrePort President and CEO. 'Without that history we wouldn't have the assets we do today, especially when it comes to rail."

Last week, CentrePort announced an agreement with two Chinese partners, including the country's largest private shipping company, Minsheng International Freight Co. The deal will create a new container-based rail system that will quickly move crops from the Canadian prairies into the Chinese market.

Until now, much of the canola and soybeans bought by China has been exported through Chicago, carried from farmer's fields by truck. Crops must be unloaded and repacked at shipping ports and the journey to China can be a long one, with the potential for products to spoil before they reach their destination.

But with fuel prices rising, many experts predict a growing reliance on rail, especially when it comes to feeding demand from the populous Asian continent. Products packed into shipping containers do not have to be reloaded at different ports of call, and can be delivered in a faster, more streamlined manner, with less of an environmental toll.

Winnipeg is not alone in predicting that rail shipping will be a major force in the coming years.

In early April, Canadian National Railway Co. confirmed that Microsoft legend Bill Gates is now their largest shareholder, with $3.2-billion invested. And in 2009, the Oracle of Omaha, Warren Buffett, paid $26-billion to purchase the Burlington Northern Santa Fe Corp. railway

Both those lines, along with the Canadian Pacific Railway, run through land controlled by CentrePort.

Ms. Gray said container shipping is rapidly gaining popularity in the U.S., South America and around the globe.

'It just hasn't become ingrained yet in Canada," she said.

The CentrePort project was born in 2008, when Mr. Katz struck a task force to explore how the city could capitalize on its geographic location and transportation history.

They recommended the creation of the inland port, and former Manitoba premier Gary Doer was asked to lead an initiative bringing together all levels of government with labour and business communities to expedite its development.

Continued on page 5

Support for the project has been immediate and unequivocal. In 2008, the Manitoba government voted unanimously to create the CentrePort Canada Act, empowering the province, city and airport authority to work together to develop the land around a single plan.

The federal government stepped in to designate the area a foreign trade zone, allowing for sales-tax exemptions and duty deferrals within its parameters.

And CentrePort was one of 18 companies, along with Facebook, Ericsson and Rogers Communication, invited to meet with Finance Minister Jim Flaherty during his pre-budget 'listening tour" last fall.

Even the country's transportation infrastructure has been changed in anticipation of a growing reliance on container shipping. Ottawa has invested heavily in modifying railway tunnels and bridges across the country to accommodate double-stacked containers.

And a $212-million road called CentrePort Canada Way is under construction to ensure that heavy commercial truck traffic into the facility doesn't interfere with urban roads.

'It's great from an urban design perspective because we're actually taking trucks off city streets," Ms. Gray said.

Investment in an industry, and a region, once considered past its prime is also occurring throughout Middle America, according to Joel Kotkin, author of The Next Hundred Million: America in 2050.

In a book about population trends over the next 40 years, Mr. Kotkin says the American heartland, written off during the Information Age, is about to experience a resurgence due to its control of the country's commodity exports.

'What you're seeing all over the world is the rediscovery of these kinds of places," he said. 'In this next phase in the world's economic development, many of these long-overlooked, inferior places are going to become more strategically important."

Indeed, Ms. Gray was in Kansas City this week addressing the convention of North America's Corridor Coalition, which advocates for shipping through the middle of the continent, from Winnipeg, through the central U.S. and into Mexico.

Barry Prentice, an expert in supply chain management at the University of Manitoba, said cities within Mexico, as well as Kansas City and Regina, are all developing inland shipping ports.

As for Winnipeg, he said the city's fortunes rose and fell with the history of the national railway in the 20th century, and will soon rise again through CentrePort. 'The future is the past," he said.

The opportunities now being presented to the city via its railway assets are part of 'the beauty of slow growth," he said. If Winnipeg had grown faster over the last 50 years, he believes much of its valuable infrastructure would have been destroyed.

