



The Heavy News Weekly



Province Responds To Auditor General's Report on Management of Provincial Bridges

Taken from the Province of Manitoba media release from July 21, 2016

Earlier today, the Office of the Auditor General released its report Management of Provincial Bridges and the report calls for improvements to be made to the inspection and maintenance of Manitoba's highway and waterway bridges, Infrastructure Minister Blaine Pedersen said.

"This report indicates that under the previous administration, critical infrastructure was allowed to erode and bridge safety was potentially compromised," said Pedersen. "Our government is already working to implement the recommendations of the auditor general and timelines are in the process of being established. We are confident that we will be able to restore public confidence in the safety of our province's critical infrastructure."

Manitoba Infrastructure will regularly update Manitobans on the progress of implementation of the report's recommendations, the minister said. Further opportunities for improvement will also be explored through the value for money audit, which will begin in the short term, he added.

Bridge inspections continue, both through Manitoba Infrastructure and via two tendered contracts, totalling close to \$510,000, which will ensure the timely inspection of 240 structures in the highway network, as well as an additional 80 structures on the water control network. In total, the province will be completing approximately 920 Level 2 inspections in 2016-17.

Minister Pederson went on to promise that all bridges and other critical infrastructure in Manitoba will continue to be inspected, maintained and repaired. The Manitoba government seems to be making the maintenance of this Infrastructure a priority.



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Upcoming MHCA Meetings

Education, Training and Gold Seal -

August 04, 2016
MHCA Office - 12:00 Noon

MHCA Executive Committee Meeting -

September 07, 2016
MHCA Office - 12:00 Noon

MHCA Board of Directors Meeting -

September 14, 2016
Fort Garry Place - 12:00 Noon

MHCA Executive Committee Meeting -

October 19, 2016
MHCA Office - 12:00 Noon

MHCA Annual General Meeting -

November 18, 2016
RBC Convention Centre - 9:30 am

MHCA Board of Directors Meeting -

November 18, 2016
RBC Convention Centre - 11:00 am

MHCA Executive Committee Meeting -

November 30, 2016
MHCA Office - 12:00 Noon

MHCA Executive Committee Meeting -

January 18, 2017
MHCA Office - 12:00 Noon

MHCA Board of Directors Meeting -

January 25, 2017
Location TBD - 12:00 Noon

2016 MHCA Annual Golf Classic



Team Captains:
If you haven't done so already, please submit the names of the golfers on your team ASAP to christine@mhca.mb.ca
Thank you

Wednesday, August 10, 2016 | Elmhurst & Pine Ridge Golf Courses

SOLD OUT

All incoming registration forms will be placed on a wait list. If an opening becomes available, we will contact the company by phone.

Please note only registrations cancelled prior to July 20, 2016 will be refunded.



5 Minutes for Business

Crash Dammit! Have Canadian Real Estate Prices Climbed Too High?

July 12, 2016

In 1997, there was a famous [cover story in the Economist](#) about American stockmarkets entitled “Crash Dammit!” Frustrated analysts just couldn’t understand why massively overpriced shares kept on rising year after year. Surely, a crash was coming! Instead, investors rode three more of the best years of the dot-com boom...then it did crash in 2000. The point is it’s impossible to predict when a bubble will burst.

After years of experts – including the [IMF](#), [the Bank of Canada](#), the [OECD](#), [Canada’s biggest banks](#) and its [biggest mortgage insurer](#) – warning that Canadian real estate is overvalued and cruising for a bruising, it must be time to write our own “Crash Dammit!”

The trouble is that Canada effectively has three housing markets. In Toronto and Vancouver, price growth is soaring 16% per annum, and affordability has plummeted to crisis levels. Then, there is a boring middle tier of cities – Ottawa, Quebec, Regina, Montreal is a little hotter – where home prices have been mostly stable, rising around 1.5-3% per year over the past five years. Finally, there are parts of Alberta and Newfoundland where home prices are declining.

