



Annual Report

2010

Groundbreaking  MIHCA



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MHCA Board of Directors

Executive Officers

Barry Arnason
MHCA Board Chair & Aboriginal Cttee. Chair
Arnason Industries

Chris Lorenc, B.A., LL.B.
MHCA President

Robert Reidy, P.Eng.
MHCA Vice Chair & Safety Program Chair
Taillieu Construction Ltd.

Henry Borger Jr.
MHCA Secretary Treasurer &
Winnipeg Committee Chair
Borland Construction Inc.

Gord Lee, P.Eng. G.S.C.
MHCA Past Chair & WCR&HCA/CCA Rep.
Nelson River Construction Ltd.

Derek Walker, P.Eng.
Highways Committee Chair
Mulder Construction & Materials

Committee Chairs

Events
Mickey Stanley
Toromont CAT

Equipment Rental Rates
Greg Orbanski
Tri-Line Construction Ltd.

Education, Training & Gold Seal
Kevin Brown, P.Eng., G.S.C.
Maple Leaf Construction

Membership
Paul Venn
B&B Rentals Ltd.

Aggregate Producers
Warren Sigfusson
Sigfusson Northern Ltd.

Directors at Large

Boris Gavrailoff, P.Eng., G.S.C.
Bituminex Paving Ltd.

Dave Cumming
Zenith Paving Ltd.

Gilles Collet
Collet Gravel Inc.

Calvin Edie
Edie Construction Ltd.

Ted Smook, B.Com., G.S.C.
Smook Brothers (Thompson) Ltd.

Annual Report 2010

Our Vision:

As the recognized voice of the heavy construction industry in Manitoba, we promote sustained and sustainable investment in core infrastructure, and seamless transportation systems. We do this to ensure ongoing economic growth benefiting our province, region and country.

The MHCA has earned a reputation of being a contributor, builder, and partner to our many stakeholders in the pursuit of this vision.



Chairman's Message — Barry Arnason



As my last year of Chair of the MHCA, I would first like to thank our members and industry supporters during my two years as Board Chair. It has been a rewarding and challenging experience, and an experience I would recommend to anyone in our industry.

I am also pleased at the work the MHCA has done over the past year. As you may have noticed, we've gone through a rebranding process that has just been completed in time for this year's magazine, with a new MHCA logo on our cover this year. We also are using the new tagline "groundbreaking", which I think sums up very well our Association as a whole.

The MHCA Safety Program, now re-named the *WorkSafely* program, is focused on better serving its clients and making sure they all achieve their COR™ certification and continue to ensure everyone goes home safely at the end of the work day.

I'd like to offer a special thanks to my fellow members of the MHCA Board of Directors for their commitment and support during my tenure as Chair, as well as all of our members, supporters, and the MHCA staff.

Here's to another fantastic year for our industry!

A handwritten signature in black ink, appearing to read "Barry Arnason".

President's Message — Chris Lorenc



Groundbreaking...

Our new tag line — which emerged from extensive market research including third party stakeholder surveys of industry associations, media, and government — aptly describes the impacts of the Manitoba Heavy Construction Association (MHCA).

The MHCA is the source and birthplace of ideas, it has an earned reputation of being solutions driven, of being a constructive contributing partner.

We are '*Groundbreaking*' in everything we do, whether association or industry related.

We are grounded by a vision and mandate which challenges us to champion public policies, and develop innovative approaches that produce positive '*Groundbreaking*' results for our communities, industry, province and country, as those are the horizons and focus of our activities.

We are confident that our re-branding initiative will help strengthen an already respected reputation of being *Groundbreaking*.

A handwritten signature in black ink, appearing to read "Chris Lorenc".



Manitoba Heavy Construction Association

2010 ANNUAL GENERAL MEETING

Winnipeg Convention Centre, Room 1 • 9:30am • November 26, 2010

AGENDA

1. Call meeting to order
2. Approve minutes of the 2009 AGM
3. Chairman's Report — Barry Arnason, MHCA Chair
4. WorkSafely Report — Glen Black, Director
5. President's Report — Chris Lorenc, MHCA President
6. Financial Report — Henry Borger, Treasurer
 - a. Treasurer's Report
 - b. Resolutions
7. By-Law Amendment — Chris Lorenc, MHCA President
8. Elections to MHCA Board of Directors – Gord Lee
9. Other business
10. Adjournment



Manitoba Heavy Construction Association

2009 ANNUAL GENERAL MEETING

Winnipeg Convention Centre, Room 1 • 9:30am • November 27, 2009

MINUTES

1. Call the meeting to order

The meeting was called to order at 10:10am.

2. Approve the minutes of the 2008 annual general meeting

The minutes of the 2008 annual general meeting were adopted on motion by Lee/Wither.

3. MHCSP Report – Stan Kruse, Director

The MHCSP report was presented by the Director.

4. MHCA Activities Report – Barry Arnason, MHCA Chair

The MHCA Activities Report was presented by the MHCA Chair.

5. President's Report – Chris Lorenc, MHCA President

The President's Report was presented by the President.

The MHCA 2010 Priorities report was presented by the President.

6. Financial Report – Henry Borger, Treasurer

a) The Treasurer's report was presented by the Treasurer. The audited financial statements were adopted on motion by Lee/Eppler.

b) On motion by Wither/Reidy, Charles H. Wepler, C.A. was appointed auditor of the corporation to hold office until the close of the next annual general meeting or until his successor is appointed.

On motion by Fisher/Eppler, the directors of the corporation were authorized to fix the remuneration of the auditor for the current year in such amounts that they may, in their own discretion, determine.

On motion by Mulder/Eppler, all acts, contracts, proceedings, elections, appointments, accounts and payments, made done and taken by the directors and officers of the corporation during the fiscal year ended June 30, 2009, be and the same are hereby ratified, sanctioned and confirmed.

7. Elections to MHCA Board of Directors – Gord Lee

The 2009 MHCA Nominating Committee report – see attached – was presented by the committee chair, Gord Lee. Its recommendations were adopted on motion by Mulder/Reidy by the membership and the following were elected to a two year term ended November 2011:

Gord Lee
Mickey Stanley
Bob Reidy
Warren Sigfusson
Derek Walker
Henry Borger
Ted Smook

8. Other business

No other business was discussed.

9. Adjournment

There being no further matters before the membership the meeting was adjourned at 11:15 am.



The year was marked with a series of successes of which the members of the Manitoba Heavy Construction Association (MHCA) should be legitimately proud, having played an instrumental role in positive change.

The purpose of this Year in Review is not to identify all of the areas of activity, but rather highlight the more significant and far reaching areas of engagement and success. We look forward to another great year in 2011!

Some of the areas highlighted include:

MANITOBA FLOODWAY & EAST SIDE ROAD AUTHORITY (ESRA)

The MHCA met with senior ESRA executive staff throughout the year on a number of topics including safety, and vocational and examination of the project budget. ESRA expressed a desire to engage the assistance of the MHCA in lobbying the federal government for funding 'its share' of the project as to date there has been no such commitment. The projected budget at present is estimated to be in the range of \$150 million per year for each of next 10 years - \$75 million from Manitoba/Ottawa.

ESRA expects road clearing, and survey work to be sole sourced to the Aboriginal community, and Aboriginal participation in tendered work is to be vastly more aggressive than the floodway project.

The MHCA has asked that ESRA should consider a committee of MHCA, ESRA and Aboriginal Community to work implementation of objectives.

RE-BRANDING

Being launched at this year's AGM, the MHCA will have a fresh, memorable and compelling new identity along with a brand strategy for the MHCA and its sub-brands which will enhance our ability to realize our vision, discharge our mandate, and articulate messaging that enforces our "Presence, Profile, and Impact."

