



Mark Carney: The man who speaks the truth

By Jeffrey Simpson, *The Globe & Mail*

In this age of spin, rare are the voices that speak with candour. Certainly, the federal government's vast apparatus can't be counted on to speak the truth, not with the Harper party's partisan manipulation of every utterance. Nor can anyone count on the opposition parties, whose game it is to embarrass the government.

In the circumstances of omnipresent spin (to which business, labour and other interest groups add their voices), one man in Ottawa has become indispensable for straight talk: Bank of Canada Governor Mark Carney. This week, Mr. Carney delivered a discourse so intelligent in its analysis and perceptive in its recommendations that it stands as the best speech delivered by any public figure in Ottawa in a very, very long time.

If Canadians download it from the bank's website, their understanding will deepen of what lies ahead, for Canada and the world. But their mood won't improve, for Mr. Carney's analysis is sombre.

Mr. Carney believes, and he's profoundly correct, that the Western world stands at a point of "rupture." For decades, countries borrowed beyond their means – leveraged themselves with accumulations of debt. "That era," Mr. Carney proclaimed, "is now decisively over."

What he calls the "debt super cycle" occurred everywhere, albeit at different times – in Japan, in many European countries and in the United States. Canada was part of the cycle, too, until the Chrétien government put an end to the country's rising debts in the mid-1990s.

Debt fuelled consumer spending, not productive investments. Excessive private debt (collapsed banks, for example) wound up on the public ledger. The more households and governments borrowed for consumption, the less productive the economy became, which, in turn, meant the overall debt burden was less sustainable.

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Everywhere in the Western world, a long period of deleveraging – that is, reducing debts – has begun, or must begin. The global economy, Mr. Carney predicts, risks entering a ‘prolonged period of deficient demand.’ In Europe, there’ll be fiscal austerity, high unemployment and tight credit; in the U.S., personal and government debt will hang over the economy for years. The U.S. economic crisis began with its financial system, and Mr. Carney (agreeing with many others) notes that ‘recessions involving financial crises tend to be deeper and have recoveries that take twice as long.’

The best and easiest way to reduce debt is to increase growth, but Mr. Carney says growth will be hard to find, let alone sustain, when so many countries are deleveraging. Governments can’t continue to borrow for much longer, except perhaps for the U.S. because of its reserve currency status. The ‘rupture,’ therefore, has begun.

Western countries can’t recover unless big developing countries (read: China and India) increase domestic demand, but those countries are refusing to allow their currencies to adjust (read: China). So, says Mr. Carney, ‘both sides are doubling down on losing strategies.’ When countries do what Western ones have done and borrow abroad (read: the U.S.) to fund internal consumption, their situations become unsustainable.

Canada, Mr. Carney warns, is falling into that very trap, because ‘channelling cheap and easy capital into unsustainable increases in consumption is at best unwise.’ Canadians have been running a net financial deficit for more than a decade, borrowing more than they’ve earned. Canadians’ household debt ratio is now worse than the Americans or the British, Mr. Carney says.

Today is not like the past, when Canadian governments made hard decisions. Times now are ‘trying’ (Mr. Carney’s word), given worldwide deleveraging and an aging population that will impose more costs on governments while decreasing their revenues.

‘Our demographics have turned, our productivity has slowed, and the world is undergoing a competitive deleveraging,’ he says. ‘We might appear to prosper for a while by consuming beyond our means. Markets may let us do so for longer than we should. But if we yield to this temptation, eventually we, too, will face painful adjustments.’

He suggests that, to eliminate Canadians’ net financial debt over two years, the country could increase exports by three percentage points; but that’s unlikely, given the world economy. Government outlays could rise by four points; but that’s impossible while deleveraging. His preferred option – raising business investment by seven percentage points – would seem to be improbable, given slow growth prospects.

The spin doctors of Ottawa tell us how splendidly Canada has done. One man tells the truth.



MHCA Chairman's Gala Raises Funds for Variety, the Childrens Charity of Manitoba

The MHCA is pleased to announce that our Chairman's Gala Silent Auction raised over \$7,500.00 to support Variety, the programs they run and the children who will benefit from these funds.

We thank all who supported this great opportunity to help those less fortunate, and look forward to raising the bar even more next year!