The extreme divergence shows up in the Price to Household Income ratio, [which is normally 3 to 4](#) (e.g. if household income is \$50K, then a home costs \$150K to \$200K). Once that ratio reaches 6 or 7, we get into bubble territory. The only markets that are flashing red warning signs are Toronto and Vancouver.

That’s why we’re worried that a flood of foreign funds is pushing real estate skyward. In the 12 months through June 2015, [Chinese investors bought \\$18.4-billion \(U.S.\) of real estate in Australia and \\$28.6 billion in the United States](#). Canada (incredibly!) doesn’t have hard data on foreign real estate sales, but [National Bank estimates](#) that Chinese buyers account for one third of Vancouver’s condo market.

But the second factor is that Toronto and Vancouver have accounted for almost all of Canada’s job creation over the past year. This is a world-wide phenomenon where big globalized cities like London, Paris and New York are pulling in the hot new service sector jobs – finance, technology, design – and surging ahead of the rest of their countries.

So the question is what to do? Is the public policy goal affordability for everyone? Reducing speculative risk? Preventing bubbles? Tighter mortgage rules are a good idea, but they haven’t solved the problem. Before we consider taxes on foreign buyers, we need better data and to agree what the goal is. There is not a national policy that will work for Vancouver and St. John’s. We also have to beware of unintended consequences. In 1974, Ontario brought in a [50% tax on profits from land sales](#) to prevent speculation. The [market collapsed overnight](#).

For more information, please contact:

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A Tale of Two Cities: Vancouver and Toronto are in a League of their own

	Average Home Price May 2016	Price Growth in past year (May 2016)	Median Household Income	Price to Income Ratio	Job Growth in the past year at May 2016
Vancouver	1,055,495	16.5%	73,390	14.4	81,600
Toronto	751,908	15.7%	72,830	10.3	77,100
Montreal	354,533	4.7%	73,250	4.8	16,100
Calgary	476,886	2.3%	101,260	4.7	(26,500)
Quebec	266,269	-0.8%	84,160	3.2	(400)
Regina	326,656	2.0%	93,670	3.5	1,600
Winnipeg	290,063	0.9%	77,770	3.7	(3,300)
Ottawa	384,212	-0.5%	101,070	3.8	8,000
Edmonton	382,695	-0.2%	98,480	3.9	30,700
Saint John, NB	165,762	-2.1%	73,600	2.3	(400)
Halifax	294,493	1.1%	82,510	3.6	5,300
St. John's, NL	291,684	-4.3%	91,100	3.2	900
Canada	509,460	13.2%	76,550	6.7	109,000
London	1,173,561		76,397	15.4	
New York City	493,962		85,339	5.8	
USA	360,977		66,414	5.2	



Something Stirring in Singapore?

By Peter G Hall, Vice President and Chief Economist



Arguments are common among economists. It's often said, 'two economists, three opinions.' The mix of economic stagnation, bizarre one-off events, geopolitical turmoil and widespread frustration over the past several years has served up a lot more stuff than normal to battle about. But it gets really complicated when the data themselves declare force majeure and argue with each other. To make matters worse, at the moment it's that elite class of data, the leading indicators, the ones with foresight, that are battling it out. If even they can't agree, then what can we possibly expect analysts to do?

What analysts can agree on is that conflicting leading indicators have added to general confusion. There are indicators on the real side of the economy – US housing markets and consumption of durable goods are on the A-list – which in certain cases are quite positive. Then there are other indicators in the financial world – stock market indexes and copper prices come to mind – that are pointing decidedly downward. Yet this cycle's extraordinary liquidity measures have thrown these into question. If so, we ought to be paying more attention to the ones more closely linked to real activity. Is there a head-turner out there?

Actually, there is. When it comes to global trade flows, Singapore is a known bellwether. Its economy creates a lot of goods for export, but it is also a key global transshipment zone. If things start to move there, then it almost always has implications for several economies in the region. It's in the shipping data that things are starting to move. Vessel arrivals have been rising steadily since late last year, and are now up 6 per cent compared with mid-year 2015, the best stats in three years.