The brand redevelopment will result in:

- Visually strong and refreshed MHCA's presence related to its advocacy role in public policies and its relationships with government, stakeholders, the general public and media;

- Increased MHCA profile with members, all levels of government, stakeholders, media and the general public
- Enabling the MHCA to further enhance its reputation as a leader of, and successful advocate for, sustained infrastructure investment and economic growth
- Achieving a re-invigorated look and consistent brand identity for the MHCA and its sub-brands - Safety Program & Training Academy

The results of our re-branding research include:

- New logo for the MHCA and its sub brand programs
- The new slogan associated with the MHCA is 'Groundbreaking' which speaks to the strength and impact of our work whether related to industry work or public policy impact
- MHCSP will now be called *WorkSafely* which repeats the safety program message, namely a challenge for all to 'work safely'
- MHCTA will now be called *WorkForce* to reflect its core function
- A new website is also being launched in corroboration with this year's AGM

CONSTRUCTION MANAGEMENT DEGREE PROGRAM (CMDP)

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

We received commitments/receipts for approximately \$60,000 which was matched by the Province allowing for an endowment fund of approximately \$120,000, and Red River College began the program in September 2010 for full time students

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

AGGREGATES – TIMELINESS OF PERMITS

The Mines Branch has confirmed that Permits will be adjusted to be project specific allowing for a multi-year permit instead of annual application.



MIT will also be allowed to apply for the permit on behalf of a contractor to be named, and assign the permit to the contractor awarded the project. This could enable MIT to address the duty to consult well in advance of tendering.

The changes will take place effective July 2011. This is the time required to effect electronic changes to implement the change.

CANADIAN CONSTRUCTION ASSOCIATION (CCA)

The CCA has identified infrastructure funding as one of its federal budget submission priorities as an ongoing priority, as well as promotion of careers in the heavy construction industry.

The Roadbuilder & Heavy Construction Council (RBHCC) name has been changed effective immediately to the 'Civil Infrastructure Council' (CIC) - their report is included in the MCHA Annual Report.

The International Business Committee continues to support further refinement and improvement of Canada's 'Foreign Trade Zone' regime to ensure a competitive global advantage which lead to trade/transportation and related commercial investments.

The MHCA has suggested to the CCA that it broaden its focus to include participating in the development of policies which grow the economy as distinct from a purely reactive role.

HOURS OF SERVICE (HOS)

An application for exemption has been filed and the MHCA is working with the CCA on finalizing answers to questions received from Transport Canada.

SAFE ROADS 2010 CAMPAIGN

This year's campaign ran from May 17 to July 5, 2010, with a media event held in both Winnipeg and Brandon to launch the campaign.

The campaign used the same creative artwork and messaging as the previous year, with a commitment to review based upon public survey being done after this year's campaign was complete.

The 2011 campaign planning is already underway. It is proposed that the message be more direct, and caution drivers to 'Slow Down' while approaching and driving through construction zones.

HEAVY EQUIPMENT OPERATOR TRAINING (HEOT)

The MHCA is collaborating with the Manitoba Construction Sector Council (MCSC) to ensure a leading heavy equipment operator training program, employing the use of training simulators. It is proposed to be designed to introduce individuals with no experience in heavy equipment operating, equipping them post-graduation to take up employment as equipment operators.

MANITOBA HEAVY CONSTRUCTION SAFETY PROGRAM

Some strong industry support indicators:

- Currently, there are 145 firms in our industry which are COR™ of which 17 are new to 2010;
- Year to date, 58 companies have registered to train and achieve COR™
- Our target is to reach 250 COR™ certified companies in 2011

The complete *WorkSafely* report is included in this AGM Report with more details.



INFRASTRUCTURE FUNDING COUNCIL (IFC)

In May 2010, the MHCA President was appointed by the President of the AMM and Winnipeg Mayor Sam Katz to head the Infrastructure Funding Council (IFC).

The IFC's mandate includes the development of an overall, comprehensive infrastructure funding strategy and recommendations regarding internal infrastructure funding options within the control of the municipalities. It will also deal with recommendations regarding external infrastructure funding options requiring inter-governmental negotiation and/or approval.

The IFC report is expected to be released in December 2010.

TENDERING POLICIES

The MHCA met with government representatives including provincial Ministers and Deputies on tendering policies, asking that any decision(s) affecting tendering practices be preceded by consultation with the Manitoba Construction Sector Council (MCSC), which was created by provincial legislation with management/labour stakeholders to address HR, Education and Training for the construction industries in Manitoba. The MHCA is a founding member of the MCSC.

Notwithstanding the request, no such meeting was convened and the MHCA learned in late October of proposed changes which have been considered by the MHCA Board, which will result in further discussions with the province.

GOLD SEAL COMMITTEE MEETINGS

Barry Brown a past MHCA Chair and our President are each members of the National Gold Seal Committee. It has recently adopted a three year business plan, which our President was asked to craft based upon the committee discussions.

The Gold Seal Program Business Plan is based upon a strategic plan and focuses on four areas of priority, namely:

- Marketing Strategy
- Program Elements – Continuous Improvement
- Internal Management
- Financial Management



ONE CALL LOCATES – CALL BEFORE YOU DIG

The MHCA has pursued discussions with the City of Winnipeg and Manitoba Hydro and a private sector company which operates a once call service. The MHCA is also part of a Manitoba Common Ground Alliance (MCGA) which is attempting to introduce a one call system for Manitoba.

The MCGA is developing an approach and messages to the involved provincial cabinet ministers to enlist support for legislation which would require utility participation in a one call, system based upon safety, protect project timelines and efficiencies and minimization of structures damage.

STREET CUT RESTORATION

The MHCA raised the notion of permitting contractors to be permitted to restore their own pavement cuts (pavement, curb and/or sidewalk cuts) in all streets, and were advised that as a result of amendments to the Streets By-law the aforementioned applies in 2010 and forward, but only to regional streets.

It was suggested that the MHCA Winnipeg Committee would craft for the City's review a 'pilot proposal' for testing in 2011 as a first start moving towards the desired objective of allowing full such restoration responsibility.



WCR&HCA CONVENTION 2013

The MHCA will host the WCR&HCA 2013 Convention in Orlando Florida at Disney's Yacht Club, March 9-16, 2013.

We have successfully negotiated and signed a contract with Disney. Bob Reidy of Taillieu Construction will be chair of the WCR&HCA at that convention.

CONCLUDING COMMENTS

The above is not intended to provide nor document the full range of activities with which the MHCA has been involved. The MHCA *Heavy News Weekly* is distributed to all members and regularly provides the breadth and scope of topics addressed.

You will also read throughout the AGM report about the suggested areas of priority on a go forward basis.

What is of importance to note, is that regardless of the nature of the 'big picture' issues we choose to tackle, no issue raised by any member of our association is too small to address.

This also marks the end of my two year term as your Board Chair.

I would like to close by expressing my gratitude to all members of the MHCA Board of Directors for their tireless work on behalf of our industry, to our staff for their assistance and most importantly, to all MHCA members for their participation and financial support. Without you, none of what we strive to achieve and accomplish would be possible.

I thank you for the privilege of having served as your chair for the past two years.

A handwritten signature in black ink, appearing to read "B. Arnason", is positioned above the printed name.

Barry Arnason,
MHCA Chair



Introduction

Our Industry continues to demonstrate its commitment and compassion to do what is right to protect workers against injuries on the job. The COR™ Safety Program has gained wide acceptance and continues to be the safety standard to achieve in our industry.

The Board of Directors and members of the Manitoba Heavy Construction Association (MHCA) remain unequivocally committed to ensuring that all employers paying premiums into the 407/408 WCB rate code category have equal access to and use the safety services offered by the WorkSafely Program.