MHCA New Member Company Draw for Jets Tickets

The MHCA had a pair of tickets for a draw for all of the new member companies of 2010–2011. The winner is **David Dufour of R.Dufour Enterprises Ltd from Pine Falls!**

The pair of tickets is for the March 18th game against the Carolina Hurricanes.

Congratulations, and we would like to thank all of our new members who joined the MCHA this year!

MHCA Presents Two Awards at Red River College

By Jason Rosin, MHCA Manager of Communications

In 2010, the MHCA Board of Directors approved raising \$50,000 towards the funding of the Red River College Construction Management Degree Program (CMDP).

The MHCA received commitments for approximately \$60,000, which was matched by the Province of Manitoba, allowing for an endowment fund of approximately \$120,000.

Red River College began the CMDP program in September 2010 for full time students.

The CMDP is a first for Manitoba, and assists in providing graduates with a mix of classroom and field experience to graduate into entry level construction project management roles.

This endowment fund will also go to support the scholarship awards, given in the MHCA name on an annual basis, to students entering or in the CMDP. The fund investment is managed by Red River College (RRC) and the interest earned funds the awards.

With the funding in place, the MHCA proceeded with two annual awards:

- » **The MHCA Construction Management Student Award** — to support students entering the CMDP
- » **The MHCA Cornerstone Award** — pays tribute to individuals or companies who have made significant contributions to the heavy construction industry in Manitoba.

The winners of the two awards were announced on November 24, 2011 at the Technology Awards Reception held at Red River College.

MHCA Board Chair Bob Reidy and MHCA President Chris Lorenc attended the event and helped present the two following awards:

MANITOBA HEAVY CONSTRUCTION ASSOCIATION CONSTRUCTION MANAGEMENT STUDENT AWARD

This award is an entrance scholarship for full-time students entering Year 1 of the Bachelor of Technology in Construction Management degree program.

Recipient: Dominique Pereira

MHCA CORNERSTONE AWARD IN MEMORY OF HUGH MUNRO, FOUNDER OF HUGH MUNRO CONSTRUCTION

This year the award was presented in memory of Hugh Munro, founder of Hugh Munro Construction. Hugh started with nothing and built a company which continues today as one of the largest and most successful in Manitoba. He was a man of his word whose determination, integrity, humour and heart of gold made him legendary in Manitoba's construction sector.

Colleen Munro, president of Hugh Munro Construction, was on hand to help present this award.

Recipient: Devan McLenaghan



MHCA Construction Management Student Award (from left): MHCA Chair Bob Reidy, Winner Dominique Pereira, and MHCA President Chirs Lorenc



MHCA Cornerstone Award (from left): MHCA Chair Bob Reidy, Winner Devan McLenaghan, Hugh Munro President Colleen Munro, and MHCA President Chirs Lorenc

LAND SALES SWELL AS NEW FACILITIES OPEN AT CENTREPORT CANADA

Dec. 14, 2011—CentrePort Canada and CBRE today announced the sale of 33 acres to nine more companies that will be locating at Brookside Business Park, bringing total sales in the industrial park to 60 acres purchased by 16 companies that are building new or expanded facilities on site at CentrePort.

The announcement was made to mark the recent opening of Rosedale Transport Ltd's new 40,000-square-foot facility that is now the hub for the Ontario company's western Canadian distribution operations.

"This location made great sense for us, both in terms of cost effectiveness and strategic location," Chris Lerm, Rosedale's regional manager, said of the decision to set up operations in the 150-acre Brookside Business Park. "With the new infrastructure that is under construction, such as CentrePort Canada Way, we are able to plan for future growth."

"We are pleased to see companies in the truck transportation industry taking advantage of the CentrePort opportunities by locating their operations within the CentrePort footprint," added Bob Dolyniuk, executive director of the Manitoba Trucking Association. "CentrePort is and will continue to be a strategic location for those in the transportation industry for years to come."

CBRE and CentrePort Canada have been working together to market Brookside Business Park to investor, which offers easy, efficient access to tri-modal transportation options including a direct connection to CentrePort Canada Way. CCW, now more than 60 per cent complete, will open up additional land for development and will more quickly connect companies to major highways.



