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Manitoba's carbon tax plan goes for legal review

The Pallister government is seeking a legal opinion about the constitutionality of its plan for a 'Made-in-Manitoba' carbon price. The announcement Thursday is in response to the federal government's recently released carbon-pricing backstop – the Trudeau government's paper on how it would impose a plan in provinces that don't adopt their own carbon tax next year.

"Our province is a leader in clean energy and the federal government should credit the significant investments Manitobans have made over the last few decades," Premier Brian Pallister said in a news release.

"The federal government can provide flexibility and recognition for ongoing efforts in each province and territory rather than impose its carbon pricing policy. For this reason, we are seeking a legal opinion on whether the provincial government has the jurisdiction to implement a made-in-Manitoba plan without interference from the federal government."

The Pallister government has said this province should get credit for its investment in hydroelectricity (Manitoba Hydro), an environmentally 'friendly' form of energy, which has kept Manitoba's carbon footprint relatively light.

On June 9, the Trudeau government released a technical paper -- the 'backstop' -- that explained it would impose a carbon price, starting at \$10 per tonne of CO2 in 2018, on provinces that don't adopt their own carbon pricing plan. In that event, Ottawa would collect the revenues from the pricing and redistribute as it sees fit in that province. Provinces that roll out their own plans can decide internally how to redistribute or use the revenues raised.

"The federal backstop plan fails to accommodate provincial plans, such as Manitoba's own, which would actually further the national objectives for greenhouse-gas reductions," said Pallister.

The MHCA has been consulting its members and other provincial business organizations to analyze the financial implications of a carbon tax on this industry and the provincial economy.



Image courtesy of Shutterstock

Legal fight over Burnaby's reprisal clauses continues: CIC meeting

The constitutional challenge to the City of Burnaby's use of reprisal clauses in its tender and contract rules has entered a new phase, the Canadian Construction Association's Civil Infrastructure Council heard at its recent meeting.

The legal challenge – J. Cote and Sons vs. City of Burnaby – will be split into two claims now, one that deals with the issue of constitutionality and the second focusing on damages incurred by the contractor due to the reprisal-clause application.

The B.C. challenge was the first such case, outside Quebec, going before the courts. In the J. Cote case, reprisal clauses were implemented in 2014 shortly after the company sued the city for payment from a 2012 contract. Under the new clause, the city would not accept tenders from any company or person that took legal action against the city of Burnaby in the last two years.

The CIC, with the BC Road Builders and Heavy Construction Association, joined the legal challenge to aid J. Cote and Son Excavating Ltd.'s civil suit.

The CIC members heard that the matter is expected to land before the BC Supreme Court for a summary decision in the early fall.

Reprisal clauses were amongst the top matters discussed at the council's meeting May 21. Three MHCA board members and its president attended the meeting in St. John's, Newfoundland and Labrador.

Other matters discussed included:

- CIC has asked Infrastructure Canada for access to the data from the StatsCan survey of municipalities on the state of the infrastructure assets. It was told that data could not be released until an information sharing agreement between the parties is signed
- The Canadian Chamber of Commerce's draft report on the critical national infrastructure needs has been finalized and the CCA expects it will be released in mid-July
- Reports from heavy civil Chief Operating Officers to the CCA indicated that infrastructure budgets in the provinces are better this year than last, generally. Some jurisdictions are experiencing labour shortages
- The Ontario Road Builders Association reported that in the wake of the release of the Ontario Auditor General's report, it will work to correct inaccuracies it included, with the Ministry of Transportation and the media. The report primarily was concerned with the lack of municipal quality assurance and verification of specifications. The transportation ministry, meanwhile, has responded by issuing 15 new specifications without substantive consultation with industry. ORBA will work, as well, with the ministry to analyze the weakness of the new specifications

The next meeting of the CIC will be Oct. 3, 2017, in Niagara Falls.