2010 SAFETY PROGRAM HIGHLIGHTS:

COR™ Certification Growth & Momentum Continues

COR™ Certification is widely and effectively used throughout our industry. COR™ continues to gain recognition and strong momentum within the Province.

- In 2009 there were 127 COR™ Certified companies
- In 2010 there are currently 159 COR™ Certified companies, an increase of 32 firms
- Year to date, 53 additional companies have registered to train and achieve COR™
- An objective of our program in 2011 is to have 250 COR™ accredited companies.

(+/-)	2009	YTD 2010	
COR Certified Companies	127 COR™ Companies	159 COR™ Companies	+32
COR Registered Companies		53 Registered Companies	

Construction Safety Excellence /COR™ Training

Our Safety Training Services are delivered under our “Construction Safety Excellence” trademark. We proudly display this trademark as we offer the most current and highest standard of training and



certification processes available for our valuable clients.

Our industry continues to enhance worker knowledge and awareness through participating in training and education sessions that focus on heightening safety awareness and increase workforce knowledge of the safety rules, regulations and standards applicable to our industry. Industry is trending to meet or exceed previous years training deliverables.

Month	2010 Students	2009 Students	2010 Courses/Classes	2009 Courses/Classes
Total year to date	1417	1560	182	169
Increase/decrease	-143		+13	

COR™ Continuous Improvement - Company Safety Management Systems Audit Results

Achieving COR™ Certification demonstrates a firm has a safety and health program in place, but improving and effectively maintaining a firm’s COR™ Audit Score clearly demonstrates the industry can self administer a mature, responsible, and successful safety model.

The Workplace Safety and Health Division recognize that COR™ certified companies have the fundamental provisions in place to establish and sustain a robust Safety and Health Management System.



COR™ Certified Companies are subjected to external third party audits. Audit results below show the great work and effort exercised by COR™ firms and our industry's continuous improvement trend in 2010.

COR Companies	Low Score 81%	High Score 94%	Average 88.6%
SECOR Companies	Low Score 81%	High Score 95%	Average 88.4%

Strong Safety Leadership & Improved Safety Culture

Our industry continues to build stronger safety cultures within their respective firms and with their workforces. It is very gratifying to see firms proudly display their COR™ certification banners and signs, as this promotion speaks volumes to the strong safety leadership and improved safety culture the industry continues to build.

Individual firms and the industry in general will need to continue to promote and support COR™ certification. The Executive and Board of Directors of the Manitoba Heavy Construction Association are to be commended for their commitment and unwavering support provided to the safety program. Through their support, the safety program has had the appropriate resources and program materials needed to carry out the program mandate and allow COR certify companies to build stronger and positive safety cultures.

Industry 2010 - Time Loss Injuries Reduced

The Workers Compensation Board of Manitoba recognizes that firms who have COR™ certification have taken positive steps to eliminate/minimize workplace injuries from occurring. In 2010 our

industry has taken positive steps to reduce time loss injuries from occurring to their workforce (see chart below).

Safety Partners/Advisory Meetings

The industry continues to strengthen its relationships with regulators, WCB funding partners and other key stakeholders. The parties have successfully fostered open and effective lines of safety communications. These relations are essential for an improved work climate to exist for the health, safety and well-being of our construction workforce in Manitoba.

2011 Value Added Services

In 2011, our COR™ safety services we will be further enhanced and directed at providing value added initiatives for our valued clients. Some initiatives improve upon existing services, while others are new in scope, intent and effect. They are summarized as follows:

Specific Action steps:

1. *COR™ Training* – All COR related training will be delivered by program staff. Other related training will be out-sourced. There will be no cost increases to the current courses offerings. All COR training materials will undergo review and improvement to assure 'Construction Safety Excellence.'
2. *Weekly and Monthly Safety Communications* – We will optimize the use of the Weekly News and a reinvigorated monthly newsletter the *Safety Informer* to more effectively promote COR, provide timely and relevant safety information, and enhance industry safety awareness.



Summary Report - Heavy Construction Sub-Sector

Current as of September 30, 2010	YEAR					
	2005	2006	2007	2008	2009	2010
Total Number of Injuries	556	636	688	711	734	467
Time Loss	278	303	346	298	311	204
No Time Loss	278	333	342	413	423	263

Compared to last year at this time: Time loss injuries are down 9.7%

3. *Visibility and Presence of Program Safety Advisors* – Advisors will have an increased field presence throughout the Province in five established regions across Manitoba. Safety Advisors will be assigned a region; will have specific monthly work plans; and will be assigned clients within their respective regions. The mandate will be to support COR™ certified companies, assist newly registered companies achieve COR™, and promote, educate new firms of the safety merits.

4. *New Company Safety Manual and Annual Safety Subscription Service* – We will develop and offer new individualized ‘Company Safety Manuals’ bolstered by an optional annual-monthly update subscription service. The purpose: to help companies ensure their safety program complies with the 14 COR™ Program Elements.

This service will allow firms to educate their workforce, have available the documentation required by legislation and COR™, and provide industry with program standardization. The fees for these services will be offered as follows:

- Customized Safety Manuals complete with a one-year safety subscription for the flat fee of \$350.00. The first year subscription fee of \$250.00 is included
- Annual safety subscriptions will be offered at a flat fee of \$250.00

This safety service will be offered to support our clients’ COR™ needs specific to safety program development and safety program maintenance. This is a voluntary service. Manual development and subscription development will be on a first come, first serve basis.

5. *Pre Third Party Audit Readiness Service* – Safety Advisors will, at the client request, visit their site, assess their safety program, and assist the client prior to third party audit. This service to be provided by the program at a flat fee of \$275.00 (plus only overnight travel and accommodation expenses). The pre-audit service voluntary and is highly recommended prior to any third party external audit being conducted.

This will help ensure our client’s ability to achieve and thereafter maintain COR™ certification. This service will also help ensure external auditor costs and expenses are managed /maintained at a reasonable level (see point 7). The service will prevent the deployment of auditors where a firm is not ready for their audit.

Our goal is to ensure all firms obtain audit success and keep costs to a minimum.

6. *External Auditor Accreditation and Maintenance Fees* – We will establish a list of program accredited and qualified external auditors. Third party auditors will pay an annual auditor accreditation fee of \$375.00. For this fee, we will review the auditor’s credentials, provide the auditor with the required audit materials, and administer general administration duties on behalf of the client and auditor. We will establish a list (not to exceed 10) of qualified auditors for firm selection and availability to rural areas. By keeping the number of accredited auditors at 10, we will help ensure qualified, experienced auditors and an improved successful audit experience.

7. *Cap on Third Party External Audit Fees* – Cost control and predictability – we will recommend an external audit fees cap and monitor its implementation and effectiveness. The cap will be introduced to provide greater predictability to audit costs.

The recommended cap on third party external audit fees will be:

- For SECOR company (19 or less) – the audit cap will be set at maximum 2 days plus expenses
- For COR company (20 or more) – the audit cap will be set at maximum 4 days plus expenses
- The audit costs remain set at \$600.00/day.

This cap will allow firms to predict more accurately what fees they will be charged given the size of their firm. The cap will remove the ability of the auditor to charge unreasonable fees for services rendered. Should auditors exceed these recommended caps, they risk losing their accreditation status with our industry.



8. *COR™ Audit Quality Assurance (QA) Review*: COR™ safety program services will be targeted at all firms within our industry, regardless of their size and complexity. The Safety Program Director will conduct — for no charge — random spot audits as part of Quality Assurance Reviews of our COR program, to test program effectiveness, identify trends and adjust services to service needs accordingly.

9. *Safety into Project Design* – We will consult with industry to examine how the program can assist introducing safety into project design, so that safety is not an afterthought cost, but built into project design. The objective is to ensure proper cost reflection and more competitive bidding.