Canada's Centre for Global Trade
WINNIPEG, MANITOBA



"We are seeing strong investor interest in the Brookside area, with more than 100 acres sold to date and companies like Rosedale Transport leading the way," said Diane Gray, President and CEO of CentrePort Canada. "They recognized very quickly the advantages of making early investment decisions. One year ago, we were looking at frozen ground; today we are celebrating the opening of Rosedale's fantastic new facility."

Robert Scaletta, sales associate at CBRE in Winnipeg, said being part of CentrePort is a tremendous business attraction advantage.

"Investors see the potential for development and the transportation advantages CentrePort offers, not to mention the new investments such as the CCW expressway and water and wastewater servicing. Our partnership with CentrePort has been very successful and we look forward to continuing to build on this momentum," Scaletta said.

New companies expanding into Brookside Business Park include Altima Cabinet Works Ltd., Razir Transport Services Ltd., Searcy Trucking Ltd., Wach Enterprises Ltd, C & T Rentals and Sheller Metal Fabricators Ltd. They join companies with newly-built facilities including Rosedale and Kaycan Ltd., one of North America's most prominent producers of aluminum siding, which recently constructed a 50,000-square-foot operation.



MHCA Welcomes Past Chair Back to Manitoba

The MHCA would like to welcome Ron Watson, MHCA Chair from 1993-94, back to the Province of Manitoba after a stint working and living in Victoria, BC.

Ron previously worked in Manitoba with Nelson River Construction and Maple Leaf Construction.

Welcome back, and we hope you stay in Manitoba!

Groundbreaking

MHCA's Annual Curling Classic

Thursday January 12, 2012

Heather Curling Club – 120 Youville Street

8:00am – 5:00pm

Entry Fee: \$225.00 + gst / team **or** **\$56.25** + gst / individual

Price Includes: - a fun day of curling & networking – coffee, donuts – a fabulous buffet lunch!!

If you or others from your office don't curl, come join us for the lunch portion of this fun day!

I would like to enter a team of 4 curlers _____

I would like to enter as a single player _____

I would just like to just attend the delicious lunch (\$30.00 + gst) _____

Prize Donations

I would like to make a cash donation towards prizes:

\$50.00 _____ **\$100.00** _____ **\$150.00** _____

Company: _____ Contact Person: _____

Ph: _____ Fax: _____ Please invoice (members only): _____

Visa/MC/AMEX: _____ Exp Date: _____

Card Holder: _____ Signature: _____



Fax this form to Christine at the MHCA office @ 204-943-2279

For more information call 204-947-1379 or email: christine@mhca.mb.ca



Annual Curling Bonspiel - Sponsorship Opportunities

Thursday January 12, 2012 at the Heather Curling Club

Sponsorship Opportunities include:

Ice Sheet Sponsor (only 8 available)

OR

Morning coffee & donuts Sponsor

\$200.00 / each

- ✓ Signage with your company logo at the end of the sheet of ice for the whole day.
- ✓ Recognition at lunch time.
- ✓ A 'Thank You' recognition in the MHCA Heavy News Weekly.



Don't miss out on this great opportunity!

Ice Sheet Sponsor _____ **Morning Coffee & Donuts** _____

Company: _____

Contact Person: _____ Ph: _____

Please invoice: _____ Visa/Mc/AMEX#: _____ Ex: _____

Fax: (204) 943-2279 Ph: (204) 947-1379

Surprise of 2011: The Year of Our Discontent

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

Thumb through the many disruptions the world has experienced in 2011, and you can easily sympathize with the task of narrowing surprises down to just one. To make matters worse, the shocks came at a point of particular economic vulnerability. But is there one that was truly a game-changer, one that will leave its mark for years to come?

Without a doubt, the world was plagued in 2011 by an unusual series of natural disasters. Flooding hit Australia in January, and other parts of the world through the year, most recently in Thailand. New Zealand and Japan experienced earthquakes, the latter followed up by a horrifying tsunami. Droughts, tornadoes and hurricanes were also in this year's record. As devastating and numerous as these events were, natural disasters, although unpredictable, are not uncommon.



What of Western governments' financial troubles? Europe seemed to escalate from one fiscal disaster to another this year, with the final chapter still a long way off. But this was the logical consequence of 2008's surprise - it is really nothing new. And the US debt downgrade? The result of a self-inflicted fiscal impasse birthed by political opportunism, which was invented long before 2011.