Tonnage numbers for the port are doing even better, up 10 per cent over May, 2015, and the highest year-to-year growth rate since mid-2012. Bulk cargo is driving the increase, posting huge monthly increases since February. However, general cargo has also swung out of a down-trend after a 12-month funk. Container throughput is also up sharply in the last few months, now rising on a year-to-year basis for the first time since February, 2015.

Similar statistics for other ports are nothing like Singapore's. Most of them are holding roughly at the same levels they've notched over the past few years, with little sign of a break in the trend. This is true of ports in the rest of Asia, North and South America and South Africa. It is also occurring amidst a glut in global shipping capacity, and increasingly gloomy results for the Baltic Dry and Harpex indexes of global freight rates.

In this context, how is Singapore bucking the trend? Is it gaining market share at the expense of others? Not likely; no other port is showing a significant down-trend, and it is unlikely that Singapore would have the same negative effect on all other ports collectively. Also, it doesn't seem to be signing on more ship registrations than other ports. It's possible that the explanation is, once again, that Singapore is first out of the gate, with others to follow. Perhaps it is capturing activity related to lower global oil prices, which not only make shipping costs lower, but more importantly, boost cash flow and economic activity in nations that are net importers of crude. It could be that China's ever-wealthier consumers are catching on (there is interesting movement in incoming goods traffic in Hong Kong). It's also possible that Singapore's connection to India – now growing faster than China – is paying off. Time will tell; for now, the growth itself is exciting.

With little external corroboration of the U-turn in Singapore's shipping data, the best we can do at present is watch and wait. It's also important to remember that, with the exception of oil shipments, cargoes moving in and through Singapore are still a good bit lower than at the previous peak in 2014. They may be mounting a comeback, but they are still a good distance from setting new records. As such, the broader impacts on investment and employment are still not affected by current movement. However, if sustained, today's growth will in short order begin to drive employment and investment decisions, especially if shipping activity elsewhere is also on the up and up.

The bottom line? Singapore's shipping data is on an upswing. Economists will argue about whether this is really significant – until either the trend catches on elsewhere or fizzles out. Right now, there's enough growth to capture the attention, and at the very least, it's worth keeping an eye on.

Highly-skilled foreign workers have role to play: CBTU



Written by Richard Gilbert for the Journal of Commerce website on July 11, 2016 and published in the Canadian Construction Association newsletter

Canada's Building Trades Unions (CBTU) has put forward recommendations to a federal parliamentary committee reviewing the Temporary Foreign Worker Program (TFWP) that support the use of foreign nationals in highly-skilled construction occupations. Highly-skilled foreign workers have role to play: CBTU

"There are some very legitimate uses for temporary foreign workers (TFWs), simply because of the demographic issue we have with 36 million people in the country," said Bob Blakely, Canadian operating officer with CBTU. "We don't have enough people in high-skilled trade streams, during things called shutdowns and outages as well as some peaks of construction activity."

According to Blakely, an outage occurs when an industrial facility, such as the Lanxess plant in Sarnia, Ont. or the Syncrude plant in Fort McMurray, Alta., is shut down for a 42-day period. The shutdown is a scheduled down period for plant maintenance. It involves taking the plant apart, putting the plant together again and getting the plant back into operation.

"It's like rolling a dice in terms of whether or not we will get the high-skilled workforce that is needed over that 42-day period," said Blakely. "So, we end up getting people from countries like the United States and Ireland. We get people whose skills have been previously assessed and can function in a high-skilled, high-stress and relatively dangerous job. They will be doing an equivalent job to a Canadian."

The CBTU gave testimony in front of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) on May 18. The HUMA committee, which is currently reviewing the TFWP, has 10 members including six Liberal MPs, three Conservative MPs and one NDP MP.

The hearings began on May 11 and witnesses were heard over five sessions with the final session taking place June 1.