10. *WorkSafely Logo and Tagline* – We have launched our new Safety Program logo and tagline - *WorkSafely*. Our safety program, *WorkSafely*, its messaging and campaigns will proactively reach out to industry and workers, to heighten awareness and promote the strong message, that in order to prevent injuries from occurring in the workplace or at home, all parties must *WorkSafely*.

11. *Annual Client Advisory Meetings* – We will consult with industry and key stakeholders on an annual basis or more often as needed to review our Safety Program offerings and ensure the needs of our clients are taken into consideration for future program improvements.

Conclusion

Our program is committed to Construction Safety Excellence™. We have listened to industry, and strongly feel the above action steps will deliver value added services to our valuable client, the heavy construction industry in Manitoba.

Regards,

Glen Black, Director





1. WorkForce has been discussing training with various groups to provide some training assistance to the East Side Road Authority. Quotes have been provided to do training for Bloodvein First Nation and Berens River First Nation.

2. WorkForce has delivered a Heavy Equipment Operator Train-the-Trainer Program in Winnipeg and Brandon. The program was well received and companies who received the training are doing certification of their own operators. There are more courses planned, with locations being discussed.

3. Quotes to provide training have been sent to Split Lake, Norway House, South Indian Lake and York Landing, Little Saskatchewan and Lac Brochet.

4. There have been discussions with Rolling River First Nations and Poplar River First Nations to provide Heavy Equipment Operator Training in the future.

5. Little Saskatchewan First Nation has requested a quote to provide 5 weeks of Heavy Equipment Training for 16 students at Little Saskatchewan Reservation.

6. WorkForce has contacted the Association of Rural Municipalities and offered assistance to the RM's in the development of their COR™ program and Operator Training and Certification.

7. WorkForce continues to provide Safety services to WorkSafely. COR™ Winter Roads training is proceeding in accordance with MIT Contractual agreement.

8. Budgets to provide an equipment operator training program have been drafted and provided to the following communities: Duck Bay, Pine Creek, Cross Lake, Grand Rapids, Norway House, Wasagamack and The City of Selkirk. Due to the nature of the funding procedures for these northern communities, sometimes from the time one bids until the contract is awarded can be a very lengthy period.

9. WorkForce has been working on a program to identify the training benefits of using Simulators to provide Heavy Equipment Operator Training to students. A private consultant has been con-

tracted to provide WorkForce with a study on using simulators, such as the costs of purchasing, costs to students, availability, and industry thoughts on entry level equipment operator who are trained using simulators. This contract is completed and the consultants report has been delivered to WorkForce.

10. Now that the simulator report has been read and tabled, the MHCA, WorkSafely and WorkForce are working together to solicit a funding partner to help with the purchase of 8 simulators.

11. WorkForce is in the process of setting up another 5 weeks of equipment operation training. We have enough students and talks are taking place with the suppliers of the training equipment at the present time. This training program was scheduled to run but has been put on hold due to the students not been adequately insured. WCB will not insure the students so we are presently waiting for a response from the private insurance sector. The students need to be insured for injury, dismemberment or death.

We are talking to insurance providers to look at what they can provide and what the costs will be. Insurance providers have provided a quote to provide us with insurance and now WorkForce is awaiting to proceed.

12. WorkForce is providing operator certification to Nelson River Construction at three of their aggregate producing sites. Certification has taken place during the summer months. More operator certification was conducted in the Fall.

To date, approximately 30 operators have been certified.

13. WorkSafely is scheduling 1 week Winter Roads Training courses for Thompson and Winnipeg.

These courses are delivered to companies building the Winter Roads in Manitoba in the fall of 2010.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Huff'.

Greg Huff, Program Manager



The MHCA is the *Groundbreaking* industry voice exerting 'presence, profile and impact' upon the shaping and development of public policy. Each initiative is focused on ensuring consistency with the public's best interests.

The work of the MHCA is never done, and issues always require attention. The following serves only to summarize areas deserving of priority attention as we move towards 2011.

A FOCUS ON GROWING THE ECONOMY

A focus of the MHCA's activity is always on growing the economy as much as it is on matters related to infrastructure funding priorities.

The reality is that we should be collaborating with key stakeholders in Manitoba and across Canada to ensure that government and the public hear the critical messages related to growing the economy. A growing economic strength enables addressing matters related to funding policies, tender practices and related regulatory issues of concern to industry.

In this regard, the MHCA has and /or continues to be engaged in pursuing the following:

CentrePort Canada

A major outcome of the Mayor's Trade Council (MTC) report which I had the privilege of chairing was the decision to proceed with and develop Centre Port Canada, Canada's first inland port. Accompanying those decisions were infrastructure investment which reached \$300 million and projections of further investment in her range of \$1 billion.

CentrePort has the potential of transforming Manitoba's global trade profile and presence and by extension that of Western Canada and Canada. With that come unheard of investments in infrastructure to enable and platform a global presence.

Canada's Arctic Gateway

CentrePort Canada alone will succeed. Embellished by a functioning northern trade gateway via the Port of Churchill could permanently change the face the world sees in the context of global trade.

The MHCA will be involved in developing Canada's Northern Gateway strategy as a result of participating at the Arctic Gateway Summit 2010 hosted by the University of Winnipeg and Province of Manitoba.

The principal proposed outcome of the Summit is a strategic action plan which identifies our best trade and economic development opportunities over the short and long-term and the resources and commitments required to make them happen. The action plan is also proposed to provide a politically appealing justification for investment, alignment of existing programs and rally stakeholder support for the development of "Canada's Arctic Gateway."

Western Canada Transportation System (WCTS)

The MHCA is leading a coalition of western Canada stakeholders in an initiative under the banner Western Canada Transportation System which is all about positioning gateways and corridors in western Canada regionally and strategically, to enhance western Canada's global trade profile. To allow trade gateways to function, inland trade corridors are pivotal. Given western Canada's prolific role in trade, a strategic seamless multi-modal system can only enable expanded economic growth.

FUNDING INFRASTRUCTURE

The MHCA is engaged at the Federal, provincial and municipal levels of government in advocating for sustained and sustainable infrastructure investment policies.

Federal Funding

As part of the *Canadian Construction Association (CCA)* we are pursuing, through the *Civil Infrastructure Council*, a number of key federal infrastructure funding recommendations:

1. An overall national sustainable approach to federal sharing of reinvestment needs in Canada's core, social and strategic municipal infrastructure which reflects and recognized a balanced and shared approach to the roles, responsibilities and capacities of the three levels of government.
2. As preliminary first steps, the federal government commit to:
 - a. Making permanent the GST rebate on all municipal purchases, which is due to expire in 2014; and

b. Commit to the current \$2 billion annual transfer to municipalities under the Gas Tax Program dedicated to municipal infrastructure, and index increases at minimum to the annual rate of inflation and population growth.

Provincial Funding

The MHCA will continue to press for incremental increases to the Provincial Highways Capital Program which, since 2003, has increased at least four fold.

The MHCA is pursuing the following three key budget planning tools around management of its highways construction program to support our mutual business relationship interests:

1.1 Rolling Budget/Carry Forward Capital Expenditures

That the government policies eliminate the practice of lapsing annual appropriations and re-appropriating these same funds in the subsequent fiscal year, and in place permit line departments to simply carry forward capital expenditures. This is a common practice in provinces to the west and east of Manitoba.

This supports sound fiscal, asset and program management practices and is a common practice in provinces to the west and east of Manitoba.