'The airport would have been shut down and moved 50 kilometers out of the city and we would have never had this industrial land so close to downtown to turn into CentrePort," he said. 'We've had this elegant amount of time to make decisions and for things to be remain in place which are very desirable today."

Yes, hockey is coming back to the city, but as Mr. Katz proudly pointed out, it will return to a whole new place. 'This is a very different Winnipeg than it was 15 years ago," he said.

UPCOMING COMMITEE MEETINGS:

Northern & Aboriginal Affairs Committee | Tuesday May 31, 2011 | 12 Noon | MHCA Boardroom

Aggregates Committee | Tuesday June 21, 2011 | 12:00 noon | CanadInns Polo Park

Membership Committee | Tuesday August 16, 2011 | MHCA Boardroom (3 – 1680 Ellice Ave)

MHCA
MANITOBA HEAVY CONSTRUCTION ASSOCIATION
Groundbreaking

Manitoba Heavy Construction Association's Annual

Spring Mixer

Wednesday June 8, 2011 | Assiniboia Downs

Reception – **5:30pm** Dinner – **6:00pm** Live Racing – **7:00pm**

Tickets: $70.00 +GST/person

*****Seating is limited. To order tickets, fax form back to 943-2279:***

Company: _____

Number of tickets (*tables of 8*): _____ Contact person:_____

Payment Options:

Invoice: _____ Visa/MC/AMX #: _____ Exp: _____

Signature: _____

For more information please contact Christine at the MHCA office @ phone: 947-1379, fax: 943-2279 or by email at christine@mhca.mb.ca

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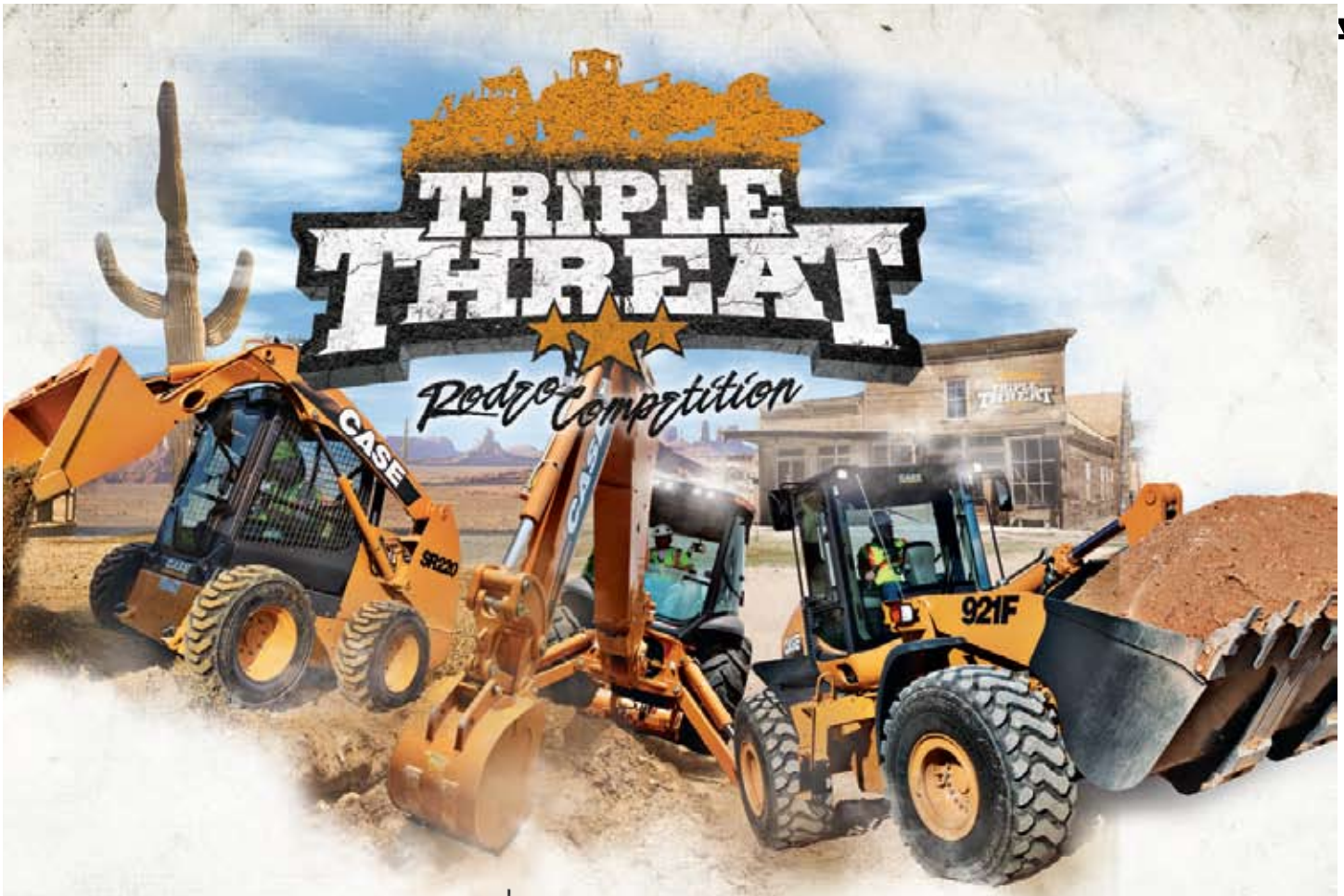
As per MHCA Board Policy, only registrations cancelled 72 hours prior to the commencement of this event will be refunded.

