MHCA Heavy News

A Publication of the Manitoba Heavy Construction Association

MANITOBA HEAVY CONSTRUCTION

Manitoba as a Gateway for Global Trade

Inland Ports — What Drives their Economic Success

Positioning Winnipeg for Global Trade

Sponsoring Workers to Manitoba

Training Opportunities for Construction Workers

Economic Prospects for Western Canada

Western Canada Transportation System

The View from Ottawa

2009 ANNUAL MAGAZINE

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Message from the Chair — Gordon Lee, P.Eng., G.S.C.

Manitobans and Canadians in general are likely asking themselves where things are headed as they contemplate the near and longer term impacts that will result given the recent upheavals in the financial markets. Members of our industry are no doubt asking themselves the very same questions and speculating as to where these events will ultimately lead us.

Over the last few years, many in our industry will agree that we have experienced reasonably strong growth in the volume of infrastructure work that has been initiated or completed to date. Industry is also quite aware of the promises made by Local, Provincial and Federal governments in the way of additional spending commitments to address the enormously large and growing infrastructure deficit that all taxpayers know is so glaringly apparent. The question that surely arises from the current state of affairs is whether or not government will hold stead fast in their commitment to meeting the infrastructure objectives that have been set and do so under the significant challenges that now face the financial markets and the potential repercussions of a weakened economy that may result.

In the face of such adversity it is important to keep perspective of the many positives that still remain large in the Manitoba marketplace. Consider the importance and positive impact that will result from the recent strength in the province's population growth, the effects this has begun to have in shoring up labour shortages, the momentum behind the establishment of an Inland Port, the formation of a Western Canada Transportation System linking seamlessly into the North American Super Corridor, the growth in hydro electric development at Wuskwatim, Conawapa and Point Du Bois, the potential expansion of wind energy development and the impact of the Canadian Museum for Human Rights.

The go forward strategy of today's government will require a stretching in imagination and problem solving skills to new levels in order to maintain the current momentum in overcoming the continuing infrastructure challenges that still lie ahead. It will be incumbent on our industry to continue its persistent and frequent call on government to provide a performance-based management approach to critical infrastructure and for industry to provide the leading edge ideas and policy for government whenever called upon.

Message from the President — Chris Lorenc, BA, LL.B.

It would certainly appear that governments are understanding the relationship between trade, transportation and infrastructure, and enhancing productivity of the nation's economy.

A series of policy shifts, coupled with reports from credible arm's length institutions, along with an 'ahead of the political process' public opinion, have all resulted in positive sustainable decisions and directions from Canada and by extension, our province. Whether it is the recently signed $718 million Building Canada Fund Agreement; the drive to establish an inland port in Winnipeg in support of a nation-building trade enhancing initiative; Manitoba's Tax Increment Financing (TIF) and Centre Port Canada legislation; the Western Canada Transportation System initiative; increased infrastructure programs by municipalities; earlier tendering by some public sector project owners; all point to prominent mind set policy changes which are welcome and overdue.

We still have a long way to go. A report from the IRPP points out directly the relationship between the nation's investment in infrastructure and productivity. The report also speaks to a massive infrastructure investment gap and its adverse impact on Canadian manufacturing costs and productivity. The report's author estimates that an injection of up to $200 billion—$72 billion for new projects and $123 billion for maintenance of existing facilities—will be necessary over the coming years to close the gap.

The Report of the Standing Senate Committee on Transportation from June 2008 speaks to the need for national action from things like harmonization of trucking regulations to developing a national inland port strategy to help Canada compete in the global economy. It recommends for example, "that the government establish inland port free trade zones to attract investment and to enhance the efficient and cost effective operation of inland terminals."

Economists argue that Canada faces 'global disadvantage challenges' related to taxes, crumbling infrastructure, lack of a mature national trade strategy, and an inability to attract foreign investment.

Gaps in public policy will always exist. While the MHCA has made many significant and visible contributions, our responsibility as business owners, risk takers, employment providers will continue to be to work with governments at all three levels to press for economic policies based upon regional and national interest and with the public's best public interest in mind.

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Jason Rosin, MHCA Manager of Communications

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Manitoba Heavy Construction Association
1236 Ellice Avenue
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MHCA Heavy News

A Publication of the Manitoba Heavy Construction Association • 2009 Annual Magazine

Features

On the Cover:

The Port of Churchill, Canada's only Arctic seaport, and is strategically located on the west coast of Hudson Bay.

BUILDING MANITOBA FOR THE FUTURE

One only needs to look at a map of North America to see that Manitoba is located right in the heart of the continent. The time has come to use our unique, strategic position to build our international reputation as a trade and transportation hub. That's why the Province of Manitoba has teamed up with the private sector to build an inland port in Winnipeg.

Despite the successes that Canada, the United States and Mexico have enjoyed under the North American Free Trade Agreement, North America now faces more intense global competition than ever before. The ability to reach global markets in a quick, affordable and reliable way is incredibly important for our industries.

The provincial government has a crucial role to play in supporting and reinforcing the competitive advantages we have, and here in Manitoba we have an important advantage: from Churchill to Guanajuato, Mexico, from Winnipeg to either coast, Manitoba is uniquely positioned at the axis of this continent's transportation routes.

Located in the heart of North America, Winnipeg has a well-established network of air, rail and trucking routes, which also includes vital marine links via the Port of Churchill, the only deep-sea port in mid-Canada. These attributes give us the potential to become a world-class centre of international trade and intermodal transportation. As an inland port, Winnipeg is ideally connected to significant trade routes such as the Asia-Pacific Gateway and the Mid-Continent Trade Corridor that stretches from Mexico to Churchill.

Thanks to a decade of private and public sector efforts to build Manitoba's presence along the Mid-Continent Trade Corridor, much of the ground work for an inland port is already underway. What these partnerships have allowed us to do is to create a coordinated and collaborative logistical backbone throughout North America – one that radiates prosperity and growth through efficient trade and distribution channels. With this, Canada, the U.S. and Mexico have become partners in a complex, cross-border production, supply and distribution system.

However, there is still much work to be done. For example, infrastructure deficits and congestion have become major issues for our transportation sectors. From 1996 to 2001, average truck traffic throughout the Corridor grew roughly 48%. Yet, overall capital investment into transportation infrastructure throughout Mexico, the United States and Canada has not followed suit. As these kinds of investments are made, investments like our government's 10 year, $4 Billion Highway Renewal Plan, the entire transportation system becomes more and more efficient, which in turn provides North American firms with a significant competitive advantage.

HON. GARY DOER

When it comes to furthering this competitive advantage, Manitoba has a lot to offer. Our strategic location at the centre of Canada makes it a key part of the Mid-Continent Trade Corridor, connecting businesses to a central North American market of 100 million people. Add to this the fact that Winnipeg is the only city in Western Canada on the main line for both the Canadian Pacific and Canadian National Railway and that we have three rail links to the United States. Moreover, modern rail yards in Winnipeg can handle more than 5,500 cars per day, and intermodal terminals can process more than 200,000 containers per year.

We are also the truck transportation capital of Western Canada, as Manitoba has 350-400 for-hire motor carriers, of which over 90% operate either interprovincially or internationally. Four of Canada's twenty-five largest employers in for-hire trucking are headquartered in Manitoba. On average, over 1,000 trucks cross the Manitoba-U.S. border every day.

James Richardson International Airport, one of the few major airports in Canada that is open 24 hours per day, annually serves over 3 million passengers and handles approximately 150,000 tonnes of cargo. It is also one of five Canadian airports with transshipment designation and the only one in western Canada. Transshipment allows foreign originating freight destined for foreign destinations to be off-loaded and rerouted by air, rail or truck in Winnipeg. Add to this the expansion plans that are well underway for a new terminal building at the airport, and James Richardson International is ready to handle the demand an inland port will surely bring.

Then there is Churchill, Manitoba's ocean port on Hudson Bay, which is only 3,380 nautical miles from Liverpool, U.K. Extended shipping seasons on Hudson Bay are encouraging the use of this northern port, as are public and private sector investments in the port and rail line. The port has four deep-sea berths, which are able to accommodate Panamax class vessels. Also, throughput capacity of the port is estimated at over 1 million tonnes of grain per season.

Our existing infrastructure and geographic location give us a great advantage over other North American markets, but they are not the only reason Winnipeg should be home to an inland port. After all, Manitoba has some of the lowest overall business and living costs in the North-American Midwest. In fact, KPMG's 2006 Competitive Alternatives Survey found that doing business in Winnipeg is more affordable than many key American centres, like Minneapolis, Chicago and Dallas-Fort Worth.

Making business more competitive is a top priority as the province moves forward, which is why the small business tax rate has been reduced by 63 per cent since 1999 - the second lowest rate in Canada. Furthermore, since 1999 a series of unprecedented reductions to the General Corporate Income Tax Rate have been introduced, dropping the rate to 13.0 per cent as of July 1, 2008. Subject to balanced budget requirements, the rate will be reduced to 12.0 per cent, effective July 1, 2009. This represents a 29 per cent decrease in the rate since 2001.

Homes, auto insurance, electricity, and university or college tuition are all are available in Manitoba at the lowest costs in Canada. In fact, after paying the basic personal costs of taxes, housing, child care, auto insurance and utilities, a family of five earning $75,000 per year is left with almost $25,000 per year more in Manitoba, than the same family in Ontario. Those benefits are felt just as strongly at higher income levels in a province that boasts some of the least expensive executive homes, vacation homes and green fees at tournament-quality golf courses.

What our province needs to make the case for our inland port even stronger is something to tie all of our competitive advantages together and present them as a single package. For this reason, our government has introduced legislation to create CentrePort Canada. CentrePort Canada is a private-sector focused corporation that is charged with developing and promoting Manitoba's inland port. As one community with one voice, it will be focused on building upon existing advantages and creating new inland port assets that will better position Manitoba to compete in today's global economy

CentrePort Canada will manage 20,000 acres of land in the vicinity of the James Richardson International Airport to serve as a transportation, trade, manufacturing, distribution, warehousing and logistics centre. This kind of development can be supported with Tax Increment Funding (TIF), which our government introduced as an innovative new means of supporting community economic development. The recent introduction of the CentrePort Canada Act represents the shared vision of the private sector and the provincial government. I would like to thank business, municipal, community and labour leaders for their hard work, support and vision that made this happen.

There is a tremendous can-do attitude that exists in our province, one that has fostered the innovative new ideas and partnerships responsible for the MTS Centre and the Canadian Museum of Human Rights. CentrePort Canada is the next big idea that Manitoba's business and community leaders are bringing to our province, and our government is very proud to be working with them. Together, we will build Manitoba's inland port.

The Honourable Gary Doer is Premier of the Province of Manitoba.

Inland Ports: What are they?

What Drives their Economic Success?

STUART DUNCAN

GREG DANDEWICH

The City of Winnipeg and the Province of Manitoba have prospered economically over the years based on a diversified economic base. Consistently throughout all eras, one of the most important underpinnings of the city and provincial economy has revolved around transportation and distribution. Shipments at the turn of the century focused on the movement of bulk commodities with today's shipments increasingly dominated by manufactured goods.

These goods are moving within a complex set of 21st century global supply chains that have impacted traditional trade flows into, out of and through North America. The key coastal ports of entry into North America such as Los Angeles/Long Beach, Miami, Seattle, and Vancouver have become increasingly congested because of significantly increasing flows of containers from Asia into North America. This has forced transportation and distribution operators to rethink how import and export merchandise are managed to reduce congestion and improve efficiency.

This critical thinking has led to the creation of Inland Ports which enables shipping containers to move inland from coastal ports where goods are coordinated for further distribution and value added activities through assembly or further manufacturing.

One of the most widely used definitions of inland ports comes from the Centre for Transportation Research, University of Texas at Austin:

> *"An inland port is a site located away from traditional land, air and coastal borders with the vision to facilitate and process international trade through strategic investment in multi-modal transportation assists and by promoting value-added services as goods move through the supply chain".*

There are a variety of models in North America regarding inland port development. Some are single large geographic footprints such as Alliance Texas located in Forth Worth. This inland port is seen as a "Gold Standard" for traditional inland ports made up of 17,000 acres, with over 170 companies, creating over 27,000 direct jobs and over 66,000 indirect jobs and an economic impact of over $31 billion created from 1990 to 2006. The AllianceTexas project also brings together in a single location multi-modal transportation solutions with air, truck and rail intermodal facilities.

Other inland ports, such as Kansas City SmartPort, are broader based and established through the networking and coordination of a variety of regionally disbursed physical transportation assets and properties such as airports and intermodal facilities. Kansas City Smartport focuses on growing the area's transportation industry by attracting businesses with significant transportation and logistics elements, and make it more cost-effective, faster, more efficient, and secure for companies to move goods into, from, and through the Kansas City area.

Both of these approaches to inland port development fit the unique capabilities and circumstances of each jurisdiction. Though the models developed for Kansas City SmartPort and Alliance Texas are different, the objectives are similar —

creating economic development opportunities for their communities and region. A community cannot just replicate a single model in their efforts to develop an inland port. Rather communities seeking to advance the development of an inland port need to clearly recognize and understand their capabilities and uniqueness related to trade and transportation. A review of existing inland port operations and approaches can be used to help shape the most suitable model for a community within the context of their trade and transportation capabilities.

Winnipeg's Inland Port

Within Winnipeg a combination of connecting existing infrastructure and investing in new infrastructure will help to create a 'Made in Manitoba' inland port solution. Presently several key physical transportation assets provide existing capacity to meet the needs of trade, these include:

- Air Cargo – Winnipeg James Armstrong Richardson International Airport
- CN Intermodal at Symington Yards
- CP Intermodal at Keewatin Yards
- Truck Terminals – Winnipeg is home to many of Canada's leading trucking companies

Though these physical assets are not co-located they represent the extensive multi-modal capabilities already present within the city. The approach to building an efficient inland port in Winnipeg requires a series of coordinated actions that focus stakeholder efforts.

Communities need to conduct a comprehensive audit of existing infrastructure and capabilities to understand their competitiveness. This type of audit will help identify infrastructure and capability gaps as well areas for improved coordination of existing capabilities. Then, the community needs to identify the type of new infrastructure required and its location. In the case of Winnipeg and Manitoba much of this activity has been undertaken. The Mayor's Trade Council recommends that vacant lands west of the airport be the site for new investment and the core of Winnipeg's inland port project.

