



Decades of Infrastructure Neglect requires New Fiscal Deal for Manitoba's Municipalities

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Mayor Brian Bowman and council need to be reminded that reversing decades of neglect in Winnipeg's infrastructure needs to be a top priority as they deliberate on the municipal budgets this month. Further, the extent of Winnipeg's infrastructure deficit estimated at \$8 billion and the provincial wide deficit of \$14 billion, requires negotiating a 'New Fiscal Deal' for Manitoba's municipalities.

Heading into last fall's civic election, the public made it clear that addressing the \$8 billion core municipal infrastructure deficit was its top priority.

Now almost four months after the election a new poll conducted by Probe Research shows that concern about the condition of our core municipal infrastructure continues to be the public's #1 priority.

Virtually all Winnipeg adults (96 per cent) say it is important to continue investing in core infrastructure including streets, sewers and water mains. Three-quarters of Winnipeg adults (74 per cent) think that investing in core infrastructure should be a "high priority", bolstered by 22 per cent that indicate it is a "medium priority" according to Probe Research.

So the support for the *Fix My Infrastructure* message during the civic election just under four months ago has not changed. Winnipeggers continue to believe the condition of infrastructure is the single-biggest challenge facing the City of Winnipeg – surpassing crime, jobs and the economy, taxes and health care – in that order. Infrastructure has consistently been ranked as the number one issue facing Winnipeg for the past two years, significantly higher than the second highest-ranked issue (crime at 28 per cent).

So what can be done?

Our municipal leaders must first demonstrate an understanding that sustained and strategic investment in infrastructure fuels economic growth generating revenues necessary to fund our social programs, therefore quality of life - this is our economic and social well being program. They must therefore commit linking infrastructure investment to principles.

Focusing infrastructure investment on economic growth for example, will not only help address the condition of our infrastructure, it pays back handsomely in terms of economic return. The Conference Board of Canada for example conservatively estimates that for every \$1 invested in infrastructure, the return to the economy is \$1.16. Canadian and United States studies show that for every \$1 billion invested in infrastructure between 8,000 and 36,000 jobs are created.

That economic link is further well established in a series of reports released within the last two years by the Canada West Foundation. Moreover, Premiers in their January 2015 Charlottetown meetings had presented to them this same message by Kevin Lynch, currently Vice-President of the BMO Financial Group and formerly clerk of the federal privy council.

In support of the above, the Mayor and Council are encouraged to commit to core infrastructure investment planning built upon six organizing principles: a permanent plan; focused on economic growth; embracing innovation; harnessing partnerships with the private sector; transparently funded by dedicated revenue streams; and undergoes regular public reviews for results and adjustments.

Further, the Mayor and Council should build upon the existing *'Dedicated Regional and Residential Streets Reserve Accounts'* strategy which transparently and predictably revenue streams to begin incrementally addressing Winnipeg's almost \$8 billion infrastructure investment.

Last and most importantly, given that Manitoba's municipalities even with found efficiencies do not have the revenue streams with which to address Manitoba's \$14 billion infrastructure deficit, Mayor Brian Bowman should champion pressing the Premier to negotiate a fair, balanced and responsibly shared New Fiscal Deal for municipalities with which to address our almost \$14 billion municipal infrastructure deficit.

It should be clear that such a New Fiscal Deal is in our collective economic and social well being interests.

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