1.2 Early Tender Practices

That early tender practices, consisting of early release of the construction tender schedule, followed by tender calls and contract awards consistent with the schedule be implemented and resourced appropriately:

- That the construction tender schedule be consistently released annually by November;
- That 80 per cent of the program be tendered and awarded November through January;
- That the next 10 per cent (plus any augmented budget amounts) be tendered and awarded before the end of April; and
- That the remaining 10 per cent tendered and awarded before the end of June.

This accommodates fiscal, program and political flexibility.

1.3 Annual and Five-Year Capital Budget

That the provincial government introduces an Annual and Five-year



Capital Budget, to be tabled each January providing the basic details about project type, pre-tender estimate and projected construction schedules. The five-year projections would be adjusted annually to address provincial priorities but provide a long term insight into general provincial investment priorities.

This facilitates fiscal and planning flexibility.

End Product Specification

We recommend that the provincial government with industry, scope areas where it would make economic sense to moving towards 'end product specification' in a phased approach based upon broader discussion and consultation with industry and government as to areas where it should apply.

In addition, the MHCA will address these areas for potential program management adjustments.

This would help reshape the relationship between government and industry. It could lead to greater efficiencies, investment in advanced practices, reinvestment in capital and required HR resources, and ultimately a more competitive and robust industry.

This would also permit MIT resources to be deployed more effectively in planning the asset, managing the capital program, ensuring its timely design, tendering and award.

Alternate Design Bidding

We encourage alternate design bidding, focusing on use of advanced materials which cumulatively focus upon significantly extending the asset life cycle while concurrently significantly reducing life cycle costs which are a capital asset's most significant portion of total cost. This could significantly extend the value and



utility of available capital dollars with which to address an exponentially increasing infrastructure deficit.

MUNICIPAL INFRASTRUCTURE FUNDING

The MHCA continues to work cooperatively and collaboratively with the City of Winnipeg and the Association of Manitoba Municipalities (AMM) to assist in developing and implementing sustained infrastructure investments and funding strategies.

I was appointed by the President of the AMM and Winnipeg Mayor Katz to head the *Infrastructure Funding Council* (IFC) in May 2010. The IFC's mandate includes the development of an overall, comprehensive infrastructure funding strategy and recommendations regarding internal infrastructure funding options within the control of the municipalities, along with recommendations regarding external infrastructure funding options requiring intergovernmental negotiation and/or approval.

RE-BRANDING

As we move into 2011, we will have a fresh, memorable and compelling identity along with a brand strategy for the MHCA and its sub-brands will enhance our ability to realize our vision, discharge our mandate, and articulate messaging that enforces our "Presence, Profile, and Impact."

The brand redevelopment resulted in:

- Visually strong and refreshed MHCA's presence related to its advocacy role in public policies and its relationships with government, stakeholders, the general public and media
- Increased MHCA profile with members, all levels of government, stakeholders, media and the general public
- The MHCA to further enhance its reputation as a leader of, and successful advocate for, sustained infrastructure investment and economic growth
- Achieved an invigorated and consistent brand, identity and look for the MHCA and its sub-brands - Safety Program & Training Academy

The results are:

- A new slogan for the MHCA : '*Groundbreaking*'
- MHCSP will now be called *WorkSafely*

- MHCTA will now be called *WorkForce*
- Logo completed and unveiled at this year's AGM
- New Website also launched at this year's AGM

EDUCATION AND TRAINING

To keep pace with changing environments, the introduction of new practices, and technologies in the workplace, the MHCA will be pursuing a number of strategic directions related to its involvement in education and training.

Comprehensive Education Strategy

The MHCA will lead development of a comprehensive strategy to deliver education and training for the heavy construction industry.

The objective is to assemble a delivery strategy which speaks to the ability to promote and deliver education and training that is a blend of WorkSafely and related vocational training provided by the Manitoba Heavy Construction Vocational Academy (WorkForce), Red River College, the Manitoba Construction Sector Council and including the marketing and promotion of the Gold Seal Program Certification.

Heavy Equipment Operator Training (HEOT)

In addition to the above, the MHCA is in the process of finalizing what will hopefully become the leading heavy equipment operator training program in Manitoba employing the use of training simulators. It is designed to introduce individuals with no experience to heavy equipment operating, equipping them post graduation to take up employment as equipment operators. It will also allow employers to assess and upgrade the skill sets of existing operators.

Certification of HEO & Skilled Laborers - Non Compulsory Trade

The MHCA met with the Director of the Manitoba Apprenticeship Branch. Discussed were a variety of topics under the jurisdiction of the Apprenticeship Branch. The meeting arose as a result of the construction craft worker regulation.

Arising from all of the above was an interest by our Association to further discussions related to the certification or designation of HEOs and skilled laborers as a non compulsory heavy construction industry trade in Manitoba.



We have scheduled a meeting in December 2010 with Apprenticeship Manitoba to pursue the discussions.

Construction Management Degree Program (CMDP)

The MHCA was instrumental in the development of the Construction Management Degree Program (CMDP) at Red River College. Its first intake was in September 2010. The MHCA raised \$60,000 towards an endowment fund, matched by the province seeding a total of \$120,000.

The MHCA will be participating on the program Steering Committee and Practitioners Advisory Committee to ensure relevance.

Gold Seal Committee

The MHCA is represented on the National Gold Seal Committee, by Barry Brown – soon to be its chair – and the MHCA President.

The Gold Seal Program is a national certification program for construction Project Managers, Superintendents, Estimators, Owners', Project Managers, and Construction Safety Coordinators.

Certification is based on the candidate's education, experience and ability to satisfy the rigorous standards of the Program. This includes the successful completion of a Gold Seal exam and achieving a mandatory 80 per cent passing grade.

The Gold Seal Certificate was developed by the industry for the industry and is a voluntary certification program for the individual. The Certificate signifies that the individual has achieved a nationally recognized level of education, experience and competence as a Project Manager, Superintendent, Estimator, Owners', Project Manager or Construction Safety Coordinator.

The Gold Seal Program Business Plan was drafted by the MHCA President based upon a strategic plan and focuses on four areas of priority, namely:

- Marketing Strategy
- Program Elements – Continuous Improvement
- Internal Management
- Financial Management

MANITOBA HEAVY CONSTRUCTION WORKSAFELY PROGRAM

The MHCA remains committed to ensuring all employers paying premiums into the 407/408 WCB rate code category have access

to and use the safety services offered by the MHCA *WorkSafely* Program.

Our program is committed to 'Construction Safety Excellence' and will be directed in that context with periodic and annual reviews designed to ensure that the program meets industry needs.

The Certificate of Recognition Program (COR™) is a trademarked program endorsed by the Canadian Federation of Construction Safety Associations (CFCSA) of which we are a member. The Regulators and the Workers Compensation Board (our funding partner) acknowledge that our industry continues to demonstrate it can self administer this mature, responsible, transparent and successful safety model.

Some strong industry support indicators:

- Currently, there are 145 firms in our industry which are COR™ of which 17 are new to 2010;
- Year to date, 58 companies have registered to train and achieve COR™
- Our target is to reach 250 COR certified companies in 2011

2011 Value Added Services - Specific Action steps

Based upon discussions with industry, safety practitioners and related stakeholders, we will further improve the industry safety program with the initiatives designed to add value and benefit to industry in the following areas:

- Enhanced COR™ Training with no cost increases.
- Weekly and Monthly Safety Communications to more effectively promote COR™ provide timely and relevant safety information and enhance industry safety awareness.



- Increased visibility and presence of Program Safety Advisors in five newly established regions across Manitoba.
- Develop new Company Safety Manual and Annual Safety Subscription Service to help companies ensure their safety program complies with the 14 COR™ Program Elements.
- Pre Third Party Audit Readiness Review to help ensure audit success.
- Cap on Third Party External Audit Fees to provide cost control and predictability.
- External Auditor Accreditation and Maintenance Fees to ensure strong caliber of external auditors and an enhanced audit experience
- COR™ Audit Quality Assurance (QA) Review to test program effectiveness, identify trends and adjust services to service needs accordingly.
- Launch a Safety into Project Design.