The province, city, business groups, community organizations and stakeholders such trucking, rail, commercial real estate and airport are taking action in advancing the inland port project in terms of physical lay-out, governance and promotion. This coordinated approach is critical in developing multi-stakeholder relationships that can work towards establishing system-wide efficiency. This connectivity helps solidify a common position in promoting and marketing the capabilities and advantages of Winnipeg's inland port.

Taking action on a predetermined single geographic footprint as the core of Winnipeg's inland port is essential. This would require investment in infrastructure, distribution and warehousing facilities, multi modal terminals and air cargo facilities. The development would also include on site logistic services and customs. The site also needs to have a series of "tools", innovative approaches and to create key discriminators to create a strong value proposition for attracting private sector investment. This should include the creation of an Enterprise Zone, Free Trade Zone and the strategic use of incentive based tools such as Tax Increment Financing options.

Effectively, Winnipeg is already functioning as an inland port as a result of its significant transportation distribution infrastructure and our geographic positioning in the centre of Canada. The opportunity now exists to guide and manage the incremental growth of our physical transportation assets and fill in the existing gaps in the system.

The objective is to create value-added opportunities for customers moving products into and through Manitoba. As a strategically located North American inland port, Winnipeg could provide value-add assembly and manufacturing, provide seamless and efficient movement of goods through an un-congested and efficient transportation network. The city's inland port development will expand its role as a major trade and transportation hub within the Mid-Continent Trade Corridor and as Canada's Centre for Global Trade.

Stuart Duncan is President of Destination Winnipeg. Greg Dandewich is Director of Economic Development for Destination Winnipeg.

Manitoba: Canada's Inland Port

By ARTHUR MAURO

The May 2006 Federal budget provided $16.5 billion in federal support for provincial, territorial and municipal infrastructure. Of this amount, $591 million was allocated for the Asia-Pacific Gateway and Corridor Initiative.

In announcing this program, the Federal government placed particular emphasis on the "Shanghai to Chicago" opportunity that positioned Canada to play a major role in the movement of products from Asia to North America. As a first step, $321 million will be invested in Port and infrastructure facilities in Vancouver and Prince Rupert.

In addition, a $233.5 million Infrastructure Fund was earmarked for investments to improve the efficient flow of traffic from coastal ports to eastern Canada and U.S. points of entry. The policy further indicated that a "limited number of regions in Canada" were potential gateways or ports that would integrate marine, rail, highway and air movement from the coastal ports to eastern and southern destinations. Manitoba's Capital Region is the ideal location for the primary Inland Port for western Canada.

It is no idle claim that Winnipeg is the "Gateway to the West" since all surface transportation moving east and west in Canada must go through this city. Around this geographic advantage the city became a major trade and transportation centre in the expansion of western and northern Canada.

Again, during the period of the "Cold War" Winnipeg was the staging centre for the re-supply of the Distant Early Warning (D.E.W.) sites in the Arctic. A similar role can be played in the movement of commodities from the Asia Pacific region to eastern Canada and the U.S. Midwest.

The natural advantages that made Winnipeg a centre for transportation and trade include;

a. It's location in the geographic centre of North America and the gate way to the Canadian North and West;

b. It is the only city in Western Canada to have both CNR and CPR inter-modal yards along with connections to the USA via Burlington Northern and to the prairies' only deep water seaport in Churchill via OmniTrax railway;

c. It is at the crossroads of Trans Canada Highway #1 and U.S. Highway I-94, with access to the heart of the Mid-Continents Trade Corridor;

d. It is a major highway transport centre.

e. It has an airport that operates 24/7 and as the only Category 2 airport between Toronto and Vancouver has virtually zero closedown periods.

What we require to exploit our natural advantages is a designated area where, under a single authority, the various transportation modes can be integrated to provide the most efficient supply chain from "Shanghai to Chicago."

The Mayor's Trade Council report identified the airport and lands west of the airport as the ideal location for Manitoba's inland port. This area provides the opportunity for highway, rail and air connections in addition to land for industrial development.

The Richardson International Airport is one of Canada's major air cargo terminals and ranked first in the number of cargo landings during 2007. The trend to intermodal movement of goods is reflected in the decision of Canada Post and Greyhound Bus Lines to build major facilities within the airport perimeter. The increase in fuel costs has made Winnipeg an attractive in-transit point for air cargo from Asia to the U.S. mid-west. Using Winnipeg for trans-shipment from air to road, air carriers can reduce the weight taken up by fuel and replace this with revenue cargo.

The Winnipeg Airports Authority has had discussions with cargo carriers in both China and Russia. The business case presented indicates that on each flight from Shanghai to Chicago, using Winnipeg as a trans-shipment point, there would be a 20% reduction in cost.

In addition, the Port of Churchill can provide a marine gateway from Europe to Western Canada and the U.S. Russia has indicated an interest in a route from Murmansk to Churchill. With the use of ice breaker support, the shipping season could be extended and would provide needed import traffic. This traffic could move from Churchill to the intermodal centre in Winnipeg for trans shipment to final destinations.

To fully benefit from the establishment of an integrated multi-modal facility, Manitoba must be more than a corridor. We must couple our transportation advantage with the opportunity to add value to products moving through the corridor.

The increase in fuel costs has made Winnipeg an attractive in-transit point for air cargo from Asia to the U.S. mid-west

To achieve this goal requires establishing a Special Integrated Economic Zone (S.I.E.Z.). Such zones have existed in the U.S.A. since 1934. While there are variations in structure and regulatory treatment, they are in varying degrees Free Trade Zones.

The basic design provides that material can enter the designated zone and be assembled or finished. So long as the product is for export, it receives favourable treatment relative to customs and excise duties. In addition, both the municipal and provincial governments provide favourable treatment of enterprise in the designated area.

Such a zone in Manitoba would be the first in Canada and would reduce the advantage presently enjoyed by competitive U.S. centres. The Richardson International Airport and adjacent lands, totaling 6600 acres, could be such a designated area. While the Airports Authority has completed a strategic plan, funds are required to prepare the final business "blueprint".

But the first priority is to establish the Inland Port and develop the inter-modal facilities. To be successful, Manitoba must speak with a single voice.

The Federal Government policy provides for Inland Ports and Gateways. The Premier has indicated support for the Inland Port concept. The City Council has adopted the report of the Mayor's Trade Council. We must now marshal the support of the private sector to make the plan a reality.

This is a once in a generation opportunity for Manitoba. With a supportive regulatory framework and the commitment of the private sector, the Special Integrated Economic Zone can become the engine for economic growth and a step toward making Manitoba a "have" province.

Arthur Mauro is Chair of the Winnipeg Airports Authority.

Globally Competitive Foreign Trade Zones: A Tool of Canada's Economic Future

Over the past number of years, you, as most Canadians, will have no doubt heard many comments on the greatness of our land, the history of trade, its development and place in our economy…and how that innovation in trade and transportation has been the foundation of the many benefits we enjoy.

While this may all be true, I am reminded of the words of L. P. Hartley from his opening lines of, The Go-Between: "The past is a foreign country; they do things differently there."

In the understanding of those who were the forefathers of our development in trade, there was a place called York Factory of which it was said that, virtually all of the trade going into or out of the vast territory (encompassing most of what is now Canada) moved through York Factory. For 249 years the HBC sent ships to York Factory from its docks in London. Something clearly has changed from the time when being the Factor at York Factory was the best job around.

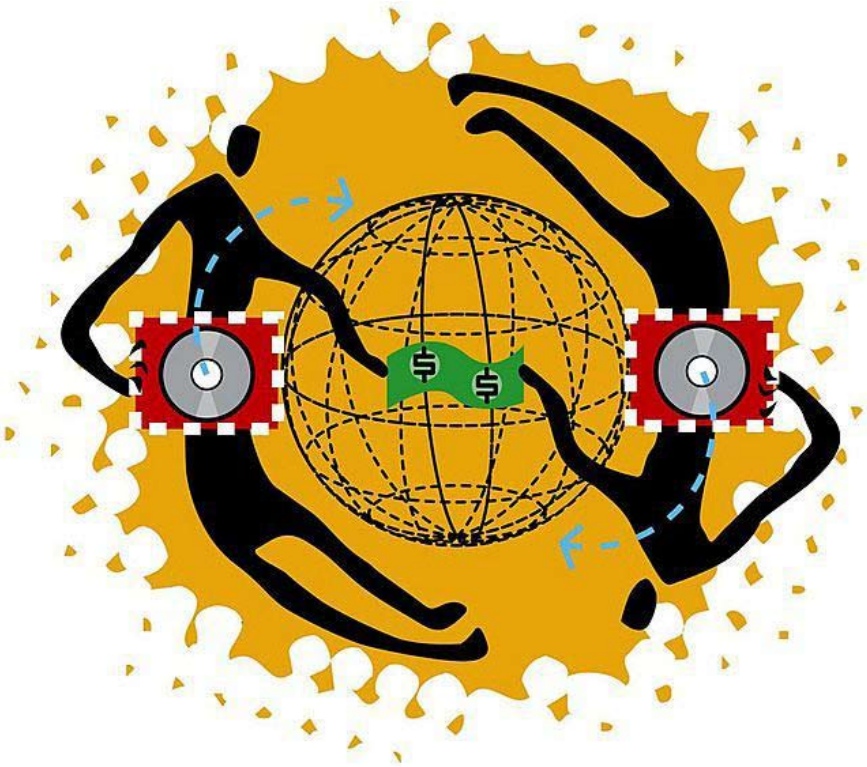
And as the world continues to change, we need to understand that the greatness and consequential benefits of Canada's past trade developments are not somehow miraculously bestowed upon us by birth. To 'win' we must apply new thinking to meet the requirements of that changing world.

To be fair, some things have not changed so much as taken on new meaning. Obviously, our endowment of natural resources remains fundamental to our trade. Although over time, the value which customers place on those resources and the impact that will have on their desirability may change, for now, Canadian resources are highly prized.

In the medium term it is incumbent upon us to develop not just the efficient delivery of natural resources to market but to develop quality policies and institutions in a manner which will ensure a future role and place for the next generations of Canadians. In an incredibly globalized world, we will rely on both effective government policies and business strategies. Both will need to be flexible and adaptable. Speed and agility are "table stakes" when developing policies to enhance our comparative advantages in a large global marketplace.

BARRY REMPEL

Liberalization of trade in goods and services, new integrated transport networks and information and communication technology (ICT) developments have created unprecedented business opportunities for trade. Many companies are taking steps to establish regional logistics centres to improve their competitiveness by reducing inventory and raw material procurement costs, and by providing swift, customer-oriented just-in-time (JIT) services and value added logistics services.



A powerful public policy tool is that of Free Trade Zones (FTZ's). FTZs, in the form of free harbours, were first established more than 2,000 years ago; over the course of time the concept of free trade zones has been transformed. Within the last half of the 20th century, free trade zones have undergone substantial changes and adaptations as the result of exponential growth in world trade and improvements in transport efficiency.

FTZs have also become increasingly popular as a policy instrument for the promotion of export-oriented Foreign Direct Investment (FDI). While in 1970 only a small number of countries permitted the establishment of FTZs, in 1997 about 850 zones operated in both developed and developing countries and the number of FTZs continues to increase. Research has shown a strong correlation between the establishment of FTZs and strong export performance.

There are fundamentally two kinds of cargo: import/export cargo; and transshipment cargo.

Handling import/export cargo is critical for a country to develop its domestic economy and industry. Trans-shipment cargo is different; such cargo is not vital to its domestic economy but optional for a country's economic development. Trans-shipment gives additional revenue and brings other opportunities to develop based on the resources of the cargo industry.

Rather than create an entire product or service in one location, businesses now look for the best place to locate each specific activity such as design, engineering, manufacturing, marketing, or aftersales service

There is also a multiplier effect as more business is attracted to the 'cluster' of businesses. This fact has enabled small countries such as Singapore or Holland to have cargo volumes far larger than their national hinterland would warrant.

Government policy does have an impact. The key objective of public policy is to increase the wellbeing of the population in a sustainable manner; increasing Canadian productivity growth on a sustained basis with the objective of closing productivity gaps relative to our main trading partners and enhancing our global economic reach by attracting more global FDI, developing deeper trade links in key markets. One method of addressing all these key elements is the introduction of globally competitive FTZ processes.

And customers care. In order to compete globally, companies are accelerating their use of global and regional supply chains. Rather than create an entire product or service in one location, businesses now look for the best place to locate each specific activity such as design, engineering, manufacturing, marketing, or aftersales service. This way companies can maximize efficiencies and reap gains from trade for every activity along a value chain.

Trade and investment increasingly go hand in hand. For example, about 40 percent of Canada-US trade is intra-firm. Over the last 20 years as Canada's share of global FDI (and North American FDI) has declined. Given the growing importance of intra-firm trade links, this trend may impact on long-run trade growth prospects unless it is reversed.

Conclusions

The world is changing and our ability to compete depends upon effective policies that will ensure Canada is in the "game". With 40 percent of our GDP coming from trade today, we need a clear global focus on what it will take to be competitive over the next decade.

Most countries have been aware of the importance of attracting FDI for national economic development and have been competing in the new global trading environment. Establishing truly competitive foreign trade zones presents a key opportunity for Canada to develop its economy through the provision of logistics cluster platforms: thereby attracting regional logistics centres or distribution centres of both manufacturing and logistics enterprises.

Barry Rempel is President and CEO of the Winnipeg Airports Authority.

WINNIPEG, CENTREPORT, and a NEW NATIONAL DREAM

As a young City Treasurer in the 1970's, I found myself enthralled by Pierre Berton's saga of the Canadian Pacific Railway, The National Dream. It's a book that appealed to me on many levels, for many reasons.

Berton's book has a powerful personal resonance for me, as members of my family on both sides earned their living in the transportation industry. Over the years it has spoken to me professionally, too – as I served on the boards of airports and port authorities from Vancouver to Kingston, and I saw firsthand the importance of transportation to the vitality of those cities, and regions.

Most of all, The National Dream inspired me because, like all the best works of history, it has something very important to teach us . . . not about the past, but about the future.

The builders of the railway that made Canada a nation had the vision to grasp what the future could be, if they dared to enter the modern industrial age in a very big way. They harnessed technology to conquer geography, and laid the foundation for a prosperity that's been the envy of the world for over a century.