The CBTU argues the TFWP serves an important role in the Canadian economy by temporarily filling the demand for high-skilled workers when there is a proven shortage of qualified domestic workers.

This position also stresses that the main problems with the TFWP are the result of a rapid expansion in the number of low-skilled workers under the previous Conservative government.

These problems include wide-spread abuse by contractors, such as labour code, employment standards and human rights violations, as well as low wages, illegal brokers, employer fraud and the displacement of Canadian workers.

In response, the CBTU recommends that the TFWP should be used to increase training opportunities for Canadians.

This could be achieved by requiring employers to open up an apprenticeship spot for a Canadian when a TFW with a journeyperson's qualification in the skilled trades is permitted to enter the country.

"We think companies, as part of the commitment to the Canadian economy, should hire an apprentice as part of this transaction," said Chris Smillie, senior advisor, government relations and public affairs with the CBTU, during testimony on May 18.

"If the company cannot — due to scale, size or logistical challenge — a fee of perhaps \$10,000 could be paid by the company to the receiver general.

"These funds could then be used for an appropriate labour market information system or placed in the Canada job grant system or a similar training infrastructure fund."

Smillie said the TFW permit should be denied if the employer fails to agree to these options and demonstrate a commitment to the Canadian training system.

"If you are not contributing to the pool of workers in Canada and you have to go and seek a workforce from somewhere else, what have you done to help?" asked Blakely. "If you haven't trained anybody aren't you part of the problem?"

From his perspective, employers who don't make a commitment to training are being bailed out or subsidized by the federal government through the TFWP.

As a result, these employers may gain an unfair advantage over their competitors because they are allowed to hire foreign nationals who are forced to work for lower wages than their Canadian counterparts, he added.

The CBTU argues the TFWP should not take the place of a permanent immigration system. In addition, the increased dependence of the Canadian economy on the TFWP should be reduced by increasing the mobility of the Canadian workforce and training Canadians in the skilled trades.

The HUMA committee began consideration of a draft report on the TFWP at a meeting on June 13.

The final report, which was expected to be released before the end of June, is still pending.



BUILDING CENTREPORT SOUTH: AN ECONOMIC BOOM FOR WINNIPEG

Members of Winnipeg City Council toured CentrePort Canada's footprint last month, where they received an up close look at the enormous economic opportunity that has emerged for the city.

"The economic potential of developing CentrePort South is staggering," said Diane Gray, President and CEO of CentrePort Canada Inc.

"We are talking about nearly \$1.5 billion in new private investment and nearly 1,000 new jobs - opportunities that are waiting for CentrePort's city lands to become available."

The tour took council through CentrePort's 20,000-acre footprint, which includes CentrePort North (RM of Rosser lands) and CentrePort South (City of Winnipeg lands). Development to date has been clustered in CentrePort North, where more than 270 acres have been developed or are in development by 46 different companies including major new operations by FedEx Freight, Canada Cartage and Cassidy Manufacturing.



The tour, which included representatives from CentrePort, Winnipeg Airports Authority, Winnipeg Airport Lands Corp (WALC), and Yes! Winnipeg, told council and city administration that there are nearly 1,800 net acres of develop-able land in CentrePort South that are in urgent need of servicing. This includes 1,100-acres industrial; 257-acres west airport campus; and 400-acres residential.

"Every day we have investors looking for land but there's a shortage of shovel-ready land in Winnipeg," said Martin McGarry, President of Cushman and Wakefield Winnipeg and a member of WALC. "We have to address this or be prepared to see prime opportunities end up in other communities."

CentrePort South Would Provide \$17 Million Annually in New Property Taxes and 17,600 Permanent Jobs

Vince Barletta, Leader of Yes! Winnipeg, told councillors the situation is urgent - Yes! Winnipeg currently has six major business attraction opportunities that could only be sited at CentrePort - representing more than \$1.48 billion in new private investment and nearly 1,000 new jobs.

