



MEDIA RELEASE

Manitoba Heavy Construction Association Supportive of 2013 Federal Budget

Budget 2013 highlights importance of investment in infrastructure to fuel economic growth

(Winnipeg, MB - Friday March 22, 2013) – The Manitoba Heavy Construction Association (MHCA) was encouraged by several important initiatives included in yesterday's federal budget, including the announcement of the new *Building Canada Plan* and government commitment to improve labour market training across Canada.

"Sustained investment in infrastructure fuels economic growth," said Chris Lorenc, MHCA President. "The investments announced in Ottawa help all governments in Manitoba continue the process of infrastructure renewal to support a competitive economy."

The budget announced yesterday \$70 billion for infrastructure construction over the next 10 years. This includes \$47 billion for the new *Building Canada Plan*, \$7 billion for infrastructure construction on First Nations lands and \$10 billion to improve federal buildings and infrastructure assets. Combined, these investments will help ensure fluidity and predictability, while guaranteeing the progress of the past seven years is not undermined by funding gaps created between programs. The government also announced that the Gas Tax Fund will be indexed at two per cent beginning in 2014-15.

MHCA was also pleased with the government's focus on improve labour market training. Canada's construction industry will need to attract hundreds of thousands of new workers by 2020 in order to keep pace with retirements and increased demand.

"Many construction firms are experiencing shortages of skilled workers today and the commitments announced in Ottawa should help remedy this situation," said Lorenc. "Getting skills development right will be critical for the construction sector moving forward. With construction demand and industry retirements expected to rise throughout the decade, there is no time to waste."

The Manitoba Heavy Construction Association (MHCA) is a trade organization representing heavy civil construction and related industries in Manitoba. The industry provides great jobs and career opportunities to an estimated 17,000 Manitobans. For more information on MHCA, please visit www.mhca.mb.ca

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Additional Budget 2013 highlights of interest to the Manitoba Heavy Construction Association:

Canada Job Grant

- Transforming the \$500-million-per-year Labour Market Agreements in 2014–15 to introduce the Canada Job Grant.
- Renegotiating the \$1.95-billion-per-year Labour Market Development Agreements with provinces and territories to reorient training toward labour market demand.

Apprenticeship Measures

- Reallocating \$4 million over three years to work with provinces and territories to increase opportunities for apprentices.
- Introducing measures that will support the use of apprentices through federal construction and maintenance contracts, investments in affordable housing, and infrastructure projects receiving federal funding.
- Reducing barriers to apprenticeship accreditation, including examining the use of practical tests as a method of assessment for apprentices.

Career Promotion

- Reallocating \$19 million over two years to promote education in fields where there is high demand from employers.

Accelerated Capital Cost Allowance

- \$1.4 billion in tax relief for manufacturing and processing sectors over the 2014–15 to 2017–18 period through a two-year extension of the temporary accelerated capital cost allowance for new investment in machinery and equipment.

Small Business Support

- \$225 million to expand and extend the temporary Hiring Credit for Small Business for one year in recognition of the important role that small business play as job creators in the Canadian economy.
- \$110 million over five years to increase support for small business owners by increasing the Lifetime Capital Gains Exemption to \$800,000 and indexing the new limit to inflation.
- Continuing to reduce red tape and improve services for small businesses.

Trade and Investment

- Enhancing Canada's foreign trade zone policies and programs to strengthen our globally competitive business environment.
- Extending Export Development Canada's domestic activities in order to provide capacity in the domestic credit market to meet the needs of Canadian exporters, in a manner that complements private sector lenders.

New Building Canada Plan

- Over \$53 billion in investments, including over \$47 billion in new funding in support of local and economic infrastructure projects over 10 years under a new Building Canada Plan starting in 2014–15, including:
 - \$32.2 billion over 10 years under a Community Improvement Fund to build roads, public transit, recreational facilities and other community infrastructure across Canada.
 - Indexing of the Gas Tax Fund at 2 per cent, beginning in 2014-15.
 - \$14 billion for a new Building Canada Fund to support major economic projects of national, regional and local significance.
 - \$1.25 billion for the renewal of the P3 Canada Fund to continue supporting innovative ways to build infrastructure projects faster and provide better value for Canadian taxpayers through public-private partnerships.
 - \$6 billion to provinces, territories and municipalities under current infrastructure programs in 2014–15 and beyond.
 - Significant investments in First Nations infrastructure such as roads, bridges, energy systems as well as other First Nations infrastructure priorities, including:
 - \$155 million over 10 years from the new Building Canada Fund, in addition to allocations from the Gas Tax Fund.
 - Approximately \$7 billion over the next 10 years under existing programming to build, operate and maintain infrastructure on reserve.
- Over \$10 billion in investments in federal public infrastructure assets

Research and Innovation

- \$37 million in new annual support for research partnerships with industry through the granting councils, including \$12 million to enhance the College and Community Innovation Program.
- \$225 million to be used by the Canada Foundation for Innovation to support advanced research infrastructure priorities and sustain the long-term operations of the Foundation.
- \$121 million over two years to invest in the strategic focus of the National Research Council to help the growth of innovative businesses in Canada.
- \$20 million over three years to help small and medium-sized enterprises access research and business development services at universities, colleges and other non-profit research institutions of their choice.