GLEN LAUBENSTEIN

Today, we need a new vision to renew that prosperity, a new national dream that takes us beyond the achievements of the past – beyond the thinking of the Industrial Revolution, to that of the new global economy. One of the reasons I applied for the job of the City of Winnipeg's CAO is the potential taking shape here. There is a real sense, today, that the old gateway to the Canadian West can become Canada's new gateway to the USA and the world.

On March 19, 2008, Winnipeg City Council endorsed in principle the recommendations of the Mayor's Trade Council Final Report. Recently, the Manitoba government introduced legislation that would create CentrePort Canada. I'm glad to be working in a community that has embraced this initiative so enthusiastically.

Today's state-of-the-art production can't and won't be constrained by political or geographic boundaries. In his survey of the way the world's economy really works in the 21st century, The Age of Turbulence, former U.S. Federal Reserve Board Chairman Alan Greenspan writes:

"Globalization. . . is patently a key to understanding much of our recent economic history. . . Production has become more and more international. Much of what is assembled in final salable form in one country increasingly consists of components from many continents." (p.364)

That, in a nutshell, is our challenge – and our opportunity. The capacity for modular assembly (what Greenspan is talking about in this passage) is one of the three great benefits of living in a great inland port city. The second is intermodal transshipping: the ability to transfer goods with maximum efficiency from one mode of transportation to another, with all the attendant cost benefits that brings. The third is the flourishing of key support services, like brokers, tariff-free facilities, and professional services that cater to the shipping and assembly industries.

In Winnipeg, we can and should have all three. Our geographic centrality makes it conceivable – particularly as we strive to realize the potential of Churchill as our northern port. Our 24/7 airport, and our concentration of rail and road links, makes it feasible. And, the determination of all the partners who are working in support of CentrePort can make it a reality.

With so many key stakeholders working to advance the initiative, what are the obstacles ? My experience suggests to me that we must do everything we can to ensure that decision-making for CentrePort is streamlined, and that public services to those who use it are nimble! Only if they are, can we hope to attract the kind of investment and innovation we need.

When I signed on as City Manager for Fort McMurray, Alberta, the community and the region were facing a significant problem. The inertia caused by the interface of multiple municipal jurisdictions was threatening the future of the whole Athabasca Oil Sands enterprise – experts were predicting the demise of Suncor Energy within a year, and Syncrude was expected to follow five years later.

One of the answers to the problem lay in streamlined municipal government. With the consolidation of municipal jurisdictions into the Regional Municipality of Wood Buffalo, things took a dramatic turn. By the time I left the Regional Municipality in 1997, $10 billion annually was being invested in expanding oil sands projects. That amount has increased to $250 billion over the next 10 years.

Of course, a number of factors came into play, and different resources were involved. However, there is no doubt that a single jurisdiction worked better for investors in Wood Buffalo, as it would in Winnipeg. Competition in private enterprise adds value; competition between levels of government invariably diminishes it.

That's a problem we want to avoid with CentrePort, if we can. The three factors that would contribute most to the initiative's success would be: the most favourable provincial and federal legislative regime possible, to encourage the inland port's development; a single authority to operate and maintain the port; and a single municipal authority to provide the infrastructure the inland port requires. There may be other models that would work, but I am convinced Winnipeg will profit most by a plan that maximizes simplicity and service.

This is an exciting time to be a Winnipegger. I wholeheartedly agree with Dave Angus, President of the Winnipeg Chamber of Commerce, when he said that CentrePort represents our province's best economic opportunity. And I agree with your President, Chris Lorenc, when he says that Winnipeg's success in this project is Canada's success.

In fact, we will be transforming Winnipeg's storied past into a splendid future: a new national dream of which we can all be proud.

Glen Laubenstein is Chief Administrative Officer of the City of Winnipeg

Inland Ports & Free Trade Zones – A National Imperative

With a 2008 Federal election, many promises are sure to be made. But elections are more than just listening to what the party leaders have to offer. Elections present an opportunity for Canadians to tell the leaders what we want and expect from their leadership.

There is an economic growth opportunity percolating in Manitoba which extends benefits to Canada but requires federal government partnership to succeed.

An inland port by definition requires the ability to bring the four modes of transportation - rail, air, marine and road - together to support trade. This week's announcement of the creation of CentrePort Canada builds upon Winnipeg's unique transportation assets.

We are the only city in western Canada where the two major Canadian railways, Canadian National (CN) and Canadian Pacific (CP), an American railway Burlington Northern Santa Fe (BNSF) and OmniTRAX (serving the north and the port of Churchill) – all converge. The only other city in Canada which boasts CN and CP within its urban limits is Montreal.

We have three of the top 10 national trucking companies headquartered in Winnipeg supporting roughly 33,000 jobs and contributing $1.2 billion to Manitoba's GDP.

The James Richardson International Airport is one of few in Canada operating 24/7. It is the 3rd busiest cargo airport in Canada, 17th busiest in North America and largest in Canada by number of dedicated cargo carriers with air cargo increasing by 55% between 2002 and 2007.

We have an extensive network of roads with Highway #75 supporting over $14 billion of trade annually. Intersecting with the United States at Emerson, it is the busiest US/Canada border crossing (425,000 truck crossings) in western Canada with volumes increasing over the last five years by an astonishing 74 per cent.

In addition, we have the only inland deep sea water port in Churchill which connects to Russia and then Eurasia 9 days faster than the St. Lawrence Seaway. Churchill is western Canada's closest seaport to northern and eastern Europe.

Successive economic studies, the provincial Manitoba International Gateway Strategy (MIGS) and reports including that of the Mayor's Trade Council adopted by City Council in March 2008, all point to the real but time sensitive opportunity of positioning Winnipeg as one of Canada's gateways to global trade - an asset to the nation located in our province. The Premier, the Mayor of Winnipeg, Reeve of Rosser, together with business and community leaders worked over the summer to advance this vision and create CentrePort Canada Inc which will manage the operations and marketing of the 20,000 acre inland port zone around the James Richardson Airport.

CHRIS LORENC

Trade growth-related opportunities can become an important step to enhance western Canada's global role as a trading block, to ensure east west coast to coast trade participation and support the federal National Framework Policy on Trade objective, which is to position Canada to become the 'de facto' international trade crossroads nation. In essence this is an opportunity to support nation building.

The above opportunities are real, not imagined. But to materialize, we need national government investment in national assets which help facilitate the opportunity. One of those national assets by reason of location and converging modes of transportation and related trade activities happens to be an inland port located in Winnipeg.

Winnipeg and the RM of Rosser have sizeable tracks of land to the north and west of the airport with road access (requiring further development), and rail at and in proximity to platform an inland port. We have a perimeter highway which with access improvements, can remove significant trade related truck traffic from inside the City and efficiently move it to intermodal, value-add, manufacturing operations located at the inland port.

We have geographic location with immediate access to the US market within a day out of our airport – it takes five days before cargo can leave Chicago's airport - and hours by truck to the vast US market. A full 80 per cent of rail container traffic originating on the west coast passes through Winnipeg on its way to the east. They return west empty, creating value add opportunities provided there is regulatory reform. We are on the north end of the mid-continent trade corridor including the Port of Churchill at its most northerly point, linking Canada, United States and then Mexico at the south.

In short, our location links east, west, south and north trade, between the North American continent and the rest of the world. When these linkages succeed, Canada succeeds.

We are ready to work with the federal government to assess how its existing tax, duty and excise strategies are perceived by international investors and to develop enhanced opportunities to attract international 're-location, location or expansion' investment to Canada.

Manitobans in many walks of life support this vision, but all of us must challenge our political leaders for their vision.

Chris Lorenc, BA, LL.B is President of the MHCA.

Western Canada Transportation System

Transportation and trade have been vital for the economic development, culture and vitality of nations around the world for thousands of years.

In today's global economy, efficient transportation systems provide access to worldwide markets, link communities together and enable the generation of economic wealth. It is widely recognized that the ability to move people and goods safely and efficiently is more important than ever.

Transportation is crucial to economic development in Canada and businesses across the country depend on an efficient, multi-modal transportation system. Just such a system serves Western Canada.

For the purposes of this review, the region of Western Canada will be considered to encompass the provinces of British Columbia, Alberta, Saskatchewan and Manitoba, and include the territories of Yukon, the Northwest Territories and Nunavut.

JAY RAMOTAR

WHAT IS IT & WHY IS IT IMPORTANT?

To understand the importance of Western Canada's transportation system and how it supports economic development, it must be understood that an estimated 10.2 million people now live in this part of the country; nearly one-third of Canada's total population. By comparison, Ontario and Quebec make up about 62 per cent of Canada's population.

For the last 10 years, Western Canada's population has grown faster than the national average and this has put significant strains on the region's transportation network.

Western Canada's Transportation Network

Western Canada's transportation system involves all four modes of transportation: road, rail, marine and air.

Looking at highways first of all, 19,647 kilometres of the 38,000-kilometre National Highway System and about 60 per cent of all of Canada's public roads are located in Western Canada.

These roads are extremely busy and getting busier. From 2003-07, Western Canada experienced a 13 per cent increase in total traffic by all vehicles, measured in terms of vehicle-kilometres traveled. During the same period, Ontario's total traffic by all vehicles grew by a little more than half that, with growth at about 7.6 per cent. Commercial vehicles greater than 4.5 tonnes drove 14.1 billion vehicle-kilometres on Western Canadian roads in 2007 while Ontario's truck activity totaled 11.5 billion vehicle-kilometres traveled.

A significant part of Canada's rail network operates in Western Canada as well. In 2006, about 58 per cent or 28,024 km of Canada's freight railway system operated in Western Canada. Measured by volume (tonnage), 58 per cent of Canada's rail exports originated in Western Canada.

Ports in B.C.'s Lower Mainland and Prince Rupert, in Churchill, Manitoba and in Thunder Bay, Ontario accounted for nearly 24 per cent of the 478 million tonnes of total marine traffic handled at all Canadian ports in 2006. These ports are critical for shippers and importers in Western Canada.

In 2007, container traffic handled at the ports of Vancouver, Fraser River and Prince Rupert, B.C. totaled 2.5 million 20-foot equivalent units (TEUs). This demonstrates Western Canada's role as a key international gateway for trade. By contrast, the combined container volume handled at the ports of Montreal and Halifax totaled 1.85 million TEUs.

In terms of air travel, in 2006, more than 46 million passengers travelled to or from Western Canada by air. This represented nearly 46 per cent of Canada's total air passengers, even though the region includes only about 31 per cent of Canada's population. This demonstrates the high level of economic activity in Western Canada and the region's reliance on fast and reliable air transport services.

Of the 26 airports included in the National Airports System (NAS), 12 are located in Western Canada, along with another airport in close proximity at Thunder Bay. The NAS airports move approximately 95 per cent of Canadian scheduled passenger traffic.

Economy

In 2007, Western Canada's gross domestic product (GDP), at market prices, was $557.5 billion of Canada's total $1.53 trillion GDP. By comparison, Ontario's GDP was $582 billion. Over the last five years, Western Canada's GDP grew

by about 41 per cent, more than double Ontario's GDP growth of 18 per cent during the same period. The result is that the West's economic activity almost matches Ontario's.

In terms of value, more than 50 per cent of Western Canada's goods and services are exported out-of-country or out-of-province. In 2007, the region's internal trade with the rest of Canada amounted to $111.8 billion. On the import side, the total value of Western Canada's imports in 2007 was $263 billion. Canadian imports and exports absolutely depend on an efficient and effective transportation network to get to market and Western Canada's export-dependent economy is no exception.

The trade relationship between the U.S. and Canada represents the largest bilateral flow of income, goods and services in the world. About 80 per cent of Canada's exports go to the U.S. In 2007, total trade between the two countries exceeded $569 billion, averaging about $1.5 billion per day. Western Canada accounts for 27 per cent of the total value of Canada-U.S. trade. About 59 per cent of Canada-U.S. trade by value is transported by truck.

Canada also has significant trade with China and Japan. About two-thirds of Canada's exports to the Asia-Pacific region are from Western Canada. Through the Asia-Pacific Gateway and Corridor Initiative, provincial and federal funding has helped support transportation infrastructure for trade with Asia.

Of all the ports on North America's west coast that are able to take advantage of this trade, B.C.'s Port of Prince Rupert is the closest to Asia. Great expansion in global container traffic is predicted over the next few years through facilities such as the recently opened container terminal at the port.

Today, Canada has more prospects for trade with other countries than ever before, and Western Canada is positioned to take advantage of such opportunities. This continues to stimulate economic growth right across the country.

Transportation Planning

In 2002, British Columbia, Alberta, Saskatchewan and Manitoba formed the Western Transportation Ministers Council to develop a consistent regional approach to transportation policy, planning and regulatory harmonization. The Council provides a common front for working with the federal government on inter-provincial matters. The territories have also agreed to participate with the Council on initiatives affecting Western Canada.

Each jurisdiction faces unique challenges and develops its own detailed transportation plans. However, a region-wide strategy is also needed to address common challenges and opportunities and to transform the existing transportation system to better meet the changing economic and social needs of Western Canadians.

Plans to improve the transportation system in Yukon, the Northwest Territories and Nunavut will provide many northern communities with year-round surface access to other markets that currently does not exist. Improvements to these northern systems will also expand the scope of the transportation systems in B.C., Alberta, Saskatchewan and Manitoba, and this extended shipping service will lead to new access to world markets.

Jurisdictions in Western Canada are also taking a stand on reducing greenhouse gas emissions. Many programs are underway in the region geared toward shifting passenger movement to public transit and reducing emissions from personal vehicles.

Priority investments in Western Canada's transportation system are estimated to cost more than $50 billion over the next 20 years. This includes investments in road, rail, marine, airport and urban transit projects. Stable sources of funding will be necessary to maintain the West's transportation infrastructure and ensure that capacity can grow.

Indeed, there is a clear link between transportation, trade and economic growth, and Western Canada's transportation system is most definitely a force to be reckoned with.

Jay Ramotar is the Deputy Minister of Treasury Board for the Province of Alberta.

Economic Prospects for Western Canada

The spectacular growth of the western Canadian economy over the past few years is generally described by regional residents, media pundits and financial analysts as an economic "boom." But what exactly are the characteristics of an economic boom, and what might those characteristics imply for the economic future of the West? To help answer these questions, I would like to identify ten features of boom economies and briefly suggest what their implications might be for the region's future.