Groundbreaking MHCA



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DATE: Saturday, June 4th
TIME: 9:00AM - 4:00PM

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CASE CONSTRUCTION

Decoupling: Yes and No

By Peter Hall, Vice-President and Chief Economist of Export Development Canada

Prior to the global financial and economic meltdown, observers were heralding news that the world was decoupling. As the last growth cycle peaked, many market watchers saw divergent growth as a sign that the world was moving away from a single economic growth engine. Indeed, emerging market growth was roaring ahead, and even Europe seemed to be diverging from US growth trends.

Chaos then hit late in 2008. Financial markets faced meltdown, and growth turned into an OECD-wide 3.4% contraction in 2009. Emerging markets did not escape the mayhem, as growth swooned in tandem with developed markets. Suddenly, the proponents of the decoupling theory were silenced.

This synchronized evaporation of growth resulted in an equally synchronized, multi-country policy response. Central banks swung into action in developed and emerging markets alike. In just over a year, the Fed cut its policy rate from 5.25% to 1%, with the Bank of England, the ECB and the Bank of Canada following suit. Quantitative easing further added to stimulus. Central banks in key emerging economies also joined the fray, including China, India, Brazil, Russia, and South Africa.

At the same time, fiscal spigots around the world were flung open – policy did an expansionary about-face almost overnight. Oversized deficits suddenly became the norm, swelling government debt loads to unthinkable levels. Average OECD stimulus amounted to almost 4% of GDP. Not to be outdone, China announced a package worth $586 billion, or 13% of GDP. Meanwhile, Brazil, India, Russia, South Africa and others also put hefty spending plans into play. Not much decoupling here.

But here's where things get interesting. The realization of neo-profligacy evoked very different reactions. China, concerned about overheating, began easing up on credit and allowing spending measures to expire. Shocked about over-indebtedness, Western Europe decided on abrupt austerity. Canada is cutting back. India and Brazil are maintaining hefty long-term public spending programs, although monetary conditions are tightening. At the same time, in spite of public debt worries, the US has stepped up its stimulus for 2011. Suddenly, policy measures are anything but synchronized.

The differences are altering global growth patterns. China's growth will slow from 10.3% in 2010 to 8.7% this year. Western Europe will remain well below 2% in the near term, while in contrast, the US will see growth of over 3%. India will slide a notch, to 8.4% growth in 2011. Stimulus is causing growth to diverge, but fundamentally, economies are still quite linked. Once we are beyond the stimulus phase, underlying synchronization will again become obvious in aggregate growth figures.