Upcoming MHCA Meetings

Rental Rates Committee
MHCA Office
August 25 - 12:00-2:30 PM

Rental Rates Committee
MHCA Office
October 6 - 12:00-2:30

MHCA Executive Committee
MHCA Office
November 21 - 12:00-4:00 PM

MHCA Executive Committee
MHCA Office
September 6 - 12:00-4:00 PM

MHCA Executive Committee
MHCA Office
October 25 - 12:00-4:00 PM

Rental Rates Committee
MHCA Office
December 1 - 12:00-2:30

MHCA Board of Directors
MHCA Office
September 13 - 12:00-4:00 PM

Rental Rates Committee
MHCA Office
November 3 - 12:00-2:30 PM

MHCA Executive Committee
MHCA Office
January 17, 2018 - 12:00-4:00 PM

SAFE Roads
MHCA Office
September 27 - 12:00-1:30

MHCA Board of Directors
RBC Convention Centre
November 17 - 10:00-12:00 Noon

MHCA Board of Directors
Location TBD
January 24, 2017 - 12:00-4:00 PM

City wants consultants' Route 90 redesign proposals by July 21

Aldo Santin, Winnipeg Free Press, June 29



St. James Bridge (courtesy of Google Maps)

City hall is taking steps to prepare for the long-awaited widening of Kenaston Boulevard and the rebuilding of the St. James bridges.

A formal request for proposals was issued recently, asking potential consultants to develop preliminary designs for the Route 90 project that council approved in principle in January 2012.

Senior councillors denied the RFP has been issued in anticipation of a resolution to the dispute between Ottawa and First Nations over the Kapyong barracks property.

"It's the ordinary planning process," Coun. Marty Morantz, chairman of the public works committee, told reporters. "We have to plan well in advance to ensure we can move ahead when projects do come together."

Ward Coun. John Orlikow, chairman of the property and development committee, said concern over the structural viability of the St. James bridges prompted city hall to have designs in place.

"The St. James bridges take so much traffic, it's a crucial transportation link," Orlikow (River Heights-Fort Garry) said, adding it's not necessary for the Kapyong barracks situation to be resolved before work begins on the bridges but it would be preferable.

"We can work on that one project if we have to but we'd like to see the whole thing done at once."

City hall has budgeted \$2.5 million for the consulting contract.

While the 2009 estimated cost of the project had been \$129 million, the city acknowledged that was a rough estimate. The consultant's final report will be expected to include revised cost estimates that would be accurate within a range of minus-20% to plus-30%, known as a Class 3 estimate.

The designs will be based on "Option 4," one of five widening designs presented to the public during a series of open houses. It will widen the west side of Kenaston Boulevard between Taylor Avenue and Tuxedo Boulevard and the east side between Tuxedo and the bridges.

According to the RFP document, the city will have to acquire 136 properties along Kenaston: 94 single homes and 21 duplex units; 52 of them are privately owned and 81 belong to the Department of National Defence. The plan to widen Kenaston provides for 1.8-metre-wide sidewalks on both sides plus a three-metre-wide cycling and pedestrian pathway on the west side from Taylor to Wellington Crescent.

The RFP advises potential consultants that widening Kenaston will require the closing of several side streets and that Option 4 also envisions a pedestrian bridge across Kenaston at Lockston Avenue.

For the bridge project, the RFP states both northbound and southbound spans will be widened to four lanes and accommodate pedestrians and cyclists and tie into future cycling networks. The city wants a realignment of the eastward off-ramp to Portage Avenue, which now cuts through the Viscount Gort Hotel property.

For the southbound span, Orlikow said the city is going to require the roadway to be realigned and straightened.

The RFP said the southbound span of the bridge was constructed in 1936 and most recently rehabilitated in 2016. The span is expected to reach its usable service life by 2023.

The northbound span was constructed in 1962 and rehabilitated in 1987.

The RFP is requiring the consultant team to include at least one "industry recognized bicycle facilities design expert with extensive knowledge and experience in the design of complex bicycle facilities in North America."

The RFP closes at noon July 21. The city expects to award a contract by the end of August. The winning consultant will be required to produce a draft preliminary design by Aug. 31, 2018. The tentative date for a public open house to review the preliminary designs is set for Nov. 1, 2018. The consultant will be expected to submit a final preliminary design by Feb. 28, 2019.



Head north to understand why Canada needs an infrastructure bank

Pierre Gratton, Globe and Mail, June 18

Any government initiative with a \$35-billion price tag is bound to drum up political debate, and the Canada Infrastructure Bank (CIB) has been seeing its fair share. But I stand with the International Monetary Fund, Canadian and global business groups, and aboriginal organizations who say that the CIB, if well structured, is exactly what Canada needs to grow the economy over the long term. Bold action is needed to address an area that we've been failing at: constructing strategic, nation-building infrastructure.

Many of you are probably reading this on a digital device connected to wireless high-speed Internet. And I'll assume that many of you are reading this at work, a place that you travelled to on roads, and that is powered by the electrical grid. Pretty mundane stuff, right? But it's not if you're living or working in remote and northern areas of Canada.