Booms are driven by changing supply and demand conditions outside the country. Canada is a relatively small, open economy, and the booms that play across our economic landscape are seldom driven by surges in domestic demand or declines in domestic supplies. Today, global supply and demand conditions, including but by no means restricted to those in the United States, are shaping the boom economy in western Canada. This means in turn that boom cycles are beyond our control; we ride the rollercoaster while having no say as to the speed or duration of the ride.

Booms are most often associated with or driven by a single commodity. We often identify boom conditions with a single commodity such as wheat at the turn of the last century or oil and natural gas today. Even the tech boom of the late 1990s, or, as it turned out, the tech bubble, was associated with a relatively small set of highly integrated firms in Silicon Valley and Seattle. However, what is striking about the current boom in western Canada is that it spans a quite diverse range of commodities including oil and natural gas, uranium, potash, coal, diamonds, and wheat.

Booms do not play out evenly across regions. Very few changes in economic activity affect everyone the same; there are always, at least in a relative sense, winners and losers. Given the vast size of the Canadian land base and the uneven distribution of natural resources, booms tend to exaggerate regional differences within the Canadian economy. This fact of Canadian economic life is unavoidable, and its political consequences depend very much on the magnitude and duration of the boom.

Booms can distort the national economy. Booms by their very nature are exceptional circumstances that disrupt the more routine ebbs and flows of the national economy. They shift the regional locus of economic activity, they draw human resources and investments from less productive parts of the economy, and they inflate costs for businesses and prices for consumers. None of these "disruptions" are necessarily bad, although some may have long-term effects. In boom conditions, for example, young people are more likely to terminate their educations early, thus leaving themselves less well equipped for economic success in the long run.

ROGER GIBBINS

Booms do not play out evenly within regions. Former US President Ronald Reagan liked to say that "a rising tide lifts all boats," and to a degree this is true of boom economies. Nonetheless, there are winners and losers, those who ride the crest of the boom and those whose boats remain stuck in the mud because of age, a lack of skills or education, or because they are trying to enter a booming housing market rather than attempting to cash in on rising prices. In short, booms affect the distribution of wealth and economic opportunities within provincial and regional economies.

Booms do not always self-correct through markets. To some degree, and in most cases, markets act to smooth out the distorting effects of booms. Those associated with shortages in supply are moderated as rising prices spur new investments, slowly addressing supply shortages. Booms associated with rising prices find that price increases moderate and, in the long term, reduce demand. However, in an open economy such as Canada's, market corrections may be slow to materialize as they stem from changes in the global economy. The demand for Canadian resources, for example, will be driven by the growth of Asian economies, by global population growth and patterns of development associated with higher rates of consumption for energy and food. Rising consumer prices in Fort McMurray will not reduce American demand for Alberta oil.

Booms pose huge challenges for public finance. Boom conditions are associated with volatility, and volatility in either public revenues or demand for public expenditures are not easy to handle. Governments run the risk of ratcheting up expenditures in good times and then finding it very difficult to reduce expenditures when booms lose their steam. Alberta's rapid increase in public deficits and debt in the late 1980s and early 1990s provides a classic example of what can happen when the boom leaves town.

It is very difficult to align infrastructure investment with boom conditions. Infrastructure investment is for the long term; it takes a good deal of time for planning and implementation. It is difficult, therefore, to respond to the rapidly changing conditions of boom economies. As a consequence, infra-

structure investment tends to lag boom economies; boom conditions will strain existing infrastructure long before infrastructure investment can catch up. Moreover, governments who are wary about the duration of boom conditions may be reluctant to invest heavily in infrastructure for fear that when the bills come due, the boom conditions may have moderated or disappeared.

Designing a suitable tax response to boom conditions is difficult. Governments experience strong political pressure to capture at least some of the "windfall profits" associated with booms, particularly when those booms are linked to natural resources owned by the Crown. The new revenues can then be used to moderate the negative impact of the boom on certain sectors of the population, or to provide a cushion for the day when the boom ends and public revenues decline. However, deciding on the appropriate rate of taxation, distinguishing between a legitimate return on high-risk investment and "windfall" profits, is difficult. The risk is that increases in tax or royalty rates may discourage investment, just as tax or royalty increases may resist downward movement when boom conditions moderate.

Booms do not always go bust. It is generally assumed that booms are temporary in nature, that the universal law of gravity applies to economics, that what goes up must come down. And indeed, the western Canadian economy has experienced repeated swings from boom to bust and back again over the past 150 years. Sometimes, however, a boom turns out to be the front end of an enduring structural change in the economy; the boom signals the onset of a new economic era. Such structural change may well be the reality in Canada today as sustainable growth in global demand for western Canadian resources is combined with intensifying global competition for Canadian manufacturing. In this case, the uneven regional effects of the current boom may become deeply embedded in the national demographic and political landscape.

The bottom line is that boom conditions are, by their very nature, volatile and uncertain. This affects in turn not only the business community, as it tries to adjust to volatility, but also to governments who find volatile conditions difficult to handle. None of this, however, is to bemoan the fate of western Canadians as we ride out the current boom, and consider whether this really is the start of a new economic order in Canada.

Roger Gibbins is President and CEO of the Canada West Foundation West Foundation, a public policy research group based in Calgary and with offices in Saskatoon, Vancouver and Winnipeg.

Growing Through Immigration: Tapping into International Talent to Grow Manitoba's Economy and Communities

Manitoba has a long, proud tradition of welcoming newcomers from around the world. Immigration has been integral to Manitoba's growth and prosperity and meeting the province's labour market and demographic challenges. The provincial government announced a "Growing Through Immigration" strategy as one component of the 2003 Action Strategy for Economic Growth. It included setting an immigration target of 10,000 arrivals annually. In 2006, a new target of 20,000 arrivals per year over the next ten years means that the Manitoba Labour and Immigration's Immigration and Multiculturalism Division will work with stakeholders and federal, provincial and regional governments to maximize the benefits of immigration within our province.

The province received 10,955 new immigrants in 2007, 70% of whom entered through the Manitoba Provincial Nominee Program. Manitoba's Provincial Nominee Program is a component of the federal government's Economic Class of immigration. Canada's Economic Class includes immigrants who contribute to our country's economic development including provincial nominees, skilled workers, business immigrants and live-in caregivers. Provincial Nominees are selected using Manitoba's criteria which reflect our local labour market conditions and ensure our applicants have ties to our province. Approximately 30% of Manitoba's Provincial Nominees choose to settle in communities outside of Winnipeg. Since 1999, the Philippines and Germany have consistently been the top source countries of Manitoba Provincial Nominees.

HON. NANCY ALLAN

Manitoba also receives skilled workers on a temporary basis through Citizenship and Immigration Canada and Human Resource and Social Development Canada's Temporary Foreign Worker Program. This program allows employers to hire international talent to fill a labour market need on a temporary basis. Over 2,000 temporary foreign workers entered Manitoba with temporary work permits in 2006.

Tapping into International Talent at Home and Overseas

Through Manitoba's Provincial Nominee Program, over 7,000 skilled immigrants arrive in Manitoba each year to live and work in our communities. These individuals, most of which arrive in our province with unconfirmed job offers, bring their diverse skills, experience and achievements to Manitoba and enhance our province's social, cultural and economic spheres.

Manitoba Labour and Immigration is committed to ensuring our newest residents are able to access opportunities within their trained professions as early upon arrival as possible. Through The Fair Registration Practices in Regulated Professions Act, Manitoba works with regulators to ensure Manitoba's immigrants have access to qualifications recognition pathways that are transparent and accessible. In addition, through a network of employment service providers, Manitoba Labour and Immigration provides mechanisms for employers to connect with qualified immigrants who are looking for employment in their areas of expertise.

Manitoba not only supports employers in qualifying, training and hiring immigrants that are arriving in Manitoba through our immigration pathways, but the province also supports employers in identifying, recruiting and retaining foreign trained workers through our Provincial Nominee Program and promotion and recruitment activities.

Our province continues to build recruitment partnerships with international organizations, government agencies and partners, to assist employers in finding and selecting international talent that are interested in work experience within our province. This year alone, our province is coordinating

the participation of Manitoba employers in two international job fairs, as well as developing ongoing mechanisms for skilled worker recruitment with the governments of Mexico and the Philippines.

Bringing Skilled Workers to Manitoba: The Temporary Foreign Worker Program and the Manitoba Provincial Nominee Program

To facilitate employers in bringing workers to Manitoba through an international recruitment mission or partner organization, Manitoba Labour and Immigration continues to work in partnership with our federal counterparts in the departments of Service Canada, Human Resources and Social Development Canada and Citizenship and Immigration Canada, who jointly manage the Temporary Foreign Worker Program.

The federal government's Temporary Foreign Worker Program allows eligible foreign workers to work in Canada for an authorized period of time if employers can demonstrate that they are unable to find suitable Canadians/permanent residents to fill the jobs and that the entry of these workers will not have a negative impact on the Canadian labour market. Employers from all types of businesses can recruit foreign workers with a wide range of skills to meet temporary labour shortages.

Manitoba Labour and Immigration is not only able to assist employers in accessing the Temporary Foreign Worker Program, but through our Provincial Nominee Program, Manitoba Labour and Immigration also provides employers with temporary to permanent immigration processes, to enable them to retain their temporary foreign workers.

The Manitoba Provincial Nominee Program is a nomination program that allows the Province of Manitoba to assess and nominate applicants who can demonstrate their ability to establish successfully and permanently in Manitoba (commonly referred to as the MPNP). If an applicant is successful in receiving a Certificate of Nomination, he or she may apply for a permanent residency with the Government of Canada.

The Employer Direct Stream of Manitoba's Provincial Nominee Program provides employers with the opportunity to hire foreign trained individuals on temporary work permits, with the option of applying for nomination through our program after since months from their arrival date. To be eligible for nomination through our program, temporary foreign workers must meet program eligibility requirements.

Protecting Manitoba's Foreign Workers

Manitoba recognizes the importance of ensuring that all of the foreign workers who contribute to our province's growth be guaranteed safe working conditions and the fulfillment of employment contracts. Recently, the province passed The Worker Recruitment and Protection Act. This legislation enshrines our commitment to protecting foreign workers, by requiring employment services agencies to be licensed and by compelling the licensing of foreign worker recruiters and the registration of employers undertaking international worker recruitment. The Act also reaffirms our province's commitment to ensuring workers are not charged as part of a domestic or international recruitment process. Manitoba Labour and Immigration is working towards implementing this Act by April 2009.

The introduction of The Worker Recruitment and Protection Act will mean that employers wishing to participate directly in the process of selecting and recruiting workers internationally will first be required to register with Manitoba Labour and Immigration. An employer will receive a Certificate of Registration if he or she is using a licensed foreign worker recruiter, and has a good compliance history with provincial employment standards legislation.

Through the introduction of these worker protections, as well as our initiatives and programming designed to help retain foreign workers, Manitoba is positioning itself to become a destination of choice for international talent around the world. To make this happen, Manitoba Labour and Immigration relies on its partnership with employers, and other stakeholders. By working together, we can build the skilled workforce necessary to keep growing our economy and building our communities.

The Honourable Nancy Allan is Minister of Labour and Immigration for the Province of Manitoba.

Sponsoring Workers to Manitoba

STACEY BELDING

Two-thirds of Manitoba business leaders report difficulty finding qualified employees, with almost half citing staff shortages as their biggest challenge. Last year the Manitoba heavy construction industry alone lost hundreds of millions of dollars due to labour shortages. If these trends continue as predicted, Manitoba's economy is at risk of mirroring the decline experienced in Alberta due to pervasive skill shortages.

While the pool of skilled workers in Canada is drying up due to demographic pressures, this phenomenon is not consistent worldwide. jobCan's information sessions in the Philippines draw thousands of skilled people seeking opportunities in Canada and we are contacted every day by numerous qualified workers from across the globe. Many Canadian employers are learning to tap into the global talent pool, currently bringing in over 200,000 temporary foreign workers per year.

So how do Canadian employers access the global labour force? Some employers have had success recruiting overseas applicants via their own website or other online sources. Others attend overseas job fairs or organize recruitment trips. Some companies seek the assistance of existing employees with families abroad. Many employers hire international recruiters to gain access to established overseas networks.

In most cases, a Canadian employer must obtain a positive Labour Market Opinion (LMO) from Service Canada permitting them to hire a foreign worker(s) under the Temporary Foreign Worker (TFW) program. Employers must demonstrate that they have made sufficient recruitment attempts in Canada including advertising locally. Union support is generally required in a unionized workplace. Prospective workers must be offered at least the prevailing (average) wage for their occupation. Where the job is classified as "low skill" – requiring at most a high school diploma or a maximum of 2 years of job specific training - the employer must also assume responsibility for the worker's airfare and provide assistance in locating affordable accommodations.

Once prospective candidates are identified, it is important to conduct a thorough screening process including a review of educational credentials, work history, English language ability, criminality, psychological characteristics and workplace fit. References should be carefully checked. Interviews should be conducted in person or by videoconference. The credentials of the foreign worker must also be approved by any governing regulatory body, such as Manitoba Apprenticeship.

Once the positive LMO issues the foreign worker is eligible to apply for a work permit. For skilled positions, the candidate can apply for a work permit while the LMO application is pending.

Work permit processing times range from approximately 1-4 months, depending on the responsible overseas embassy and sufficiency of the application including suitability of the worker. The overseas embassy requires evidence of the qualifications of the foreign worker and will carefully review their credentials. Workers who are exempt from temporary resident visa requirements – such as U.S., Mexican and most Western European nationals – may apply for a work permit at a port of entry.

Another route for hiring overseas workers is via the Employer Direct Stream of the Manitoba Provincial Nominee Program (MPNP). Employers first apply for pre-approval of the job offer. Once approved, details regarding the selected applicant(s) are submitted for nomination purposes. Following nomination, candidates apply for permanent residency at the responsible overseas embassy and may also be eligible for a work permit without the usual LMO requirement. The MPNP also allows foreign workers employed in Manitoba to apply for permanent residency after 6 months of work experience.

The Manitoba government is enacting legislation to better regulate the foreign recruitment industry, requiring all third-party recruiters to be licensed by the province

The primary grounds for rejecting an LMO application is failure to offer prevailing wages and/or to adhere strictly to the stated advertising requirements. Advice should be sought from Service Canada where there is any uncertainty about these requirements. The MPNP is also very strict about advertising guidelines and they will reject applications that do not comply.