Full details can be seen in the 2010 *WorkSafely* year in review section in the Annual Report.

MHCA ACCOMMODATIONS

The search for new accommodations for the MHCA office operation continues. The focus is on objectively determined needs and financial sustainability considerations.

STRATEGIC PRESENCE INTO 2011

We are active members and participants with many stakeholder organizations at the provincial, regional and national levels. This enhances our ability to collaborate, grow strategically and facilitate relationships.

The MHCA has established relationships with key senior municipal and provincial policy administrators, government departments and agencies charged with program, legislation or regulation oversight.

Some examples include:

- Manitoba Water Services Board (MWSB)
- Workplace Safety and Health Branch (WS&H)
- Manitoba Infrastructure and Transportation (MIT)



- Manitoba Conservation (MC)
- Workers Compensation Board of Manitoba (WCB)
- City of Winnipeg Transportation
- City of Winnipeg Water and Waste
- East Side Road Authority (ESRA)

We will continue to be engaged with all levels of government, administrators and organizations leading into 2011.

CONCLUSION

Our success in achieving the above largely depends upon an overall appreciation of and commitment to addressing growth of our economy and the pivotal role that infrastructure — whether core or social — plays in underpinning existing and platforming new economic activity. All other decisions flow for this simple principle.

These are some of the key messages, and priority policy commitments we are hoping can be established with all levels of government, the media, public and related stakeholders.

Of course, without members all would be moot. We therefore thank you and ask you for your continued support.

Respectfully submitted,



Chris Lorenc, B.A., LL.B.
President MHCA

I am pleased to submit my report for inclusion in the Annual Report of the Manitoba Heavy Construction Association Inc. (MHCA) for the year ended June 30, 2010. The financial statements for the year ended June 30, 2010, which are included in this Annual Report have been reported on by MHCA auditor, Charles Wepler, C.A. in August 2010 and were adopted by the Board of Directors on September 8, 2010.

MHCA Financial Statements – Year ended June 30, 2010

Our balance sheet is at variance with the 2009 statement. MHCA assets have been increased by \$69,870.00. This includes the following changes: a cash decrease of \$35,941.00; an accounts receivable decrease of \$9,635.00; a prepaid and deposit increase of \$3,494.00; an increase in investments of \$175,690.00 and a decrease of capitalized assets of \$20,204.00. Two projects continue to be supported by the MHCA these include a \$30,326.00 loan to the WCR&HCA Convention 2013 and an interest free loan of \$50,000.00 extended to the Manitoba Heavy Construction Training Academy. At year-end the payables on hand were increased by \$26,675.00 and deferred revenues were increased by \$20,045.00.

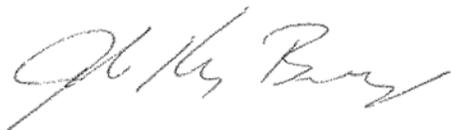
The MHCA posted a net gain of \$23,150.00 which is attributable to growth in new membership contributions. The MHCA Board of Directors is budgeting for future office relocation and increased costs associated with such a move.

The MHCA Board, by policy, attempts to maintain cash reserves equal to one half year's operating revenues. MHCA Auditor Charles Wepler C.A. has recommended that the MHCA Board attempt to maintain reserves in the area of \$290,000.00.

TRIP/CANADA – Manitoba Chapter – Year ended June 30, 2010

On behalf of its contributing members the MHCA has continued to maintain its annual commitment of \$6,250.00 to be given to TRIP/Canada to continue its work on behalf of the industry. In order to build up reserves the MHCA Executive elected to include a small, voluntary surcharge on all memberships invoiced since November of 2001. This initiative has continued to be supported by the membership.

Respectfully submitted,



Henry Borger

MHCA Secretary/Treasurer



1. PRE-BUDGET SUBMISSION

In August, CCA submitted for the consideration of the House of Commons Standing Committee on Finance its 2011 Pre-Budget submission. The submission made seven (7) recommendations:

- 1) The federal government make permanent its rebate of the GST paid on all municipal purchases.
- 2) The federal government increase from \$2 billion to \$5 billion annually the amount transferred to municipalities under the Gas

Tax Program. Furthermore, through discussions with the provinces, the federal government ensure that any increase in direct federal funding for municipalities does not lead to a corresponding decrease in provincial-municipal funding.

3) The federal government in cooperation with the Council of the Federation, further research the links between infrastructure funding and productivity, and develop a long-term national infrastructure investment plan and cost-share equally its implementation among all three orders of government. As part of this effort, consideration should be given to the development of new policy prescriptions designed to provide municipal governments with greater financial flexibility and permit them to expand their revenue collection powers beyond property taxes and development charges.

4) In order to permit colleges to engage in a program of modernization to meet the growing demand for additional skilled workers today and the needs of tomorrow, the federal government extend the Knowledge Infrastructure Program at a funding level of \$1 billion annually over the life of the Building Canada Plan.

5) In order to increase the effectiveness of the Apprenticeship Job Creation Tax Credit, the federal government change current tax policy to make the credit a true incentive.

6) The federal government increase, on a time-limited basis (over the life of the Building Canada Plan), the capital cost allowance rate for equipment purchases covered by Classes 10, 16, and 38, to 50 per cent and depreciable on a straight-line basis.

7) Federal tax policy be amended to permit tax deferral of capital gains on the sale of investment properties if the proceeds are

reinvested within one-year of the sale into energy improvements.

On October 5th, CCA Chairman, Mr. Wayne Morsky, appeared in Ottawa before the Finance Committee to discuss these recommendations with Members of Parliament. The Committee is expected to table its report to the Government later this fall. To view Mr. Morsky's appearance, please visit: <http://parlvu.parl.gc.ca/ParlVu/ContentEntityDetailView.aspx?ContentEntityId=6559>.

2. HOURS OF SERVICE

On behalf of CCA members, the association continued to pursue throughout 2010 an exemption from the federal Hours of Service regulations.

In November 2009, the association submitted on behalf of the industry a request for a limited exemption for drivers of federally regulated companies working in the road building industry, which remains under active consideration by Transport Canada officials. Throughout the year, the department has made several requests of the association for additional information, the last of which made this fall. CCA is working with its provincial partner associations to collect the requested information and now hopes to have a decision on the application rendered by the Minister before the start of the 2011 summer construction season.

The exemption, if approved, will add additional hours to the number of hours a driver can work when operating under Cycle 1 and Cycle 2.

- For Cycle 1, drivers would be permitted an additional 10 hours, increasing the weekly maximum from 70 to 80 hours per week, with a minimum of 36 hours off to reset the cycle schedule.
- For Cycle 2, drivers would be permitted an additional 20 hours, increasing the biweekly maximum from 120 to 140 hours per week, with a minimum of 72 hours off to rest the cycle schedule.
- In both cases, drivers would be required to respect the existing daily maximums, which limit drivers to no more than 13 hours of driving within a 24-hour period.

While the exemption would only apply to federally regulated companies, it remains the hope of CCA that provincial governments will implement similar changes to their respective Hours of Service regulations.



Next Steps

Transport Canada has asked for several pieces of additional industry information in order to complete its analysis. The information required is as follows:

- a) Provincial carrier safety profiles from CCA federally regulated members. These profiles will help substantiate claims CCA made in its exemption application regarding the paramount role of safety within the industry;
- b) Company vehicle profiles for those companies that would be eligible for the exemption;
- c) Information on how members currently track hours (i.e. payroll or informal logs); and
- d) Additional information regarding industry driver-training practices and use of Fatigue Management Programs.