I should know. I represent a major Canadian industry whose opportunities for growth are increasingly in areas where infrastructure simply does not exist, or is severely lacking. As a direct result of this lack of infrastructure – power, ports, roads, telecommunications, you name it – it costs up to six times more to explore for minerals and metals in remote and northern Canada, and more than double to build and operate a mine in these regions compared with more southern areas of the country.

The mining industry, therefore, is a good case study on why the CIB needs to be established.

Let's look at the example of Agnico Eagle Mine Ltd.'s Meadowbank gold mine, which has transformed Nunavut's economy. The mine represents 15 per cent of the territory's GDP, directly employs 300 Inuit employees at an average wage of \$107,000 a year, and generates \$280-million annually in local business procurement. The company also invests strongly in aboriginal skills training initiatives at more than \$5-million a year.

All of these benefits have been generated, despite the fact that the mine – after seven years of operation – has not been profitable. How could this be? Having to absorb the complete cost of basic infrastructure such as roads – in this case a 110-kilometre road – on top of the capital cost to build the mine and related infrastructure, is becoming a deterrent to more investment in Canada's North from the mining sector. You can find similar examples throughout the country.

What's problematic is the lack of infrastructure is increasingly halting promising projects from ever becoming producing mines. This means lost jobs, revenues and other socio-economic benefits to local communities and Canadian governments alike. It also threatens the mining industry's ability to continue being the largest private sector driver in Canada's North. This is a cause for concern, not only for our industry, but also for communities that depend on us. By funding northern infrastructure projects, the CIB can unlock billions of dollars of economic development, can create shared benefits for companies and communities that will use that infrastructure, and could incent future sustainable mineral development in the region.

There's really no need for trepidation with the CIB. Canada is just catching up to what other countries are already doing. Look no further than the United States to find the Alaska Industrial and Development Export Authority (AIDEA), a similar institution that for decades has been operating profitably. AIDEA received initial government funding, but is now self-funded and holds \$1.3-billion (U.S.) in assets.

AIDEA funded an 85-kilometre road and port facility that enabled one of the world's largest zinc mines to be built. The Red Dog mine, jointly owned by Canada's Teck Resources Ltd. and the NANA Regional Corporation, owned by the Inupiat people of northwest Alaska, serves as an indicator of what the CIB could do in Canada. Through private-public infrastructure investments, MMG Ltd.'s Izok Lake zinc/copper project in Nunavut can be the next Red Dog if a road and port get built. It could help finance run-of-river hydro in Nunavut and take mines and communities off diesel. And we already know how helpful a road would be to Ontario's Ring of Fire region.

Infrastructure is the key to many things Canadians care about. Economic growth, addressing climate change, and building healthy and prosperous communities cannot happen without it. The CIB could be exactly what we need to get this done.

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Q: What is an inland port?

A: Inland ports provide **industrial land** connected to **multi-modal transportation**, and help businesses efficiently manage their supply chains and connect them to markets around the world.

CENTREPORTCANADA.CA



The outlook for your industry

Peter G Hall, Vice President and Chief Economist



What's in it for me? It's a reasonable question in any business deal, from the grade-school playground to the boardroom of the multinational corporation. It also applies to macro forecasting. It's fine to know the big picture, and more necessary than ever. But if it is impossible to distill from that the effects at the industry level, then listeners are left to figure it out on their own. Our forecast attempts to bridge the gap by offering something more detailed. In our new forecasting tool, we cover 28 industry categories, complete with performance and forecast data, and visuals on Canada's presence, by industry, in world markets. What is the outlook on an industry-by-industry basis?

The news is generally good. Overall growth for exports of Canadian goods is forecast to increase by 6% this year and by another 5% in 2018. This year's numbers are getting a lift from the rebound in commodity prices, but there is other interesting stuff going on as well. The 2018 forecast is less about price movements and more about increased flows of real stuff leaving the plant gate, and it's linked to the ramp-up in world growth from 3.5% in 2017 to 3.8% in 2018. If anything, it looks like these numbers are conservative. Through April, this year's exports are up 8.5% over last year, and since last June, growth is rocketing up at an 18.5% pace on an annualized basis. Pretty heady stuff. What's driving this?

Broadly speaking, this year's winners are generally the industries that took a drubbing last year. Faced with steep price declines, energy sector exports were off by 17% last year, the aerospace sector dropped 11% and mining shed 3%. It's a big U-turn for energy exports this year, rising by an expected 18%. At the same time, mining is in for an 11% surge. In both sectors, prices are the principal factor, in addition to volume growth related to the completion of development and expansion projects. The sector is also expected to benefit from cost-containment exercises that will enable higher viable throughput at lower world prices.