It is also critical that a settlement plan be created for the newly arrived recruits. Issues such as securing suitable accommodations, arranging for social insurance and Manitoba Health registrations, opening a bank account, driver licensing, and many other initial requirements can be easy to underestimate. It is critical for employee morale and retention to dedicate sufficient resources to these introductory tasks.

Companies may wish to consider hiring a professional international recruiter to take care of the complex and time consuming nature of the hiring and settlement process. Employers need to be wary of recruiters who charge minimal fees; they are very possibly charging fees to the worker, which is illegal. The range of services provided by recruiters also varies widely, so it is important to understand what is included in the fee when comparing price points.

The Manitoba government is enacting legislation to better regulate the foreign recruitment industry, including requiring all third-party recruiters to be licensed by the province and be members in good standing of a law society in Canada or the Canadian Society of Immigration Consultants. Larger penalties will also be imposed for violating the prohibition against charging workers recruitment fees. As well, the Canadian government guards against illegal practices and foreign workers are routinely questioned by immigration agents about whether they have paid a recruitment fee and a work permit can be denied on that basis.

While mechanisms exist to facilitate hiring foreign workers, additional measures would assist employers desperate to meet their staffing requirements. Hiring foreign workers for seasonal employment remains a challenge as new LMO and work permit applications must be resubmitted each year, even where the identity of the workers does not change. As well, the MPNP Employer Direct program does not approve applications for seasonal employment.

As both the TFW and MPNP Employer Direct programs are employer driven, I would invite members of the Manitoba heavy construction industry to seek changes to these programs to better accommodate seasonal work. The MHCA recently called upon the MPNP to permit the sponsorship of foreign workers for seasonal employment where earnings meet a reasonable annual threshold.

The federal government should also move forward on recommendations to establish a special program for seasonal construction workers.

Fortunately our provincial and federal governments appear willing to continue making improvements to these programs in recognition that sponsoring foreign workers represents the most viable solution for many companies facing skill shortages. We can all play a role in ensuring that the needs of the Manitoba heavy construction industry are not forgotten in this process.

Stacey Belding is an immigration lawyer & the Managing Director of jobCan Inc., an international recruitment company in Winnipeg.

Training Opportunities: Existing & New Construction Workers

The growing Manitoba economy and thriving construction sector is fueling an unprecedented demand for skilled workers in our province.

Skilled trades formed 26% of the 2008 High Demand Occupations in Manitoba list, and business leaders report skilled trades labour shortages as one of their top concerns. The Construction Sector Council of Canada projects that Manitoba will need an additional 10,000 skilled trades workers by 2016 to keep pace with new projects and replace retiring baby boomers.

As the province's largest trainer of skilled workers for the construction industry, Red River College (RRC) is taking a multi-pronged approach to this challenge which includes growing our enrolments, expanding programming, reaching out to a broader range of learners, providing more flexible training options, offering more professional development and advanced education for the construction industry and investing in new facilities.

Growing enrolments

Foreseeing the coming skilled trades shortage, RRC and the Government of Manitoba began to increase enrolments in both pre-employment and apprenticeship programs in 1998. Annual enrolment in construction pre-employment programs has grown by 44% over the last decade. During the same period, apprenticeship training at the college has more than doubled to 2,700 apprentices per year.

Expanding programming

Trades and construction programs at RRC have always enjoyed strong demand, with more applicants than spaces each year. To accommodate this student demand and address employer needs for more workers, the College has worked with government and industry to add new programs and expand existing ones.

The number of carpentry, electrical, plumbing and welding classes has been increased, as has the number of students in each class. New apprenticeship trades have been introduced, including Ironworker, Roofer, Crane Operator and Insulator.

RRC is currently developing shorter entry-level programs. Working with industry to develop streamlined curricula, the carpentry, electrical and piping pre-employment programs could be reduced in length from ten to five months. This will allow the College to graduate twice as many entry-level students each year.

In the North, RRC is working with the Northern Sector Council and the University College of the North to address the specific labour needs and apprenticeship training requirements in Northern Manitoba.

KEN WEBB

Reaching out

As labour market shortages loom in nearly every sector, it's important to reach beyond the traditional base for new employees. In partnership with the Women in Trades organization, RRC hosts the annual Girls Explore Trades and Training camps, to introduce young women to the exciting career opportunities available in the construction industry. Similarly, Technology Exploration Camps offers hands-on technology activities for youth, giving them a real taste of possible engineering technology careers.

As the youngest and fastest growing part of our population, the Aboriginal community has a lot to offer to the construction industry. RRC has introduced a 24-week Introduction to Trades program for Aboriginal learners. The program will be delivered both in Winnipeg and on a rotational basis in First Nations communities.

Each year over 10,000 people immigrate to Manitoba, many of them with skills that can help our construction industry. But as newcomers, they need assistance in getting settled, learning English, and accessing the job market. RRC's Language Training Centre provides English training and other settlement supports, and the Recognition for Prior Leaning office can help immigrants get the skills and knowledge they bring from their home countries recognized in Canada.

More flexible options

Not everyone can come to campus during the day, so learners and employers need more flexible options. For apprenticeship training, this includes offering classroom sessions on a once-per-week or weekend basis rather than solely in concentrated blocks. This allows workers to remain on the jobsite for most of the week, while still completing their technical training. It also includes conducting training in rural communities and extending delivery through the summer.

For pre-employment programs, flexible scheduling means making classes available during evenings and weekends.

A new option is to bring the College to the community. Starting this Fall, RRC will deploy two Mobile Training Labs to bring skilled trades training to rural and northern communities. These state-of-the-art labs are capable of delivering electrical, piping, heavy duty, welding, automotive or carpentry training nearly anywhere in Manitoba.

The Apprenticeship Branch and Manitoba's community colleges are also working on a pilot program to provide apprenticeship training on-line. Combined with shorter visits to a college for hands-on training, on-line delivery will make training more accessible, with less disruption to learners and employers.

Providing opportunities for advancement

It's also important to offer experienced employees the chance to upgrade their skills and take on additional responsibilities on the jobsite.

RRC has partnered with the Canadian Construction Association and Manitoba Heavy Construction Association to offer Gold Seal Accredited courses, along with leadership courses in management, labour relations, and occupational safety and health.

For more technical needs, the Technology Solutions for the Workplace program offers short courses for employees to upgrade their skill base in areas like design, construction, testing and geomatics.

Investing in new facilities

RRC has accommodated the last decade of growth by squeezing as much as possible out of the 40-year old facilities at the Notre Dame Campus.

Ultimately, the additional growth needed to meet the needs of the labour market will require industry and government support for an expansion of facilities. RRC has embarked on a multi-year capital campaign to rebuild the workshop and classroom facilities at its Notre Dame campus.

A new Heavy Equipment Transportation Centre (HETC) will open in January 2009, providing a 60% increase in capacity for heavy equipment programs, and opportunities for applied research partnerships with industry.

Revitalization of the existing trades training infrastructure is next. By enlarging current facilities and upgrading technology, RRC will be able to add new programs and spaces. This will be a key feature in helping the province add 4,000 new apprenticeship spaces over the next four years.

Much has been done to meet the exploding labour market needs for skilled trades and technologists, but there is still more to be done. With the support of industry, RRC will modernize its infrastructure and expand its programming to ensure Manitoba has the skilled professionals it needs to grow.

Ken Webb is Vice-President, Academic and Research at Red River College.

New Tools for New Times: Innovative Infrastructure Provision

CASEY VANDER PLOEG

The infrastructure needs of Canada's municipalities are significant and growing. In 2007, the Federation of Canadian Municipalities (FCM) estimated the infrastructure funding shortfall of Canada's local governments at $123.4 billion. This infrastructure "deficit" is the amount required to rehabilitate the existing municipal infrastructure stock, and is significantly higher than the $57 billion estimated in 2002. What is more, FCM estimates an additional $115.2 billion is required for new municipal infrastructure.

To be sure, economists do quibble and quarrel about the precise size and nature of Canada's public infrastructure "deficit." But there is general agreement on two points. First, infrastructure has become a huge issue, not only in Canada but around the globe. Second, the dollars involved are mammoth.

Both points serve notice that the current methods of providing urban infrastructure are insufficient and inadequate. Municipal, provincial, and federal governments must begin using more creative and innovative tools both to expand financial resources and increase the supply of infrastructure, as well as leveraging other policy objectives such as keeping excessive infrastructure demand in check. This was the conclusion reached by the Canada West Foundation in New Tools for New Times, a study cataloguing the various ways governments around the world are now providing public infrastructure.

When it comes to innovation, it is important to understand what is possible and what is not. Innovation is bounded by what the Foundation calls the "triple-two" rule — there are only two ways to finance infrastructure, two ways to fund it, and two ways to deliver it.

Financing refers to how up-front cash is secured. Here, governments can borrow or "pay-as-you-go" with money on hand. A combination of the two can also be employed. Funding refers to how borrowing will be repaid or the specific sources of "pay-as-you-go." Funding can be accomplished through taxes or user fees, or a combination of both. Delivery refers to who will provide, own, operate, and maintain the infrastructure. Again, there are only two choices. Infrastructure can be delivered by public actors or by non-public actors such as the private or non-profit sectors. The "public-private partnership" blends the two modes.

While the basic approaches are fixed, the specific techniques to accomplish the approaches are not. It is here where innovation hits the ground. For example, when it comes to debt-financing infrastructure, most cities in Canada use the "plain vanilla" approach — an amortized debenture with regular payments of interest and principal. But this is not the only way to borrow. Other techniques include local community bonds, infrastructure banks, tax-exempt general obligation bonds, and revenue bonds.

Innovation in infrastructure can go in three directions. First, traditional techniques can be used differently. For example, cities have always used property taxes to fund infrastructure, but earmarking those taxes for general capital or even specific projects is somewhat innovative. With earmarking, taxpayers may be willing to pay more since they better understand how the money will be used. Second, governments can employ entirely new techniques such as tax-exempt bonds. Third, familiar approaches and techniques are applied to infrastructure to which they have not been applied to in the past.

The third direction is the heart of innovation. For example, roads have traditionally been financed on a "pay-as-you-go" basis, funded with taxes, and delivered publicly. But roads around the world are now being debt-financed with revenue bonds, funded with tolls — a user fee — and delivered privately or through a PPP arrangement. Why? Because infrastructure needs are huge and they compete against other budget priorities. The traditional formula of "public delivery via tax and spend" is no longer up to the task.

To put all this in context, one needs to understand that each and every infrastructure asset possesses a certain set of characteristics. Some assets are large, expensive, complex, and entail long construction periods and high future revenue commitments. Other assets do not. Some assets have a

long life-span, high priority, and high visibility, while others do not. There are new and existing assets, community-wide and local assets, and those with broad usage and particular usage. Others are "hard" economic assets that are marketable, while others are "soft" assets that are not marketable.

The approaches and techniques for financing, funding, and delivery should be based on a rational consideration of these characteristics as opposed to what is easy or convenient. For example, assume that a new and large asset with a long life span needs to be constructed. The asset will yield benefits to individual users who can be easily and inexpensively identified, and usage will not be concentrated among those with low incomes. The infrastructure is a hard economic asset. Under this scenario, borrowing and user fees would be the best approaches to financing and funding. In terms of delivery, there is likely an opportunity for at least some private involvement.

In New Tools for New Times the Canada West Foundation argued in favour of a hierarchy of approaches and techniques, particularly with respect to funding. The rationale behind this hierarchy is to provide funding for infrastructure, keep demand in check, and maximize efficiency. To efficiently fund roads, for example, it is best to charge users directly, preferably according to the amount they are driving — a vehicle-miles traveled charge. If that is not possible, the second best alternative is to charge drivers a toll that varies according to the amount of congestion — a variable toll. If that is not possible, a third choice would be a flat rate toll. If that is not possible, a fourth technique might be a "shadow" toll. Even partial tolling is better than flat out tax-based funding.

If direct user pay is not possible at all, the next best approach is a set of "user pay" taxes. Such taxes might include a special property tax on vehicles, a local fuel tax, or taxes on vehicle sales, car rentals, and parking. General taxation — everybody paying whether they drive on the roads or not — is the least preferred option. And even here, there is a choice to make as to what general tax is most appropriate. For example, local roadway infrastructure directly benefiting adjoining properties could be funded through local improvement levies or the general property tax. However, a general retail sales tax might be a better choice for roadway infrastructure benefiting local citizens as well as those commuting into the city.

It is precisely at this point where the best practices model falls apart for Canadian cities. While cities are relatively free to decide upon the basic approaches to finance, fund, and deliver infrastructure, they are quite restricted in terms of the specific techniques. If an asset must be funded through taxation, cities have few choices — a local improvement levy and the general property tax. But a range of other taxes might be more appropriate, especially a basket of "user pay" taxes or even a general retail sales tax.

A lot has been said about the need for new and better revenue alternatives for our cities. This is not just about finding additional sources of revenue, as important as that may be. The larger rationale for an expanded list of financing, funding, and delivery techniques is all about the search for more efficiency in infrastructure provision.

A diverse set of taxes is essential if our cities are to begin following through with emerging best practice in infrastructure provision. In Canada, the financing of urban infrastructure has traditionally been "pay-as-you-go" with tax-based funding and delivery via the public sector. This modus operandi may not always be effective or efficient. The characteristics of an infrastructure asset should drive the approaches taken, and cities should have the capacity to choose among a wide variety of techniques to implement the broader approaches. In this way, the provision of infrastructure can be optimized, total costs lowered, and supply better matched to demand.

Casey G. Vander Ploeg is a Senior Policy Analyst for the Canada West Foundation.

The View from Ottawa

PAUL CHARETTE

Since my installation as the CCA Board Chair last March, your National Association has taken some decisive action in a number of key areas.

Supporting Our Community College System

One of CCA's current top priorities is the need to enhance industry training capacity, particularly within the Canadian community college system. There is no doubt that greater funding and attention needs to be brought to the community college system, which has been neglected for far too long and yet is so vital to our industry's training infrastructure.

Of particular note is the partnership CCA has established with the Association of Canadian Community Colleges (ACCC). This includes establishing a national coalition of like-minded business associations to lobby the federal government to achieve greater funding for the college system. The plan is to develop a common message and strategy that will be in high gear when Parliament resumes in September.