CCA will be working with our provincial road builder and heavy construction Partner Associations across the country to collect the data requested by Transport Canada. The Minister is not expected to render a final decision on the CCA submission until the spring of 2011.

In order to avoid the current request for a Winter Maintenance exemption from derailing the larger CCA exemption request, the CCA's Civil Infrastructure Council approved in September a decision to remove Winter Maintenance from the existing submission. A separate submission requesting a Winter Maintenance exemption will be submitted later this fall, with an expectation that a decision from the Minister will be rendered in time for the 2011-12 winter season.

3. INFRASTRUCTURE STIMULUS DEADLINE

On Monday, October 4, Canada's Minister of Finance once again announced that the federal government would end all stimulus programs on March 31, 2011. However, for the first time, the Minister stated that the government will be "reasonable and fair" in applying the deadline to projects that may have been unfairly delayed due to extreme weather or other circumstances beyond the control of contractors and municipal/provincial partners.

At a meeting with the new Minister of Transport, Infrastructure and Communities on October 7, the Minister confirmed the govern-



ment's intention to be fair in its treatment of projects that are near completion but not finished by the March 2011 deadline.

CCA has been lobbying publically for the adoption of a policy of fairness in the application of the deadline to infrastructure stimulus projects. As such, CCA strongly supports this modification to current government policy.

4. CAREERS IN CIVIL CONSTRUCTION

At the CCA's 2010 Annual General Meeting, its Board of Directors approved an expenditure of \$20,000 for the development of a national website designed to promote careers in civil construction to youth.

Over the course of the past 8 months, CCA staff have been working with web designers and a video production company in developing the website. Work has been slower than expected due to delays in arranging on-site video shoots with contractors. The work is now near completion and the website should be live as of early November.

5. CEAA REVIEW

The Canadian Environmental Assessment Act is up for review this year. Hearings by the House of Commons Standing Committee on the Environment will be taking place over the course of the fall. CCA will take advantage of this opportunity to appear and lobby for reforms to the Act that simplify the process, remove duplication and increase timeline certainty throughout the process.

Jeff Barnes of Stantec, CCA's representative on the CEAA Regulatory Advisory Committee, will be leading CCA's lobby and appearing with the association during the Parliamentary hearings.



Based on the direction approved by the Board of Directors in September, CCA will be lobbying for the following positions concerning the upcoming Parliamentary Review of the Canadian Environmental Assessment Act (CEAA):

- The Parliamentary Review consider addressing the fundamental flaws in the current Act, including the triggering mechanisms, duplication, reciprocity, substitution, process uncertainty, timeliness, and the assessment of inconsequential projects;
- The adoption of mechanisms to further reduce duplication and provide proponents with greater process certainty;
- Consider the development of a National Framework for environmental assessment that achieves equivalency and reciprocity between jurisdictions, strives for the basic objective of “one project, one assessment” and gets the Government of Canada out of the business of duplicating the efforts of other jurisdictions;
- The legislation have the following features:
 - o The Government of Canada assess only projects where they are the proponent, where environmental effects are trans-boundary, or no other jurisdiction requires an assessment;
 - o No requirement for environmental assessment where there is simply a transfer of federal lands, federal funding or a federal permit issued; and
 - o A list-based approach to triggering assessment.

The Parliamentary Review should lead to substantive amendments to the CEAA in 2011.

6. NEW INTERNATIONAL ACCOUNTING RULES

The CCA Finance Committee has been monitoring a proposed new international accounting guideline for revenue recognition which some feel will significantly limit the ability of construction firms to utilize the percentage completion method of revenue recognition. The standard proposes to have revenue recognized only upon the transfer of control of goods or services to a customer. Under the proposal, the percentage of completion method would only apply if the contractor transfers control throughout the contract, i.e. if the customer owns the work in progress as it is built or developed.

Committee members met with representatives of the Canadian

Accounting Standards Board. Upon reflection, CCA believes that if the new guideline is interpreted in a manner that treats improvements to real property as a continuous transfer, the guideline would have minimal impact. CCA along with the Surety Association of Canada is filing a Comment Letter with the International Accounting Standards Board asking that this be clarified.

7. TRIP CANADA

Annual Infrastructure Report

Even though infrastructure is currently front and centre for the federal government, municipal and industry officials want to ensure ongoing attention to the country’s roads, bridges, highways and sewers after the federal stimulus program ends.

In partnership with the Federation of Canadian Municipalities (FCM), the Canadian Society for Civil Engineering (CSCE) and the Canadian Public Works Association (CPWA), CCA has been working on the development of an annual National Report Card on the State of Canadian Infrastructure.

The report card will provide an accurate picture of the value and state of Canada’s core public infrastructure and the cost of maintaining it. The report aims to depoliticize the issue by providing just accurate facts with no advocacy spin or messaging.

The National Report Card will be an annual tool designed to raise awareness among the public and elected officials. Similar initiatives exist in United States, United Kingdom and Australia, and are successful tools in maintain public focus on infrastructure issues.

The report card is expected to be unveiled in spring of 2011. CCA and FCM will promote the report at the upcoming National Infrastructure Summit hosted by the City of Regina, from Jan. 26 to 28, 2011.





8. CCA-NATIONAL ACCOMPLISHMENTS

Over the past year, CCA has made significant progress in advancing the public policy priorities of their members. The following are some of the recent CCA accomplishments:

i. Infrastructure Investment

CCA launched an intensive lobby campaign prior to the January 2009 Federal Budget to ensure that any stimulus measures in that Budget included infrastructure investment.

The result was some \$12 billion in infrastructure measures, of which \$11 billion was new money, in addition to the Government's previous \$33 billion commitment.

For the Province of British Columbia, we know that since the Canada – B.C. Framework Agreement was signed in November of 2007, the federal government has announced the following:

- Over \$504 million for some 422 “shovel-ready” projects worth over \$1.2 billion under the Infrastructure Stimulus Fund;
- Close to \$199 million for 124 projects for small communities under the Communities Component of the Building Canada Fund;
- \$734 million for 28 major projects funded under the Major Infrastructure Component of the Building Canada Fund; and, (as previously mentioned),
- Some \$237 million for 44 projects at post-secondary educational institutions throughout the Province under the Knowledge Infrastructure Program.

As well, over the life of the Canada-B.C. Framework Agreement, which ends in 2014, the federal government will provide municipa-

lities in British Columbia with their per capita share of some \$1.5 billion from the Gas Tax Fund.

ii. Federal Contracting Practices

Earlier this year, CCA reached an agreement with Public Works and Government Services Canada regarding the introduction of provisions into the standard PWGSC construction contract, which will limit the liability of the Contractor for damage to existing federal property.

In the spring, CCA issued a Bulletin cautioning its members on the current unlimited liability they incur when doing renovation work on existing federal buildings. Federal buildings are not insured against damage or loss since the federal Crown self-underwrites that risk, however, the federal government contract conditions do not limit the contractor's liability for such damage or loss.

CCA was able to negotiate successfully with PWGSC revised contract wording that limits the Contractor's liability for damage to existing Crown property in a similar fashion to the approach used in CCDC2-2008. The new provisions are expected to be in place for PWGSC projects in the very near future. Defence Construction Canada (DCC) has also agreed to adopt this language.

CCA is now working on reaching a similar agreement with other federal authorities, as well as the Federal Government's AFD Contractor SNC-Lavalin O&M.

iii. Gold Seal Program

The Gold Seal Certification Program has gained considerable momentum in recent years, and is proving to be a timely and cost-effective investment for construction employers in terms of corporate HR recruitment, employee retention and professional development strategies.

The program is part of the overall CCA strategy to provide construction professionals with recognition for their educational and professional achievements, which will in future will help the industry with recruitment and employee retention.