Aerospace exports will also see double-digit growth, but not until 2018. Increased global demand and the ramp-up of production of the Bombardier C-Series are behind this impressive acceleration.

In the middle of the pack are three industry groupings. After a slight drop in shipments last year, the chemicals and plastics sector is expected to grow 7% this year and 8% in 2018. This growth is connected to the increase in US industrial production over the short term, and to favourable pricing. Industrial machinery and equipment is forecast to average 5% growth this year and next. The partial revival of the resource sector is partly responsible, along with a general increase in business investment after a 7-year lull. The third 'middle-growth' sector is fertilizers, which, after taking a drubbing in 2016 will see two years of stable growth at 4%.

Softer growth will be seen in a number of export sectors. The auto sector will see shipments flatten out in the next two years, partly as a result of sales peaking in the US and capacity limitations in Canada. Activity remains robust in the industry, and near-term investment commitments in Canada are significant. Advanced technology exports have struggled to grow for a number of years, and we expect no material change in shipment levels through 2018. Things will be modestly better in the agri-food sector. Potential growth is very strong, but foreign sales will be limited by available supplies. Upside growth is possible with the signing of the CETA agreement, as the greatest single opportunities under this deal are in the agri-food space.

One final observation: with trade shock-talk swirling, the diversification word has come back into the vernacular. The CETA agreement will boost near-term European sales, increasing our diversification to more traditional markets. In this forecast, exports to emerging markets will rise at a double-digit pace this year, and in many industry sectors, emerging market sales will power ahead at much superior growth rates.

The bottom line? There's quite a bit of diversity in growth rates by industry sector over the near term. If anything, overall results could be better than foreseen, given recent data. And even in softer sectors, there's a lot of hot emerging market demand.



Your Voice Heard

The Manitoba Heavy Construction Association (MHCA) is the voice of Manitoba's heavy construction industry, promoting sustainable municipal infrastructure development, sustained investment in core infrastructure, and seamless, multi-modal transportation systems.

We want your voice to be heard, if you have any questions or suggestions regarding our industry, the MHCA, or the services that we provide, contact us directly by visiting our website www.mhca.mb.ca or calling 204-947-1379.





Canadian
Construction
Association

UBC creates stronger concrete with rubber

Journal of Commerce News, June 21

VANCOUVER - UBC engineers have developed a more resilient type of concrete incorporating recycled tires that could be used for concrete structures like buildings, roads, dams and bridges while reducing landfill waste.

The researchers experimented with different proportions of recycled tire fibres and other materials used in concrete — cement, sand and water— before finding the ideal mix, which includes 0.35 per cent tire fibres, according to researcher Obinna Onuaguluchi, a postdoctoral fellow in civil engineering at UBC.

Recycled-rubber roads are not new; asphalt roads that incorporate rubber “crumbs” from shredded tires exist in the U.S., Germany, Spain, Brazil and China, explains a release.

But using the polymer fibres from tires has the unique benefit of potentially improving the resilience of concrete and extending its lifespan.

“Our lab tests showed that fibre-reinforced concrete reduces crack formation by more than 90 per cent compared to regular concrete,” said Onuaguluchi. “Concrete structures tend to develop cracks over time, but the polymer fibres are bridging the cracks as they form, helping protect the structure and making it last longer.”

UBC civil engineering professor Nemkumar Banthia, who supervised the work, says the environmental and industrial impact of the research is crucial. Up to three billion tires are produced around the world every year, generating close to three billion kilograms of fibre when recycled.

“Most scrap tires are destined for landfill. Adding the fibre to concrete could shrink the tire industry’s carbon footprint and also reduce the construction industry’s emissions, since cement is a major source of greenhouse gases,” said Banthia, who is also the scientific director of the UBC-hosted Canada-India Research Center of Excellence (IC-IMPACTS), a centre that develops research collaborations between Canada and India.

“We use almost six billion cubic metres of concrete every year,” added Banthia. “This fibre can be in every cubic metre of that concrete.”

The new concrete was used to resurface the steps in front of the McMillan building on UBC’s campus in May.

Banthia’s team is tracking its performance using sensors embedded in the concrete, looking at development of strain, cracking and other factors.

So far, the results support laboratory testing that showed it can significantly reduce cracking.