CCA has also supported local construction industry efforts to enhance the role of community colleges in industry training. CCA along with the Winnipeg Construction and Manitoba Heavy Construction Associations attended a meeting of the Manitoba Council on Post Secondary Education in order to lend industry support for a proposal by Red River College to establish a degree program in Construction Management. That proved very successful.

The need for federal government leadership and financial commitment in this area were the key points in CCA's recent Pre-Budget Submission to the House of Commons Standing Committee on Finance.

Immigration Reform

According to the Construction Sector Council (CSC), the construction industry in Canada will have to find by 2016 some 162,000 new workers to replace retirees and a further 94,000 just to keep up with rising demand for a total recruitment target of slightly over one-quarter of million new entrants, (i.e. 256,000)! The CSC has also concluded that by 2025 the industry will need to replace some 15,500 construction supervisory people, (or approximately 21 per cent of the 2006 construction supervisory labour force), due to retirements.

CCA believes that there is no one magic solution to the industry's labour supply challenges and efforts must be made, and are being made, on a number of fronts. These efforts include construction career promotion to youth and traditionally under-represented groups, (i.e. Women and First Nations youth), enhancing labour mobility, and enhancing national training standards and training capacity.

Even if these efforts are tremendously successful, however, there is no question that immigration will become a much more important factor in ensuring construction industry labour capacity in the future. While the past year has seen some modest improvements to the Temporary Foreign Worker Program, CCA continues to press for immigration reform that will facilitate both the permanent and temporary entry of much needed construction workers.

Public-Private Partnerships (P3s)

In June, CCA established a Task Force on Public-Private Partnerships (P3s) under the aegis of its Standard Practices Committee. The creation of the Task Force was prompted in part by the following:

- The increasing trend by Canadian governments to use the P3 approach;
- The need to educate the CCA membership as to the different contractual arrangements, risks, responsibilities, and practices associated with P3s;
- The need to ensure the opportunity and capacity for Canadian firms to participate in P3 projects;
- To ensure that Canadian governments opt for the P3 method of delivery when it is the best option.

In addition, CCA has closely monitored developments regarding the announcement in the March 2007 Budget of the creation of a Federal P3 Office. Other than gaining an understanding as to the structure, scope and role of the new Office, CCA is seeking assurances that the private sector will have input. The matter was raised in face-to-face meetings with former PWGSC Minister Michael Fortier, The

Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, and most recently with Rob Wright, Deputy Minister of Finance.

Standard Documents

One of the more important roles of CCA is the development of standard industry forms and guides. Here are just some of the new standard forms and guides:

- CCDC2 2008 - Stipulated Price Contract - CCA, through its participation in the Canadian Construction Documents Committee (CCDC), was instrumental in influencing important changes in the long-awaited new version of CCDC2, last updated in 1994, and the flag-ship standard construction contract used in Canada;
- New Guide to Joint Venture Agreements;
- New Design-Build Teaming Agreement developed by the CDBI, a Special Committee of the CCA, for execution between the Team Leader and Team Member to clearly define each party's rights and responsibilities;
- New version of CCA 1 Standard Stipulated Price Subcontract to complement the new version of CCDC2;
- New Subcontract Bidding Guide
- New Guide on Electronic Procurement, with recommended best practices for owners utilizing an electronic medium for construction procurement;
- New Construction Accounting Best Practices: Revenue Recognition Guide focusing on issues related to the recognition of revenue and the "percentage of completion" vs. "completed contract" methods;
- New Model Code of Ethics for a Construction Firm that can be used as a starting point by individual firms to develop their own corporate code of ethics; and
- New Guide for the Construction Industry When Doing Business in the United States.

Other Priority Issues for CCA Include:

- Obtaining an exemption for the road building/"short haul" sector from the new Hours of Service regulations;
- Expediting the implementation of the various federal infrastructure programs;
- Monitoring and staying ahead of environmental policy trends and developments that will impact construction.

Paul Charette is Chair of the Canadian Construction Association.

CCA/CCA Roadbuilders & Heavy Construction Council Report

MICHAEL ATKINSON

The CCA Road Builders & Heavy Construction (RB&HC) Council and its Special Committee, The Road & Infrastructure Program of Canada (TRIP Canada), have a number of success stories to tell and a challenging road ahead.

Hours of Service Regulations

The new Hours of Service regulations continue to be a top priority for the CCA Road Builders & Heavy Construction Council. Both provincial and federal governments recently introduced exemption procedures. CCA has applied under the federal measures seeking an exemption for the road building sector.

At the same time, the provinces have jointly introduced a provincial exemption procedure. CCA is encouraging all provincial road building & heavy construction associations to submit an application for exemption from provincial Hours of Service regulations. The move towards relaxed provincial rules may gain some momentum when a meeting is held later this year with the four Western Provinces for the purposes of agreeing to joint exemptions for road builders. It is hoped that these joint recommendations will then be adopted by other provinces. The main recommendations being proposed include increasing the gross vehicle weight exemption to 11,800 kilograms, exempting winter maintenance and ultimately a 160km exemption for short-haul drivers.

Infrastructure Renewal – What's next?

The past two years have seen an unprecedented commitment by the Federal Government to infrastructure renewal through a variety of infrastructure programs totaling more than $33 billion.

The 2008 Federal Budget continued with that trend when it:

- Announced that the municipal "gas tax" fund would become a permanent fund and not expire in 2013-14. Seeking permanent status for this program had been a top priority of CCA and TRIP Canada in 2008;
- Established a $500 million trust fund for public transit;
- Extended the First Nations water and wastewater Action Plan by two years, investing and additional $330 million more into the Plan to improve drinking water on First Nation reserves. This was another TRIP/Canada lobby objective; and
- Established the new Federal P3 Crown Corporation known as "PPP Canada Inc."

In addition, provincial highway budgets in many provinces were at all-time highs.

What does it all mean for Manitoba?

- *Gas Tax:* Manitoba municipalities will receive $34.45 million in 2008-09. In 2009-10, that will be doubled to $68.9 million, and will stay there indefinitely.
- *Building Canada Fund:* Manitoba is yet to sign its agreement with the federal government to transfer funds under this program – only three other jurisdictions have also not yet signed *(Editor's Note: Manitoba just recently signed the agreement on September 5, 2008)*.
- *Equal Per Jurisdiction Fund:* Manitoba will receive an additional $25 million per year until at least 2013.
- *Gateway/Border Fund:* Manitoba can seek funding for its proposed inland port initiative under the $2.1 billion investment over the next 6 years will be available for gateways and border crossings to improve trading corridors throughout Canada. This is in addition to some $400 million added to an existing $600 million for the Asia-Pacific Gateway Strategy, which will focus on trade and gateway infrastructure throughout Western Canada.
- *Federal P3 Fund:* The Government of Manitoba will be

able to compete for $1.25 billion in funding if they propose an innovative P3 project. The federal government will fund up to 25% of an innovative P3, on a competitive basis.

- *First Nations water / wastewater fund:* The federal government has announced a new water / wastewater policy for First Nations. The policy will create a new water quality standard, then will fund engineering studies and subsequently infrastructure to ensure that the systems meet that national standard.

What's next?

Despite the successes of the immediate past, the CCA Road Builders & Heavy Construction Council and its TRIP Canada Committee have set a series of ambitious objectives for the current and coming years that include:

- Pursuing a federal election strategy in advance of and during an expected federal election in 2008-09, which would include a commitment to a dedicated highway fund;
- Working with regional associations to pursue finalized agreements on trade gateway strategies – namely, the Atlantic Gateway, the mid-continent Gateway (Ontario and Quebec) and the Western Canada trade corridor being championed by the Western Canada Roadbuilders and Heavy Construction Association.
- Continuing to promote highway investment as an environmentally friendly transportation policy choice, and examining policies or initiatives that could be undertaken to lower the level of greenhouse gases emitted by the Canadian road building and heavy construction industry. A 2006 Conference Board of Canada study commissioned by TRIP Canada found that there is no correlation between new road capacity and the change in the number of vehicles using that road – in other words, more roads do not equal more vehicles using that road.
- Continuing to press the federal government to establish a national water quality standard, and to follow through with a dedicated water infrastructure fund to support a national standard. Furthermore, lobbying to ensure that this standard is adopted by First Nations, and seek to expand the First Nations Water Strategy beyond its 2 year extension granted in Budget 2008.

Infrastructure renewal has become a clear public policy priority in Canada. Canadian governments at all levels have recognized the direct correlation between a community's economic and social well-being and the state if its public infrastructure. While some important strides have been taken, it will be CCA and TRIP Canada's continuing mission to impress upon all Canadian public office holders that more must be done in addressing Canada's infrastructure deficit if our Nation is to remain competitive and productive and maintain its high social standards.

As always, the support and participation of provincial road building and heavy construction associations and the grassroots members right across the country are greatly appreciated and key to the success of these efforts.

Michael Atkinson is Permanent Secretary to the CCA Construction Exports and Finance Committees. He also serves as Recording Secretary for the CCA Executive, Governance and Nominating Committees.

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WCR&HCA 2009 Convention

BY JASON ROSIN, MHCA MANAGER OF COMMUNICATIONS

Time is fast approaching for the 2009 Western Canada Roadbuilders & Heavy Construction Association annual convention! Join your colleagues. Meet your industry peers. Connect with contractors, along with new and existing customers. Take part in a great opportunity to mix and mingle with decision makers from the heavy construction industry from across Western Canada.

Room rates are $240/night, and every room at Las Brisas Resort comes with an oceanside view and its very own balcony!

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Making Gold Seal the Core of your Human Resource Strategy

JOHN SCHUBERT

In 1973 an industry advisory body to the Federal Ministry of Industry Trade & Commerce released an extensive study of construction management in Canada. The national study pointed out serious shortcomings in the professional development of construction managers and recommended that training, education and certification be supported through the development of occupational profiles and standards.

Some 20 years later the Gold Seal program was launched – its core mission being to establish a national standard for skill and competence and to stimulate construction management education and training.

No-one would deny that the program has been an immense success. National profiles have been created and updated regularly. The availability of construction management education and training has improved dramatically. Most importantly, construction managers have developed a professional pride based on national, and international, recognition.

Since 1993 over 6,500 Project Managers, Superintendents, Estimators and, more recently, Construction Safety Coordinators, have been certified through Gold Seal. Aside from an early period of grandfathering, the program saw very steady certification rates of about 150 each year.

In 2006, however, the certification rate doubled to 300. In 2007 it doubled again to 600.

What's behind the surge of interest in Gold Seal?

There is no doubt that the general economic picture is having an impact. The pace of construction activity in Canada has been torrid – in the 2001 – 2007 period the sector saw over $200 billion in investment and a peak of 1.2 million workers employed. A second factor has been the release of two new certifications – the Construction Safety Coordinator and the Professional, Gold Seal Certified designation. Even aside from these, however, core registration rates have been rising dramatically.

The answer, as far as we can see, is the emergence of a corporate-level interest in Gold Seal.

Over the past two years we have been contacted by presidents, CEOs, directors and HR Managers with a common message – "get our managers certified." Of course, these companies are as varied as the sector itself. Mechanical, electrical and specialty trades companies have shown strong interest of late. Roadbuilding and heavy construction firms have been active participants. Corporate giants and 10-person companies are represented. This vast range of players have some differences and some commonalities which are interesting to explore.

A Diversity of Motivations

Larger companies draw on Gold Seal in parallel with other certification systems for different occupational levels – apprenticeship at the trade level, Gold Seal at the project level, degree programs and executive seminars for senior management, etc. In this context Gold Seal offers a clear avenue of promotion and reward – gaining certification levels is set as a performance objective and progress rewarded accordingly. Gold Seal is one tool in the HR arsenal and in most cases it is built into the corporate culture – managers at all levels are expected to be engaged in professional development on a regular basis throughout their careers.

For smaller companies, certification is often used to solve somewhat different challenges. In some cases these companies are newer to the marketplace and don't have the project resumé and history to sell their services. 'Proof' of corporate quality and competence is demonstrated most visibly by the certifications of the staff involved, and in these cases Gold Seal is very much a marketing tool.

Perhaps more importantly, the training and experience of the front-line manager – often doing estimating and project management – can have a greater and more immediate effect on profit for smaller companies, and recruiting and developing skilled, up-to-date personnel is a critical activity for the firm. Here the training and education requirement of Gold Seal is key in supporting the deployment of up-to-date, practical skills and knowledge.

There is clear evidence that the kind of training which Gold Seal promotes is recognized as critical by smaller firms. A 2007 study by StatsCanada shows that just under half of smaller firms (under 50 employees) support structured training compared to 86.3% of medium-sized establishments and 96.1% of large establishments. The smaller firms that do invest in training do so almost as intensively as medium-sized and large establishments, investing 0.20 percent of their operating revenue in employee training. Certification systems such as Gold Seal provide an industry-recognized framework around which to organize that training.

There is a third category of companies which must be noted here, and this involves situations where Gold Seal certified managers are required as a condition of contract. In a number of jurisdictions across Canada provincial governments, municipalities and private buyers are asking that successful bidders demonstrate management competence by way of Gold Seal certifications in the project team. Most companies involved in these situations are accepting the requirement

as a part of doing business – and I would note that most have experienced managers who can be Gold Seal certified via the Senior Practitioner route, quite quickly and efficiently.

Building Gold Seal into your HR System

Various companies, large and small, provide some valuable indicators on the best ways to build Gold Seal into the corporate HR approach.

1. Provide top-down support. The Miller Group adopted Gold Seal as the main focus of professional development for the middle management group in 2007 and titled the initiative "Road To Gold". All managers, about 90 across Canada, are expected to move toward certification. The initiative has the backing of senior management and is company-wide. Senior executives at McCaine Electric in Winnipeg explain to all eligible employees the benefits they see in certification. At companies like RDN Construction in St. John's and Maple Leaf Construction in Winnipeg the participation of senior management in Gold Seal provides 'leadership by example'. These signals from the top-down make the corporate commitment visible for all.

2. Build Gold Seal into a performance management system. Performance management is an ongoing process where the manager/supervisor and employee work together to plan, monitor, and review an employee's work objectives or goals and overall contribution to the organization. Performance management starts with a work plan that identifies for the employee what is to be accomplished and how – including professional development. The plan is followed up with informal, on-going monitoring and feedback on his/her progress towards the objectives set in the plan. At the end of the performance period - usually a year - the supervisor and employee meet to summarize the accomplishments and challenges of the past year and document the discussion using a performance management form.