Globalization, the internationalization of supply chains, and the integration of global financial markets that has occurred over the last 20 years will continue in the next growth cycle, knitting the world's economies ever closer together. Policy measures may cause intermittent differences, but the trend is inescapably toward alignment of growth among the world's many different economies.

The bottom line? Policy intervention can occasionally create the appearance of decoupling. But as trade, investment and financial flows become increasingly more entwined and integrated, whether we like it or not, individual economies will be less able to sidestep the ups and downs of global growth.

WE'RE MOVING! (but just down the street...)

THE MHCA is moving to a new location. After over 21 years in our current building, we are out of space (as some of you might have noticed)!

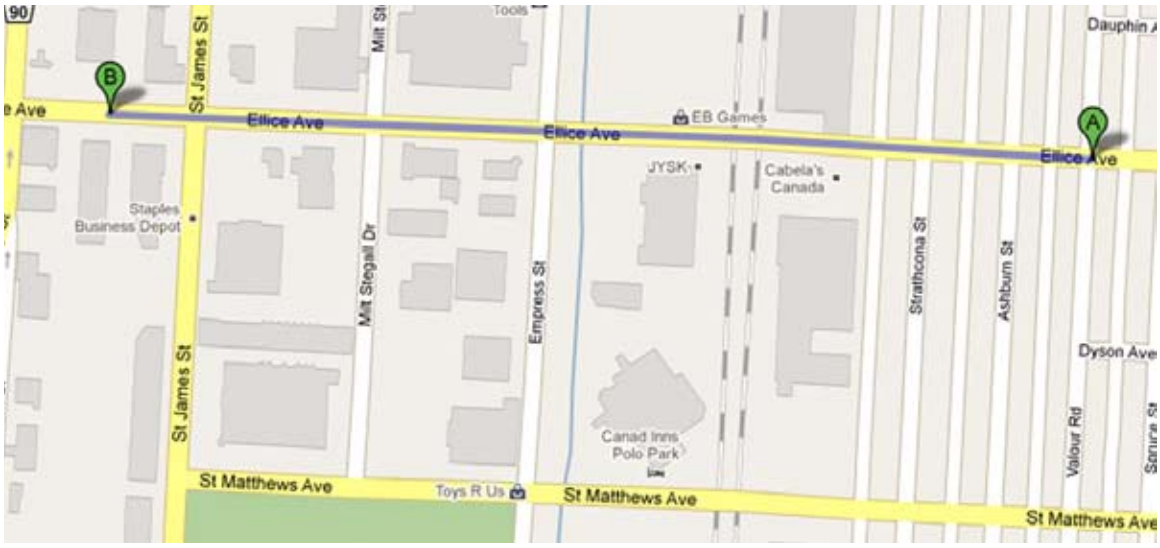
Effective July 1st, 2011 our new address will be:

Unit 3 — 1680 Ellice Avenue, Winnipeg, MB R3H 0Z2

The building is located at the corner of Ellice Avenue and Century Street. The new location will benefit our members with an in-house training facility, expanded meeting spaces, and ample parking.

Watch the Heavy News Weekly for construction updates and other related announcements.

Map: (A) Current MHCA Office (B) New Location of MHCA Office



Due to the office moving locations, we will be closed on the following dates:
June 16, 17, 23, 24, and 27-30th. We re-open July 4th at our new location.

WORKSAFELY MHCA

Safety Talk

This Safety Talk is intended to bring awareness of workplace incidents and the measures to take to prevent recurrence. Print and review this talk with your staff, sign-off and post on a bulletin board. File for audit purposes (COR™ - Element #8 Training & Communications).

High Visibility Apparel

It is important that all employees on a road zone work site wear appropriate high visibility apparel.