The research, described in *Materials and Structures*, has received support from IC-IMPACTS; Tire Stewardship B.C., the nonprofit that manages British Columbia’s tire recycling program; Atlantis Holdings Inc.; and recycler Western Rubber Products Ltd, which processed the fibres.



Construction-site safety takes no holiday



WORKSAFELY™ Back to You with Don Hurst

Canada Day long weekend is here, and we anticipate that vehicle traffic will increase in and around construction zones. We encourage you to be mindful of the hazards presented by vehicular traffic. As you work on different construction sites, you know better than anyone that safety starts and ends with your decisions and your own conduct.

Although you have trained and prepared your workers for the task of road construction, ensuring they are safe on the job, it is important to remind workers about safety protocol throughout the heavy construction season.

Here are some reminders to focus on with your workers:

- When doing road work, when possible face traffic as you work
- Always be aware of changing traffic conditions
- While working, be sure you're not inadvertently moving closer to traffic
- Know where work vehicles and equipment are at all times
- Slow it down – staying focused on what you're doing saves you from mistakes and accidents
- Review flagger safety procedures

For resources that help you with ensuring your workers are safe, please contact your WORKSAFELY™ advisor at 204-947-1379.

KNOW YOUR WORKSAFELY™ ADVISOR

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To contact your WORKSAFELY™ advisor assigned to your area, please see mhca.mb.ca/worksafely/know-your-advisor

Training Schedule

WINNIPEG - MHCA Office
3-1680 Ellice Ave.

BRANDON – ST. JOHN'S AMBULANCE
1570 - 18TH Street

JULY 2017

- 13 Excavating & Trenching 1/2 day AM
- 17 - 18 **COR™ Leadership in Safety Excellence**
- 19 **COR™ Principles of Health & Safety Management**
- 20 - 21 **COR™ Auditor**

JULY 2017

- 11-12 Traffic Control Coordinator
- 24 Flagperson 1/2 day AM
- 24 **COR™ Auditor Refresher (no charge) 1/2 day PM**
- 25 Train the Trainer

August 2017

- 14 Flagperson 1/2 day AM
- 14 Committee/Representative training 1/2 day PM
- 15-16 Traffic Control Coordinator
- 17 Excavating & Trenching 1/2 day AM
- 21-22 **COR™ Leadership in Safety Excellence**
- 23 **COR™ Principles of Health & Safety Management**
- 24-25 **COR™ Auditor**
- 30 Train the Trainer

August 2017

There is currently no training scheduled for this month.

September 2017

- 8 Transportation Dangerous Goods 1/2 day AM
- 12 Flagperson 1/2 day AM
- 12 Committee/Representative training 1/2 day PM
- 14-15 Traffic Control Coordinator
- 18-19 **COR™ Leadership in Safety Excellence**
- 20 **COR™ Principles of Health & Safety Management**
- 21-22 **COR™ Auditor**
- 25 Excavation and Trenching 1/2 day AM
- 25 **COR™ Auditor Refresher (no charge) 1/2 day PM**

September 2017

There is currently no training scheduled for this month.

- ★ Leadership Certificate Program/Gold Seal
- 🖱 e-COR™ training and information session



SAFETY TALK

With respirators, one size does not fit all. If a respirator doesn't fit right, it can't protect you.

What's the danger?

Even when a respirator fits properly, it can get bumped out of position while you are working, causing dangerous leaks. Facial hair can also cause leakage and reduce protection.

How to protect yourself

- You must be adequately trained by a competent person in the proper fit, testing, maintenance, use and cleaning of the equipment
- Ensure you are clean shaven to get the best possible seal
- Test the fit every time you put the respirator on and throughout your shift

Respirators - fit

Negative-pressure seal check:

- adjust face piece to fit comfortably – snug but not overly tight
- block air inlets – usually the filter openings on the sides
- try to breathe in
- if there are no leaks, the face piece should collapse slightly and stay like that for 10 seconds while you hold your breath



Positive-pressure seal check:

- adjust face piece to fit comfortably – snug but not overly tight
- block exhalation valve – usually on the bottom of respirator
- try to breathe out
- the face piece should puff slightly away from your face and stay like that for 10 seconds while you hold your breath



Print and review this talk with your staff, sign off and file for COR™ / SECOR audit purposes.

Date: _____
Performed by: _____

Supervisor: _____
Location: _____

Concerns:

Corrective Actions:

Employee Name:

Employee Signature:

HAPPY



150TH



CANADA

**FROM ALL OF US AT THE
MHCA AND WORKSAFELY™**