3. Meet the needs of the employee and the company. Remember that in many areas it's a seller's market for skills – you need more than money to recruit and keep your managers. The companies we see are using the certification framework to target the training activities that both the individual and the company are short on. The Gold Seal educational requirement is flexible but targeted – courses must cover one of the 11 topic areas identified as the core of the construction management knowledge base.

4. Individualize the program. Depending on the size of the company, the management team can be a diverse group. Some have a trades background and have moved into the Superintendent role from team leader positions after years with the company. They require both soft skills (communication, leadership, problem solving) and technical skills (safety, job site controls, regulatory requirements). New staff are being hired from college and university programs in assistant Project Manager positions, needing experience in basic management approaches. Many managers, particularly in larger urban centres, have foreign work experience and education and require orientation to Canadian practices. Finally, there are often a group of managers who have been with the company for 15 or 20 years, who have a wealth of practical experience - Gold Seal certification as a Senior Practitioner can avoid the stress of a written exam.

5. Provide public recognition and reward. Aecon Infrastructure Group offers a salary-based incentive to employees becoming Gold Seal certified. The Miller Group provides a $350 bonus on successful completion of the exam. But almost all companies who back the program participate in a presentation ceremony at the local construction association or use the company newsletter to broadcast the names of successful Gold seal candidates.

6. Draw on your college and your construction association. The staff at these local offices have a wealth of experience in human resource development and training. They are essentially free HR consultants. Aecon and the Ontario Road Builders Association worked together to develop a week-long Project Management course to which the company sends 90 to 100 employees a year.

Although there are an endless variety of approaches across companies big and small, the trend toward using Gold Seal as a systematic, coordinated and strategic human resource development tool is clear in the Canadian construction sector.

John Schubert, B.A., M.B.A., P.GSC is Chair of the Canadian Construction Association National Gold Seal Committee

Manitoba Infrastructure Plans Creating Opportunities

Strengthened by a booming commodities market and the need for efficient transportation and trade networks, the Manitoba economy is entering a period of steady growth. The economy is expanding at more than 3 per cent a year, up from just 0.8 per cent in 2001.

According to current projections by the Ottawa-based Construction Sector Council, contractors and engineering firms will invest more than $2 billion a year in the province through 2016. A handful of major infrastructure projects in the Winnipeg area alone account for more than $1.5 billion in new construction activity. Many relate to the city's aging transportation infrastructure, a key example being the $585-million expansion the Winnipeg Airports Authority is pursuing for the passenger and cargo facilities at the James A. Richardson International Airport. A new terminal for the airport will complete in 2010, while improvements in road connections will facilitate the airport's transformation into an inland port.

The airport currently leads the country as a destination for air freighters, handling 160,000 metric tonnes of cargo annually. WAA plans to expand the airport's capabilities through new construction airside as well as through the development of better transportation connections to the terminals. The future development of approximately 6,000 acres of land northwest of the airport will complement the improvements being made on the airport grounds.

With the Highway 75 crossing into the U.S. at Emerson, Manitoba/Pembina, North Dakota now the busiest truck crossing in Western Canada, handling 1,000 trucks a day and more than $12-billion in goods a year, greater attention is also being paid to overall transport connections.

"What we're seeing is a move towards new infrastructure, particularly on the road side, related to a number of activities – one of those being the development of an inland port," said Greg Dandewich, vice-president and director, economic development, for Destination Winnipeg Inc. "There's a significant amount of enthusiasm in terms of increased infrastructure capability that will help us meet the needs over the next 30 years-plus."

The projects also highlight the new opportunities that are emerging for the province's heavy construction sector.

The number of heavy equipment operators in the province, for example, has risen from a low of 1,191 in 2002 to approximately 2,300 today while companies engaged in construction activities are finding new reasons to be active in the province. "Trade and transportation are economic enablers," remarked Chris Lorenc, president of the Manitoba Heavy Construction Association in his report as chair of the trade council Winnipeg's mayor established in 2007.

PETER MITHAM

A prime example is Inland Aggregates Limited, which recently established a new aggregate processing plant at Pine Ridge, just north of Winnipeg in the heart of the Birds Hill deposit, to serve the various development projects taking place in the province. Demand at the existing CN pit has exceeded the ability to supply and Inland's parent company, HeidelbergCement, faced a decision to either withdraw from the aggregate business in the province or renew its commitment.

The growth prospects for Winnipeg decided it in favour of a new commitment to the business.

"Going forward, there's going to be a lot of infrastructure reconstruction going on in Manitoba," said Mike Smith, regional manager, Manitoba. "We are here to support that initiative going forward, as well as rebuilding the city of Winnipeg."

Built at a total cost of $27 million, the new, fully-automated plant in the Rural Municipality of Springfield at Pine Ridge features crushing and washing facilities, including a new dredge. Opened in mid-2008, the new plant is poised to support economic development activities throughout greater Winnipeg.

Smith estimates that the Pine Ridge plant is poised to supply the needs of the province for at least 30 years. Better yet from Inland's perspective, the new plant will help the company preserve its status as the largest aggregate producer in Winnipeg. It will also allow it to add specialty products to its production line, including asphalt fines and other value added fine sand products.

And for its customers, the Pine Ridge plant is close to the city, ensuring it is a cheap and reliable source of materials for the construction sector.

According to James Kaskiw, project manager for Inland, the plant will reduce transportation costs and fuel requirements, making it an economical and efficient source of aggregate for the heavy construction sector in Manitoba.

SIDEBAR: Planning for the future

Manitoba has taken important steps to support the heavy construction industry and producers of aggregate through key legislation and policies.

Recognizing that aggregate deposits close to major centres of activity are key to the industry, and wishing to mitigate conflicts with neighbouring land uses such as residential areas, Manitoba's Mineral Resources Division requires that high-quality aggregate deposits be protected from competing uses under the province's official land use policies.

"Aggregate and other quarry mineral deposits shall be protected from conflicting and potentially conflicting land uses. This will encourage exploration, development and extraction of aggregate and other quarry minerals as well as ensuring a supply of construction materials for industry, municipalities, local communities, utility companies and government departments and agencies," provincial regulations state.

In addition, to ensure extraction activities don't infringe on the use of properties by other sectors once aggregate is removed, the Manitoba government charges producers a levy of $0.10 a tonne on aggregate production. The funds are placed in a provincially administered trust that finances the province's 17-year-old Aggregate Pit & Quarry Rehabilitation Program. Since inception, more than $23 million has been collected towards the remediation of former quarry sites to safe, environmentally stable conditions meeting government standards.

The province manages remediation activities. The quarry Inland Aggregates Limited plans to close near Birds Hills Provincial Park, for example, may be transformed into a site boasting lakes and hiking trails, nature preserves and residential development.

Peter Mitham is a freelance journalist based in Vancouver.

Forever Changed

How Canada's Newest National Museum opens the door for cultural initiatives to be social and economic drivers

KIM JASPER

When Israel Asper, conceived the idea for the Canadian Museum for Human Rights as a national museum located in Winnipeg he saw economic potential where many did not. He also believed the Museum could effect social change and be a potential rallying point for Canadian unity through stories of hope and through a significant change in national policy that demonstrated Canada existed as much in the west as it did in the east. "The badges of federalism should be evident across this great country," he said. "Not everything needs to be in Ottawa."

In April 2007, his vision became reality when Prime Minister Stephen Harper made an historic announcement that the Canadian Museum for Human Rights would become a national cultural institution located in the West – in Winnipeg. He set the ground work for the first new national museum in 41 years; the first national museum to be located outside of the National Capital Region and the first national museum developed in partnership with all levels of government and the private sector. "Never before," said the Prime Minister, "has there been a collaboration of this scale to develop a national museum, but if ever there were a Canadian cultural institution suited for a private-public partnership, it is this one because human rights can never be the exclusive preserve of the state."

Since the announcement, the momentum to create the museum has grown exponentially throughout Canada – as evidenced by the generous moral and financial support from thousands of citizens spreading across the entire nation and by the unanimous consent of all political parties in March 2008 to create the Canadian Museum for Human Rights as an amendment to the Museums Act - a monumental achievement that has forever changed the way this country looks at federal cultural institutions.

Forever Changing the Social Fabric of our Nation

The Canadian Museum for Human Rights also has the potential to forever change the social fabric of our nation and the world. It was the success of the award-winning Asper Foundation's Human Rights and Holocaust Studies Program that inspired the Museum and a dream for a funded, national human rights student travel program. Israel Asper always believed that through education comes enlightenment. However based on the great success of the program, he discovered that enlightenment would also lead to meaningful, positive action.

Since The Asper Foundation Program began, it has, in partnership, sponsored nearly 6,000 Canadian students from every walk of life, through a multi-faceted program which comprises: an 18 hour community-based and delivered curriculum; a three-day trip to Washington, D.C. to visit the U.S. Memorial Holocaust Museum and other freedom memorials; an obligation for the students to donate 20 hours of volunteer time in their communities; and a signed commitment from each student to promote and uphold the rights for all people.

The response to this intense, comprehensive program has been nothing short of miraculous. Students, teachers, and parents attest to the positive change in the students which manifests in action as demonstrated by student participants who have advocated for anti-bullying programs in their schools; developed human rights clubs; stood firm against racism and hate language (despite pressure from peers), and organized fundraising and awareness drives for local initiatives such as poverty reduction and homeless shelters as well as international initiatives like Darfur and Myanmar.

A comprehensive business operations plan developed by respected international museum consultants, Lord Cultural Resources for Friends of the Canadian Museum for Human Rights, conservatively estimates that by year two of Museum operations, 20,000 Canadian students annually could participate in a funded, national, general human rights education program. This will have a significant, positive impact on individual schools and communities – not to mention on our country and the global community.

Forever Changing the Economy

Certainly the Canadian Museum for Human Rights will forever change the social fabric of our nation and inspire improvements in other countries around the world. It will also forever change the economic fabric, particularly in Manitoba, but by extension, to other western provinces and our nation as well.

The construction project alone, through a minimum of $170 million in direct capital expenditures will result in thousands of direct and indirect jobs. Throughout Canada, this translates into 3600 person-years employment, with 1700 per-

son-years employment directed to Manitoba alone. The construction will also generate $19 million in federal tax collections and several million in provincial tax collections. Annually, through ongoing operations, the museum will generate over $33 million in direct Manitoba expenditures and over $8 million in tax collections for all levels of government. Through ongoing operations, that will attract more than 250,000 visitations, it will also create nearly 500 jobs annually – with many being creative and high-tech.

The impact will not be confined to the construction and operations of the Museum itself. This international destination will usher in a whole new era of economic possibility and prosperity through the creation of spin-off businesses, new construction projects, tourism and cultural offerings. Already, Winnipeg has welcomed a new hotel – The Sandman – whose decision to locate here was sparked, in part by the Museum. Two other hotel developments recently cited the Museum as a catalyst for their activities. People across Manitoba are beginning to see opportunities that will stem from real estate appreciation, service and hospitality industries, human resource training potential and meeting and convention potential.

Forever Changing the way we "Think Big"

The Canadian Museum for Human Rights will forever change the economy of Manitoba and the western provinces. It will also forever change the way in which we allow ourselves, as Canadians, to "think big".

Recently, the Conference Board of Canada said Canada is "sinking in a pool of mediocrity that threatens to pull down our standard of living."

Generally, the report stated that Canadians are "complacent and unwilling to take risks." Israel Asper recognized this affliction and said, "Canadians have a tendency to aim for the middle – for mediocrity. With this museum we are reaching for the stars." He believed in thinking "big" and ingrained that thinking in his family, partners and employees. The Museum's stunning architecture, selected from among 62 designs submitted from world-class firms in an international architectural competition, is the design of award-winning architect Antoine Predock. Internationally respected museum consultants Lord Cultural Resources lent their expertise to the development of the business and operations plan for the Museum and my father contracted Ralph Appelbaum Associates – unparalleled museum exhibit designers – sought after around the world for their innovative and inspirational story telling ability – to develop a vision for the master exhibit plan. (All decisions regarding construction and Museum design will remain the purview of the Museum's Board of Trustees.) The "reach for the stars" maxim truly pertains to every aspect of this outstanding Museum.

The Canadian Museum for Human Rights will forever change how we, as westerners, approach opportunities with a "reach for the stars" attitude. This $265 million construction project has the commitment of $100 million from the Government of Canada (plus $22 million annually in ongoing operations); $40 million from the Province of Manitoba; $20 million from the City of Winnipeg and $105 million from the private sector. At the time of the writing of this article, the private campaign has achieved $94.5 million from 3000 donors across Canada. This Museum, through its social and economic benefits, as well as its national pride and "reach for the stars" attitude will benefit you, your family and your community. Find out more about it by checking out our international award-winning video called "Forever Changed" on our website — www.foreverchanged.ca

Help make this Museum happen and be forever changed.

Kim Jasper is Director of Communications for the Canadian Museum for Human Rights.

COR Certified Safety Program

BY MHCSP STAFF

What is a COR program? What is a Certificate of Recognition?

The Certificate of Recognition (COR) Program is a safety and health certification program for construction industry employers. The program is designed to assist companies in the development and maintenance of a company-wide safety and health management program. The COR Program also helps construction companies understand workplace safety and health legislation, and employer and worker rights and responsibilities. A Certificate of Recognition (COR) is given to employers upon completion of COR training, development and implementation of a company-wide safety program, and internal and external safety audits. The Manitoba Heavy Construction Association (MHCA), Manitoba Conservation, and Workplace Safety and Health cosign COR certificates.

What are the benefits of having a COR?

A COR recognizes that the safety and health management system of an employer has been evaluated by a qualified auditor and found to meet the national standard set by the Canadian Federation of Construction Safety Associations. Effective safety and health management systems are a useful way to reduce injuries and incidents, and the physical, emotional, and financial costs thereof. Eliminating the social and financial effects of injuries can strengthen the business success of participating employers and make the firm an employer of choice. Understanding workplace legislation and worker rights and obligations can assist firms in avoiding liability and ensure due diligence. Achieving and maintaining a valid COR is required for earning a financial incentive through Workplace Safety and Health. COR is required of all contractors bidding on jobs over $100,000 submitted to MB Infrastructure & Transportation (MIT), Industry Trade & Mines, and The City of Winnipeg. Furthermore, it is not unusual for Manitoba corporations to expect contractors bidding on projects to hold a valid COR.