An economic impact study shows that a full build-out of CentrePort South's industrial lands would be a boom to the local economy, providing:

- \$35 million in construction-related local taxes and \$17 million annually in new municipal property tax revenues;
- 15,055 person-years employment from construction and 17,600 permanent jobs post construction;
- \$1.22 billion boost to the Manitoba GDP; and
- \$2.09 billion in new assessment values for the City of Winnipeg.

Additionally, expanding residential housing in the area would provide 2,800 new single and multi-unit dwellings in St. James; generate nearly \$6 million annually in new property tax revenues; and take advantage of existing, underutilized residential services and infrastructure, as the area is connected to the established neighborhoods of Crestview and Heritage Park.

Training Schedule

July

Excavation & Trenching 1/2 day AM
Train the Trainer

Jul 26

MHCA Office

Jul 27

MHCA Office

August

COR™ Leadership in Safety Excellence
COR™ Principles of Health & Safety Management
COR™ Auditor
Flagperson 1/2 day AM
Committee/Representative Training 1/2 day PM
Traffic Control Coordinator
Excavation & Trenching 1/2 day AM

Aug 15 - 16

MHCA Office

Aug 17

MHCA Office

Aug 18 - 19

MHCA Office

Aug 23

MHCA Office

Aug 23

MHCA Office

Aug 24 - 25

MHCA Office

Aug 30

MHCA Office

September

COR™ Leadership in Safety Excellence
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Sep 19 - 20

MHCA Office

Sep 21

MHCA Office

Sep 22 - 23

MHCA Office

Sep 26

MHCA Office

Sep 26

MHCA Office

Sep 27 - 28

MHCA Office

Sep 29

MHCA Office

Sep 30

MHCA Office

KNOW YOUR WORKSAFELY™ ADVISOR

Contact information for the WORKSAFELY™ team is summarized below. The safety advisor assigned to your company is your contact regarding audits, and health and safety related questions.

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Heat Stress

Just the Facts:

When your body's cooling system can't keep up with the heat, your body's temperature rises and you begin to dehydrate.

Severe dehydration can cause heat exhaustion and even heat stroke.

If you are exhibiting signs of heat exhaustion (such as headaches or nausea) sit in a shaded area and drink water to cool your body down.

If a co-worker begins acting irrationally or passes out, they may have heat stroke. Get them to a hospital immediately.

To avoid getting heat exhaustion or heat stroke, wear light, loose clothing and drink 8 oz of water every half hour.

The Dangers:

- Heat Exhaustion is when your body cannot keep blood flowing both to vital organs and to the skin for cooling
- Symptoms include weakness/feeling faint, headache, breathlessness, and nausea/vomiting.
- To treat heat exhaustion, cool the body down by moving into a shaded area, loosening clothing and drinking cool water. It takes approximately 30-60 minutes to cool the body down from heat exhaustion.
- If heat exhaustion is not treated properly it can lead to heat stroke.
- Heat Stroke is when your body has used up all its water and salt and cannot cool itself down. It is a medical emergency.

- Symptoms of heat stroke include confusion and irrational behaviour, convulsions, unconsciousness, hot-dry skin and body temperatures of 104°F or higher.
- If a co-worker is showing signs of heat stroke, act fast.
- Call local emergency or get the worker to the hospital.
- Take aggressive steps to cool the worker down.
- Immerse the body in a tub of cool water, or spray them with a hose.
- Avoid giving unconscious co-workers something
- to drink or placing them in a tub of water. Instead,
- wrap them in cool, wet sheets and cool them down with a fan.

Identify Controls:

- Wear light, loose clothing that allows sweat to evaporate. Light-coloured garments absorb less heat from the sun.
- Drink small amounts of water (8 oz) every half hour.
- Don't wait until you're thirsty.
- Avoid coffee, tea, beer or other drinks that make you go to the bathroom frequently.
- Remember that your physical condition can reduce your ability to deal with the heat. Age, weight, fitness, health conditions (heart disease or high blood pressure), recent illness or medications can all affect your ability to withstand high temperatures.