There are now some 7,500 Gold Seal certified individuals.





iv. Standard Documents

A major part of what CCA does is the development and promotion of national industry best practices, including standard construction forms and industry guides.

New documents include:

- Through the Canadian Construction Documents Committee, a full suite of new CCDC Construction Management Contracts has been developed (in conjunction with Partner Associations, CCA is running a series of countrywide seminars on these new documents);
- An updated version of the Trade Contractors Guide and Checklist to Construction Contracts; and
- A new P3 Guide to help educate members of the roles and responsibilities a contractor assumes when working on a Public Private Partnership project.

CCA also collaborated earlier this year with regional and provincial Associations to make available to all CCA member firms at no cost to them a set of the most widely used standard forms and guides as a clear and tangible benefit of being a member firm of CCA.

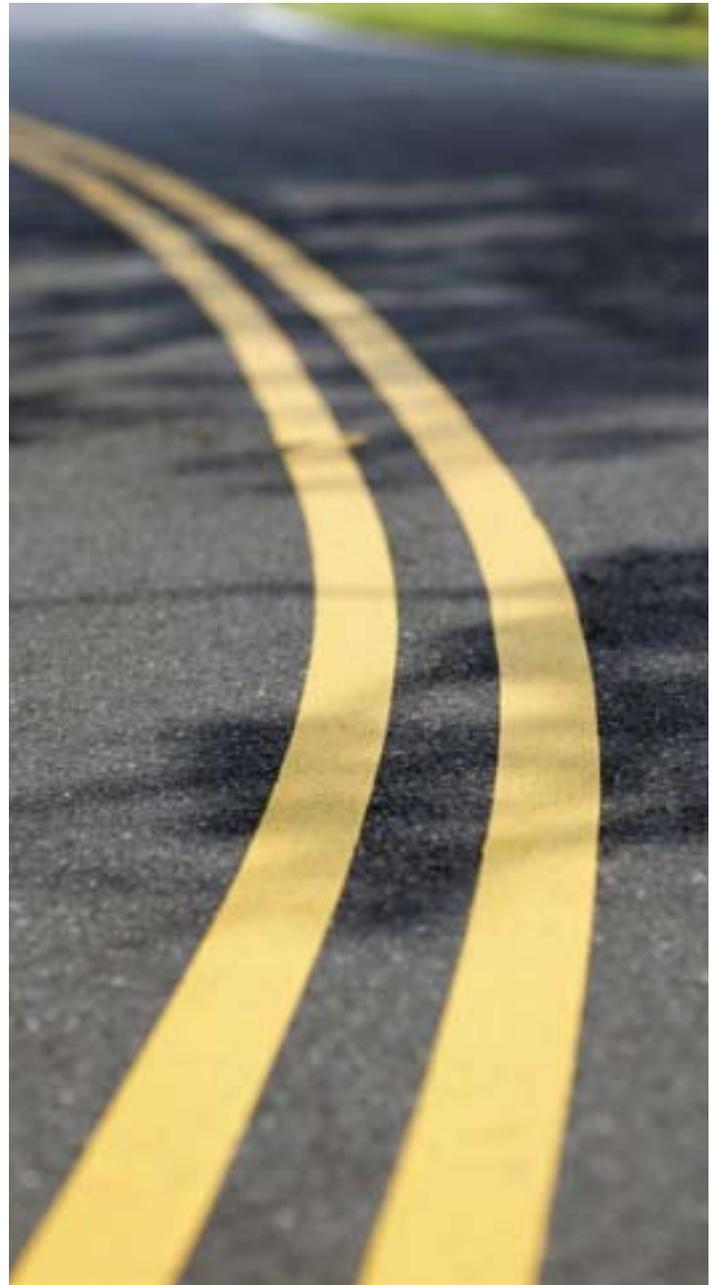
Other priority documents that we are currently working on include:

- New CCDC Design-Build Contracts;
- New CCDC Guide on Prequalification; and
- The new CSA Standard on Building Commissioning.

Respectfully submitted,

A handwritten signature in blue ink, reading "Wayne Morsky", is positioned below the text "Respectfully submitted,".

Mr. Wayne Morsky
CCA Chairman





The CCA's Gold Seal Certification program is a national certification program for construction Project Managers, Superintendents, Estimators, Owners' Project Managers and Construction Safety Coordinators. Certification is based on the candidate's education, experience and their ability to satisfy the rigorous standards of the program. This may mean the successful completion of a Gold Seal exam.

Having attained the Gold Seal Certificate the individual can be assured that he/she:

- Has met the Highest Industry Qualification Standards
- Has Achieved a Recognized Skill & Competence Level
- Has Acquired National Recognition
- Has Acquired Individual Professional Recognition
- Has Enhanced Career Opportunities
- Enhanced the Image of the Construction Industry

The Gold Seal Certification program was developed by the industry for the industry and is a voluntary certification program for individuals. The Canadian Construction Association considers Gold Seal Certification a key part of the services offered to their members and are proud to have been integral in the implementation and delivery of this certification. Gold Seal Certification is increasingly recognized as the national standard for the construction industry.

The program has experienced phenomenal growth in the last couple of years; in 2009 the program received over 1100 applications from candidates seeking certification. This increase was partly due to the changes to the requirements that took effect January 1 2009. So far this year the program has received close to 500 applications for certification. Although the numbers are lower than the previous year, the interest in the program seems to be at its peak. Many firms have requested Gold Seal presentations in order to comprehend the certification requirements and to implement company wide certification among their staff. These firms understand the importance of professional development as well as maintaining a competitive advantage. Employers are assisting their staff with the application process, including the cost of the application fee and locating the appropriate education to meet the certification requirements.

The accreditation element of the Gold Seal Certification Program is also gaining momentum. Construction management education is an integral part of the program, one of the functions of the accreditation program is to review and accredit construction management courses which are then promoted to the industry as a whole. In order to maintain the relevance and currency of these offerings, program guidelines require that all courses be re-accredited every five years.

There have been over 130 construction management courses/seminars accredited in 2010. There over 700 construction management courses/seminars that are Gold Seal accredited with new courses being submitted on a weekly basis. Course availability is essential to the program as the National Gold Seal Committee is considering implementing a mandatory education requirement.

The Gold Seal Projects concept also continues to evolve. The following projects have been designated in 2010:

- University of British Columbia Okanagan - Engineering and Management Building, Kelowna, BC
- Perimeter Institute, Waterloo, ON
- Research in Motion's office Building, Waterloo ON
- Organic Waste Processing Facility, Guelph, ON
- La cité verte, Québec, QC



Gold Seal Report



The objectives of the Gold Seal Project are to: promote Gold Seal Certification in construction management, demonstrate excellence in construction management, showcase professionalism and enhance the image of the construction industry.

During the span of the project, the construction management team will endeavor to achieve Gold Seal Certification with the assistance of the local construction association; such as onsite promotion of the program, tool box talks, lunch and learns, information about the program and local educational offerings.

The National Gold Seal Committee continuously focuses on program development and as such a review of the Roadbuilding & Heavy Construction profiles and exams was recently completed with exams shelf ready for the April 2010 writing. Currently underway is the review of the General Contracting profiles and exams as well as a review of the Construction Safety Coordinator profile and exam.

The committee held a strategic planning session in late April 2010 and are currently reviewing their 3 year Business Plan. They are committed to continue to work on initiatives such as; reciprocity agreements with international bodies, developing marketing campaigns to all sectors of construction and exploring developing further designations. There are numerous other initiatives underway by the National Gold Seal Committee - for further information on the Gold Seal Certification program, visit our website at www.goldsealcertification.com.

Respectfully submitted,

Stephanie Wallace

Gold Seal Program Manager

Groundbreaking MHCA

