

Putting our strongest trade foot forward to grow Manitoba's economy

Good evening, welcome everyone, and in particular Manitoba's Cabinet Ministers.

A special thank you to Chuck Davidson and the Manitoba Chambers of Commerce for hosting this annual dinner.

This evening allows business leaders to meet, mix 'n' mingle with the Cabinet, strengthening relationships, critical to our collective efforts to keep our provincial economy growing.

The magnitude of the work before our government remains daunting, notwithstanding the progress already made to reduce the deficit.

Problems are easy to identify. The hard part is finding *balanced solutions* which harness growth strategies together with expenditure management to bridge the challenge gap.

We believe '**growing the economy**' - boosting the GDP - is the surest way of increasing revenues and slaying the deficit. But **what is** ... the most effective way of achieving those goals?

Our association is a member of a six-business organization which, heading in to the last provincial election, championed **seven pillars** upon which to **grow the economy** to which we remain committed. **The leaflet** at your table lays out the pillars and identifies the supporting organizations.

The flip side presents MHCA perspectives of the provincial challenge, including: growing the economy; balancing the books; and, addressing the infrastructure investment deficit faced by Manitoba and its municipalities.

All are areas requiring forward-looking policies to foster growth and help eliminate the deficit.

Recently, the province announced it has retained Deloitte to help lay out an economic growth strategy. What Deloitte **will surely find** is that there is untapped potential in Manitoba's public and private sectors, especially when working together. It **will find** that Manitoba's economy depends on trade, which supports:

- 50% of Manitoba's GDP of \$64 billion
- \$3.3 billion in annual payroll, or roughly 16% (larger than health care)
- 5,200 employers and 240,000 jobs
- PTH #75 carries \$19 billion worth of trade north-south with the U.S.
- Emerson is the busiest border crossing by volume in Western Canada and west of Windsor- Detroit.

These statistics speak to the importance of keeping trade routes open, trade agreements current and strong, and of continuing to pursue new global trade relationships to strip away tariffs and duties.

Manitoba's trade prowess has not peaked. We have abundant unspent capacity and opportunity for further growth and wealth generation -- and with that, the enhanced capacity, to provide services to Manitobans.

We have the opportunity to collaboratively build on existing competitive frameworks and ensure that global markets choose to invest in the Manitoba advantage -- Manitoba's proximity to, and connectivity with, the rest of the world.

The six business organizations believe that to succeed we need a focused strategy on investment in the pivotal elements to trade.

We need a collaborative partnership between the private sector – which has the expertise in trade – and provincial decision-makers – who recognize the central role of trade to growth. We should call that partnership, **Trade Team Manitoba (TTM)**.

TTM would strategically identify for investment the top, trade-enabling infrastructure assets, and advantages. Those include the trade corridors, highways, air and rail connections and the inland port and border crossings.

One leading example, CentrePort Canada, is Canada's first -- and North America's largest -- inland port. It has huge potential, situated as it is at the nexus of major continental trade routes -- east, west, north and south.

It has become a magnet for investment. Its full potential, however, depends on fully building out its advantage -- dedicated lands-to-purpose by legislation, and private sector services. To do so requires full public and private-sector support. CentrePort's continued success -- without exposing the public sector to financial liabilities -- will yield significant returns on investment -- not just to benefit Manitoba's, but Canada's global trade profile.

And so, in the context of trade and growing the economy, let's harness the fact that Manitoba is the keystone province, the gateway to the west, the heart of the continent where Canada's heart beats. It's an advantage we can deny ourselves only by failing to seize upon these opportunities.

To focus on economic growth, we cannot ignore the core infrastructure investment deficit -- provincially and municipally. The municipal infrastructure investment deficit was calculated to reach \$13.4 billion by 2021. The province has its long list of needed and overdue investments.

Neither the province nor the municipalities can tackle this deficit on their own. We need to work together and recognize our respective strengths and constraints.

That is the better way -- finding balanced solutions -- harnessing growth strategies, harmonizing strengths, sharing risks and benefits, and growing our economy.

Part of the solution must be to move to a new fiscal deal, to rebalance the roles, responsibilities and tax-revenue sharing between, the provincial government and its municipalities, and Ottawa.

A new capacity to invest, together with sustained investment strategies that focus on boosting and capitalizing on trade opportunities, will put us on the road to greater economic growth.

And -- most importantly -- it will set us firmly on the path, to meeting our premier's challenge of becoming... **'Canada's most improved province.'**