What do I have to do to get a COR?

To acquire a COR, an employer must take the following steps:

1. Contact the Manitoba Heavy Construction Safety Program (MHCSP) and fill out a COR Registration Form, as well as register with WCB, if the company hasn't already done so.
2. Have the owner/senior management and at least one full-time employee complete the following courses:
   - COR Leadership in Safety Excellence (2 days)
   - COR Principles of Safety Excellence (1 day)
   - COR Auditor Training (2 days)
   - Road builders Safety Training System (RSTS) (Computer based training)
3. Assemble company safety and health management program manual and begin to implement the program elements into workplace activities and throughout the company. A solid safety and health management system should minimize the incidence of injury and illness to workers involved in the operations carried out by the employer. This is accomplished through identifying, assessing and controlling risks and potential risks to workers in all workplace operations. The scope and complexity of a safety and health management system will vary according to the type of workplace and the nature of operations carried out. The safety and health manual must include:
   - Company policy and management commitment
   - Hazard Assessment and analysis
   - Work Practices
   - Job Procedures
   - Rules
   - PPE
   - Preventative Maintenance
   - Training & Communication
   - Inspections
   - Investigations
   - Emergency Preparedness & Response
   - Statistics and Records
   - Legislation
   - MHCA Supplement
4. Company contacts the MHCSP for a trial audit to verify that the company's program meets industry standards (optional) and makes appropriate corrections where needed. The company's auditor can conduct the trial audit.
5. Company contacts MHCA Safety Program to request a qualified external auditor and then schedules an external audit. The original completed audit is submitted to the MHCSP for verification and then passed back to the company to complete an action plan.
6. If the audit meets industry standards, a COR number is issued, then the MHCSP will forward the certificate for

signatures from the MHCA President, Manitoba Conservation, and Manitoba Workplace Safety & Health Division. The certificate is then presented to the company.

7. The certificate will be valid for three years from the initial certification year. Internal audits are required annually in between external audits to maintain certification.

    • To be granted COR Certification – External • Year 1 & 2 – Internal • Year 3 – External etc.

How long will it take?

The time needed to acquire COR depends on the organization and dedication of the company. If an employer has a comprehensive safety and health management system in place, the time required to arrange for and complete an audit, then have it reviewed the MHCSP for issuance of a COR, could be relatively short. However, if the employer is starting from the first steps involved in developing their safety and health program, the amount of time required to complete the process and implement the safety and health program elements will be significantly longer. Generally speaking, dedicated companies can earn COR in six to twelve months, not taking longer than two years or shorter than three months from registration date.

Additional Training Requirements

While there are specified mandatory courses required for COR certification, keep in mind that Manitoba legislation requires that companies must ensure all their staff have completed the necessary training to effectively and safely perform their duties. Depending on the type of environment or the work involved, training may include courses over and above the specified COR courses, such as Confined Space Awareness, Traffic Control and Flagging, Transportation of Dangerous Goods - Clear Language, or Workplace Hazardous Materials Information Systems (WHMIS).

What is an audit? How do I get an audit done?

An audit is a comprehensive review of the employer's safety and health management system. Audits must be carried out using the National Standards COR Audit Tool obtained from the MHCSP. The audit covers the basic elements of a safety and health management system and will include interviews, documentation review, and observation techniques. Internal audits must be carried out by a qualified auditor, that is, an individual who has at minimum taken the COR Auditor training course, has submitted a trial audit within six months of taking the course, and has taken the annual COR Auditor Refresher course on internal audit years. To arrange for an external audit an employer must contact the MHCSP office and a qualified auditor will be assigned. To meet COR standards, the external/internal audit must attain an overall score of at least 80% with no one section scoring lower than 50%. The original completed audit document should be sent to the MHCSP for review and approval, along with an action plan for the ensuing year.

What is a Corrective Action Plan?

COR certified employers must submit an action plan to the MHCSP along with their audit document following any external/internal audit. This action plan is the responsibility of the company to produce, not the auditor. An action plan must address:

- Identified COR program deficiencies (per element)
- Prioritization of concerns
- Details on proposed corrective actions that assigns responsibilities, including a description of short term and long term strategic plans
- Any other requirements as determined by the MHCSP Safety Director
- Targeted implementation schedules

The MHCSP reserves the right to conduct a verification audit to ensure the action plan content is followed.

How long is the COR good for? How do I maintain/ renew COR?

The COR is valid for three years from the date of issue, providing that all maintenance requirements are met. The date the audit is completed is used as the COR issue date. To maintain a COR, an employer is required to carry out an internal audit within 12 months of the date of the COR, and to carry out a second internal audit within 24 months of the issue date of the COR. An external audit is required by the third COR anniversary date to renew the COR.

OH&S Legislation in Canada — Due Diligence

Adapted from the Canadian Centre for Occupational Health & Safety

What is meant by due diligence?

Due diligence is the level of judgment, care, prudence, determination, and activity that a person would reasonably be expected to do under particular circumstances.

Applied to occupational safety and health, due diligence means that employers shall take all reasonable precautions, under the particular circumstances, to prevent injuries or incidents/accidents in the workplace. This duty also applies to situations that are not addressed elsewhere in the occupational safety and health legislation.

To exercise due diligence, an employer must implement a plan to identify possible workplace hazards and carry out the appropriate corrective action to prevent incidents/accidents or injuries arising from these hazards.

What are the legal implications of due diligence?

"Due diligence" is important as a legal defense for a person charged under occupational safety and health legislation. If charged, a defendant must be able to prove that all precautions, reasonable under the circumstances, were taken to protect the safety and health of workers.

How does an employer establish a due diligence program?

The conditions for establishing due diligence include but are not limited to the following criteria:

- The employer must have in place written OH&S policies, practices, and procedures. These policies, etc. would demonstrate and document that the employer carried out workplace safety audits, identified hazardous practices and hazardous conditions and made necessary changes to correct these conditions, and provided employees with information to enable them to work safely.
- The employer must provide the appropriate training and education to the employees so that they understand and carry out their work according to the established polices, practices, and procedures.
- The employer must train the supervisors to ensure they are competent persons, as defined in legislation.
- The employer must monitor the workplace and ensure that employees are following the policies, practices and procedures. Written documentation of progressive disciplining for breaches of safety rules is considered due diligence.
- Workers have the responsibility to take reasonable care to ensure the safety of themselves and their coworkers - this includes following safe work practices and complying with regulations.

- The employer should have an incident/accident investigation and reporting system in place. Employees should be encouraged to report "near misses" and these should be investigated also. Incorporating information from these investigations into revised, improved policies, practices and procedures will also establish the employer is practicing due diligence.
- The employer should document, in writing, all of the above steps: this will give the employer a history of how the company's occupational safety and health program has progressed over time. This will also provide up-to-date documentation that can be used as a defense to charges in case an incident/accident occurs despite an employer's due diligence efforts.

All of the elements of a "due diligence program" must be in effect before any incident/accident or injury occurs. Due diligence is demonstrated by your actions before an event occurs, not after.

What are areas to consider when reviewing due diligence?

When reviewing your due diligence program, it may help to ask yourself the following questions:

1. Can a reasonable person predict or foresee something going wrong?
2. Is there an opportunity to prevent the injury or incident?
3. Who is the responsible for preventing the incident or accident?

If you require more information on due diligence, feel free to contact MHCSP at 947-1379 or safety@mhca.mb.ca. We'd be glad to help you!

One More Initiative to Serve the Industry Better!

The MHCA Safety Program is diligently pursuing new ways of providing quality services to the Heavy Construction Industry. One way is to approve Industry consultants that the MHCSP is confident that they will provide the best quality services for you. By them working directly with us and are supporters of the MHCSP initiatives we feel they are the most qualified to assist you in any COR and Safety concerns. The following is their contact information.

MHCA Approved Consultants:

Barb Burkowski, CET, CSO

Phone: 222-6880

Workplace Inspection and Audit Services

Garry Hildebrand, CSO

Phone: 612-6886

Millar Environmental

Bryan Millar, CSO

Phone: 470-5669

Grant Jones Safety Consulting

Grant Jones, CET, CSO

Phone: 223-4661

Safety with Shelly

Shelly Plett, CSO

Phone: 799-4712

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To order your banner, call the MHCSP team at 947-1379 or email us at safety@mhca.mb.ca

Identifying Hazards & Implementing Safe Work Procedures/Practices

Job Hazard Analysis (JHA) is a procedure which helps integrate accepted safety and health principles and practices into a particular operation. In a JHA, each basic step of the job is examined to identify potential hazards and to determine the safest way to do the job. Other terms used to describe this procedure are job safety analysis (JSA) and job hazard breakdown.

Four basic stages in conducting a JHA are:

1. Selecting the job to be analyzed.
2. Breaking the job down into a sequence of steps.
3. Identifying potential hazards.
4. Determining preventative measures to overcome these hazards.

A rule of thumb is that most jobs can be described in less than ten steps.

The completed JHA, or better still, a written safe work procedure based on it, can form the basis for regular contact between supervisors and workers on health and safety. It can serve as a teaching aid for initial job training and as a briefing guide for infrequent jobs. It may be used as a standard for health and safety inspections or observations and it will assist in comprehensive accident investigations.

The Manitoba Workplace Safety and Health Regulation 217/2006.

General Safety Duties Part 2 require:

Safe Work Procedures:

2.1. In addition to the requirement to develop safe work procedures contained in the other parts of this regulation, an employer must

a) develop and implement safe work procedures for the work that is done at the workplace;
b) train workers in the safe work procedures; and
c) ensure that workers comply with those safe work procedures.

Tips for developing safe work practices and procedures:

- Involve the workers who regularly perform the job,
- Put the steps in the correct sequence,
- Number the steps,
- Identify the hazards associated with each step,
- Evaluate the hazard based on severity and frequency,
- Establish controls for the hazards recognized and evaluated,
- Use vocabulary appropriate to the workers,
- Write short clear sentences,
- Ensure instructions are accurate,
- Use consistent terminology,
- Use “active” verbs for instructions,
- Use consistent formatting (e.g. headings and font size),
- Ask workers to review prior to implementation.

Before implementing a safe work practice and procedure, the most important question to ask is: “Is this document easy for workers to use?”

Remember this is a process of communication to help improve safety and health for everyone. This includes team work on the behalf of the employer, supervisor, worker, and the workplace safety and health committee/representative.

BY PHIL MCDANIEL,
MHCSP SAFETY ADVISOR

MHCA Member List — 277 Proud!

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Acklands-Grainger Inc.
Adams Contracting (1989) Ltd.
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Armtec Limited Partnership
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Bruce Lamb
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Bryan Wood Vehicle Rentals
Building Products & Concrete Supply
Buus Construction Ltd.
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Cambrian Excavators
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Darco Enterprises Ltd.
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Dig-Mor Construction Ltd. & Holland Crane Service
Dillon Consulting Limited
Direct Traffic Ltd.
Dirt Pro Inc.
Dove Industries Ltd.
DWT Ventures Ltd
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Dynamic Machine Corporation
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Earth Max Construction Inc.
Earth Tech Canada Inc.
Ebb & Flow First Nations
Edie Construction Ltd.
Emco Waterworks
Environmental Management Technologies Inc.
Erickson Construction
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Evergreen Construction Company Ltd
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Federated Co-operatives Ltd.
Flanders Insurance Services Ltd
Fort Garry Industries Ltd.
Fort Whyte Lowbedding
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Glacial Aggregates Inc.
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Go-Green Lawn and Landscaping
Grant Aggregate & Industrial Supply
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Guardian Traffic Services Manitoba
Guertin Equipment Ltd.
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Industrial Health and Safety Solutions
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Ken Palson Ent. Ltd.
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L. S. L. Contracting Ltd.
L.E.T. Construction (1984) Ltd.
Lafarge Canada Inc.
LaJambe Enterprises Ltd.
Lake Winnipeg Construction & Excavation Inc.
Lakefront Restorers
Lakeview Quarry Ventures
Lamb Const. Ltd
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Little River Earthmoving
LMF Lightning Crackseal
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Lopes Excavation Ltd.
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MEP Environmental Products Ltd.
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Mid Canada Hydroseeding
MidCanada Environmental Services
MMM Group
Money In Motion
Moose Jaw Refinery Inc.
Morsky Construction Ltd.
Mueller Canada
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Mulder Construction and Materials
Multicrete Systems Inc.
Nelson Environmental Inc.
Nelson River Construction Inc.
Nelson River Logging Ltd.
Nilex Inc.
Northern Pipe Products Inc.
Northland Ready Mix Concrete
Nosey's Bobcat Ltd.
Orica Canada Inc.
Parish Backhoe Service
Parkland Tractor Ltd.
PB Industries Ltd.
PennCorp Life Insurance
People First HR Services Ltd.
Perfect Landscaping Ltd.
Perimeter Concrete Ltd.
Peter Kiewit Sons Co.
Petro-Canada
Pfund Trucking
Pounder Emulsions
Precision Land Solutions
Preset Piling Ltd.
Pugh's Sand & Gravel Ltd.
Querel Trailers
R & D Trailer Rentals Ltd.
Rae's Training & Consulting
Red River Construction Company
REHAU Industries Inc.
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Roblin Concrete & Supply (1987) Ltd.
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Royal Pipe Systems
Russell Redi-Mix Concrete
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Smook Bros. (Thompson) Ltd.
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SMT Survey and Design Ltd.
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Strilkiwski Contracting Ltd.
Subterranean (Manitoba) Ltd.
Superior Asphalt Paving Co. Ltd.
Superior Propane Inc.
T.L. Penner Construction Inc.
Taillieu Construction Ltd.
Tapper Cuddy LLP
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The National Testing Laboratories Ltd.
Thompson Dorfman Sweatman
Titan Foundry Ltd.
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Tri-Line Construction Ltd.
Tri-Wave Construction
UMA Engineering Ltd.
Uni-jet Industrial Pipe Services Ltd.
United Cree Construction
United Rentals of Canada Inc.
Vector Construction Group
W. D. Valve Boxes Ltd.
Wajax Ind. Ltd.
Wakshinsky Bros. Limited
Wardrop Engineering Inc.
Waterous Power Systems
Wayne's Backhoe Services
Westcon Equipment & Rentals Ltd.
Western Surety Company
Westshore Construction
Wheat City Concrete Products Ltd.
Willowrock Excavating
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