The equipment and apparel used are regulated by law in order to protect workers and the motoring public. Giving the employees this kind of protection helps them carry out their duty to protect other workers and provide safe directions to motorists moving through a work zone.

- High visibility apparel must be worn on the outside of clothing
- Consider needs for different weather conditions (e.g. a high visibility jacket for rain)
- Flagger vest must be high-visibility safety apparel and meet or exceed CSA Class 2 Level 2

Road Zone Safety

Workplace Safety and Health Act

6.7 An employer must provide high-visibility safety apparel that meets the requirements of CAN/CSA-Z96-02, High-Visibility Safety Apparel, and that is appropriate for the risk, to a worker who is exposed to the risk of injury

a) from a moving vehicle or powered mobile equipment;

b) or due to the worker not being visible to other persons because of environmental or other conditions in the workplace or at the worksite.

CAN/CSA Z96-09 Garment Classes

Class 1 Apparel

Basic harness or stripes/bands over the shoulder(s) and encircling the waist.

Class 2 Apparel

Full coverage of upper torso (front, back, sides and over the shoulders). Minimum side coverage of 50% from bottom edge of garment to shoulder point.

Note: The center portion of the front torso band, between the two vertical bands, is optional.

Class 2 Apparel (Special Case)

As a special case, bib-style overalls are recognized as Class 2 apparel. Retroreflective material over the shoulder is optional.

Note: The leg bands shown here are optional.

Class 3 Apparel

Class 3 apparel is Class 2 apparel plus arm and leg bands. These bands shall be composed of combined performance stripes/bands or a combination of retroreflective and background material.

High visibility apparel Level is rated by the trim's Ra. Ra is the minimum surface coverage of the trim. The chart below demonstrates the trim surface coverage for each level.

Trim Levels (Minimum Ra)	Level FR (>65 Ra)	Level 1 (>250 Ra)	Level 2 (>330 Ra)
			

WORKSAFELY MHCA

Safety Talk

This Safety Talk is intended to bring awareness of workplace hazards and the measures to take to reduce or eliminate hazards. Print and review this talk with your staff, sign-off and post on a bulletin board. File for audit purposes (COR™ - Element #8 Training & Communications)

Title: High Visibility Apparel

Date: _____

Performed by: _____

Company: _____

Location: _____

Employee Name:

Employee Signature:

Concerns:

Corrective Actions

WORKSAFELY MHCA

Construction Safety Excellence™

Training Schedule

Register by:

» Email: Heather DeJaegher at safety@mhca.mb.ca

» Fax: 204-943-2279

Cancellation Policy:

The *WORKSAFELY* policy states cancellation must be made at least two business days in advance, otherwise full course fee charge will apply.

MAY 2011	
May 9-10	Train the Trainer
May 9-11	WHMIS (1/2 day AM)/ TDG (1/2 Day PM)
May 12	COR™ Auditor Refresher (1/2 day AM)
May 13	Excavating & Trenching (1/2 day AM)
May 13	Flagperson (1/2 day PM)
May 16-17	COR™ Leadership
May 18	COR™ Principles
May 19-20	COR™ Auditor
May 20	First Aid 1 — CPR

JUNE 2011	
June 6-7	COR™ Leadership
June 8	COR™ Principles
June 9-10	COR™ Auditor
June 13-14	Train the Trainer
June 15	WHMIS (1/2 day AM)/ TDG (1/2 Day PM)
June 16	COR™ Auditor Refresher (1/2 day AM)
June 17	First Aid 1 — CPR
June 17	Excavating & Trenching (1/2 day AM)
June 17	Flagperson (1/2 day PM)

COR™ TRAINING — Brandon	
May 30-31	COR™ Leadership
June 1	COR™ Principles
June 2-3	COR™ Auditor

REMINDER:
***WORKSAFELY* requires at least six people registered to deliver the course.**

Customized training is available for your specific requirements.

Call the *WORKSAFELY* Office at (204) 947-1379 for more information.