This year's nod goes to storms of a different sort. In the dying days of 2010, unrest in the tiny nation of Tunisia swelled into a movement that in under a month toppled a regime that was thought to be bullet-proof. The shockwaves reverberated into Egypt, where again an entrenched partial autocracy tumbled after three weeks of protests. Suddenly, the Arab world was in turmoil - the speed and effectiveness of the popular uprisings emboldened the disenchanted across the region, spreading to Bahrain, Yemen and even Saudi Arabia. Wealthier nations threw money at the problem, while others resorted to oppression. Libya ultimately fell, but not without significant NATO support. Syria remains embroiled in conflict, with the outcome still uncertain.

Perhaps the most disarming feature of these events was their unpredictability. Examination of four classes of possible inciters - namely long-standing conditions, gradual developments over time, immediate economic conditions and 'flash' events - yielded no conclusive triggers for Tunisia's fall.

But once that domino toppled, discontent bubbled up and blew the lids off one iron-clad regime after another. Given that we didn't see this coming, it's fair to say that we can't really tell where it's going. But developments clearly mark the coming-of-age of global communication technology, a globally-integrated world, the power of the press - somewhat reminiscent of the ancient construction of Babel.

Have we turned a corner? Clearly, there is no reversing the technology that has enabled swift communication of unrest. It will also be hard to undo the progressive emboldening of populations eager to speak up against their governments. It remains to be decided whether the Arab Spring has birthed the 'Occupy' movements popular in the West, encouraged despondent Europeans, and galvanized Russians against its leaders' aspirations. But the correlation is unmistakable.

The bottom line? 2011 may well be remembered as the year when the pen truly became mightier than the sword. Governments everywhere are paying attention. With that, I wish you and yours very happy holidays, and best wishes for the New Year.

The Weekly Commentary returns on January 5.



2012 MHCA ANNUAL DIRECTORY

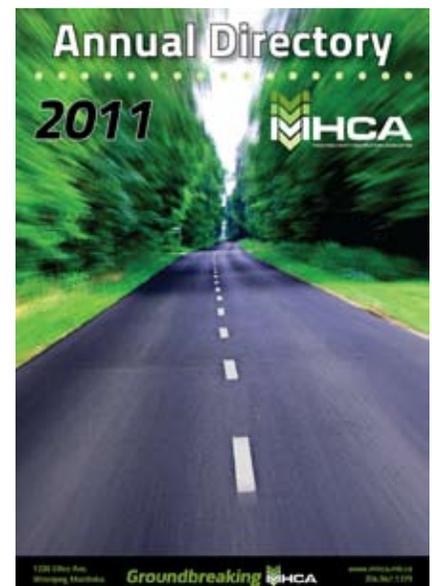
Advertising Opportunities Now Available!

Released annually in early spring, the MCHA Directory is the the definitive reference guide and business tool used by industry and purchasers of its services in Manitoba

WHY ADVERTISE?

- » Our 'Yellow Pages' list companies by areas of service
- » The Directory is an essential resource and information tool for all purchasers of heavy construction and related industries services
- » Public and private sector project owners extensively use the Directory to locate and contact needed suppliers of services, including contractors, materials, equipment, aggregates, oils, design, and engineering — to name a few

For more information or to book your spot in the 2012 MHCA Directory, contact Jason Rosin, MHCA Manager of Communications at jason@mhca.mb.ca or by phone at (204) 947.1379



Advertising Opportunities Now Available!

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Construction Safety Excellence™

Training Schedule

Register by:

» Email: 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.

NOVEMBER 2011	
November 10	Excavating & Trenching (1/2 day AM)
November 10	Flagperson (1/2 day PM)
November 14-15	COR™ Leadership
November 16	COR™ Principles
November 17-18	COR™ Auditor
November 21-22	Train the Trainer
November 23	WHMIS (1/2 day AM)/ TDG (1/2 Day PM)
November 24	COR™ Auditor Refresher (1/2 day AM)

DECEMBER 2011	
December 5-9	COR™ Training Week - Winnipeg
December 12-13	Train the Trainer
December 14	WHMIS (1/2 day AM)/ TDG (1/2 day PM)
December 16	Excavating & Trenching (1/2 day AM)
December 16	Flagperson (1/2 day PM)

Winter Roads Training Week	
December 5-9	Thompson, MB

COR Training Week	
December 12-16	Riverton, MB

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.