

SPOTLIGHT ON ROADS IN CIVIC ELECTION CAMPAIGN

MHCA sending questionnaires to Winnipeg, Capital Region campaigners

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ture to good condition. A 2011 estimate indicated that the total municipal infrastructure deficit in Manitoba is some \$13 billion, over a 10-year period.

Winnipeg's own core infrastructure deficit (including bridges and sewer & water, as well) is \$3.6 billion — more than half of its total \$6.9 billion total infrastructure gap.

"We want to know the ideas that both incumbents and new candidates

Infrastructure continues to rank as the No. 1 concern of taxpayers and the MHCA will be asking municipal candidates whether their community's ability to invest in streets and roads is their priority, too.

"We understand that municipal governments are stretched thin in revenues — the over-dependence on property taxes for their budgets is regressive — and we want the reeve or mayor and council candidates to be thinking about this as they head to the October 24 election," MHCA President Chris Lorenc said.

"We'll be sending out a short questionnaire to drill down to the specific issues on municipal fiscal capacity, central as it is to the ability of towns and cities to address the infrastructure gap."

The infrastructure investment deficit — or 'gap' — is the difference between what a municipality invests each year to repair or construct streets and roads and what it should be expending, to bring infrastruc-

are bringing to the campaign and, possibly, to council after October 24," Lorenc explained. "This doesn't just encompass how to invest the revenues cities and towns take in, it has to include a serious discussion about finding ways to open new sources of revenue for municipalities because the demand is just too great to rely on property taxes and unpredictable transfers from higher levels of government."

The questionnaires will be sent in September. Members can watch for reporting on the responses in the HNW in subsequent weeks.



City focus on bid price, not qualifications costs more: multi-industry group

Aldo Santin, Winnipeg Free Press, August 28



Photo: Phil Hossack, Winnipeg Free Press

A multi-industry association that promotes an alternative to the lowest-cost contract award process says few candidates in the upcoming civic election appear interested in a process that's been recognized to save tax dollars with better-built infrastructure.

QBS Canada says city hall uses a hiring process that favours low bidders over more qualified bidders, which it claims studies show ultimately results in higher costs and lower quality.

The group says the qualifications-based selection (QBS) process is considered a best practice by the Federation of Canadian Municipalities when hiring architects and engineers and doesn't understand why politicians and the administration at city hall have not adopted it for infrastructure projects.

"People often think this is an excuse to allow engineers and architects to charge whatever they want but it's absolutely not," said Cal Harrison, president of the Winnipeg-based QBS Canada. "Even if they're selected as the most qualified, they still have to negotiate a fair price. The idea is that instead of getting the least-qualified vendor at the lowest price, get the most qualified vendor you can afford at a fair price."

QBS Canada, founded by Harrison in 2015, is a coalition of associations, companies, and professionals advocating for the use of qualification-based selection (QBS) when hiring professional services firms in Canada.

Harrison said that while he's met with Mayor Brian Bowman and his staff and the city's procurement officials, it's appropriate to raise the issue now.

"Election time is when politicians really have to listen to you," he said. "Now we can get the discussion going and I think that's important."

The City of Winnipeg's policy for most infrastructure projects is to issue what's known as a request for proposals, a document that outlines the project and invites firms to submit their qualifications, their plans to complete the project according to the city's specifications and the price.

The city assigns each component of the submission a weight in the assessment process, with weight assigned to price varying anywhere from a low of 10 per cent to a high of 40. But, it's generally assumed that all things being equal, the lowest price carries the day.

Harrison compared the procurement process to hiring employees.

"When you hire a staff architect, for example, do you select the cheapest one? Of course not — you tell candidates here's the salary we can afford to pay, if you are interested, tell us why you are the best candidate. And then after reviewing resumes and doing interviews, you find the best candidate and you negotiate final terms and salary with only that one. So why do we demand

low-bids from architects, engineers and construction-management experts when we hire them as contractors? Winnipeg is a progressive city, so it's kind of embarrassing to be so far behind the rest of the world on this best practice. Especially since it costs nothing to start using QBS."

Harrison said the QBS is similar to the RFP, except it doesn't require bidders to include a price, adding that speeds up the process.

A civic spokesman said Harrison and supporters of the QBS process wrongly assume that all government agencies award contracts based on price alone.

"The city uses a weighted evaluation criteria of which price is only one of the criteria, ranging from 10 per cent to 40 per cent, of the available points," said David Driedger, the city's manager of communication, adding that the majority of the assessment is based on the qualifications.

Driedger said city hall is investigating the qualification-based standards.

The QBS proposal is supported by the Manitoba Heavy Construction Association. Chris Lorenc, the association president, said a qualifications-based process can be quicker than the typical RFP approach, adding that's critical in Manitoba where municipalities and the provincial government don't have the luxury of year-round warm weather for construction, explaining that engineering contracts need to be awarded as quickly as possible to beat the onslaught of winter.

Lorenc said the MHCA favours using the QBS process for contracts valued at \$750,000 or less, projects he said that are considered more routine and where the city's procurement officials are aware of the expertise of the bidders. He said that for more complex, more expensive projects, the city should rely on the traditional RFP approach.

Harrison said the QBS approach has been labelled a best practice by the Federation of Canadian Municipalities for more than 10 years, and has been the approach used by the United States federal government since 1972.

'Disappointing lack of interest'

QBS Canada polled all mayoral and council candidates to gauge their support to commit to consider the qualifications-based selection process as an alternative to the traditional request for proposal now used by city hall for most contracts.

Cal Harrison, president of QBS Canada, said only about half the candidates responded but of those that did, all agreed to consider the approach if they win office.

Harrison said of the 12 incumbent candidates, including Mayor Brian Bowman, only two – Janice Lukes and Shawn Dobson – responded to the survey.

"What the survey shows is a disappointing lack of interest by most of our Winnipeg election candidates, especially the incumbents, in even just exploring – never mind implementing – new and better ways to reduce our taxes while also improving the quality of our city infrastructure," Harrison said.

QBS Canada asked Winnipeg mayoral and councillor candidates if they would "explore the implementation of qualifications-based selection (QBS) for the procurement of architecture, engineering and construction management services at the City of Winnipeg?"

Of nine mayoral candidates, only 5 responded (Jenny Motkaluk, Doug Wilson, Don Woodstock, Tim Diack and Desmond Thomas).

Of 40 city councillor candidates just 20 responded.

Harrison said the survey was supported and endorsed by the Association of Consulting Engineering Companies of Manitoba, Manitoba Heavy Construction Association, Winnipeg Construction Association, Winnipeg Chamber of Commerce and Certified Technicians and Technologists Association of Manitoba.

– Aldo Santin

RM of Portage joins appeal to reinstate major Manitoba funding program

Michael Blume, PortageOnline, August 28

The RM of Portage la Prairie's joining other municipalities in efforts to lobby the Association of Manitoba Municipalities to, in turn, lobby the province to reinstate the Manitoba Roads Improvement Program. It's a cost sharing program requiring municipalities to foot 50 percent of the total amount required for any given project without any red tape, and through a single window for application. The AMM originally developed the program with the province.

The RM of Portage applied earlier this year to obtain funding for Simplot Road, where Roquette is constructing its new pea protein processing facility.

"They are not providing the same amount of funding that they were in the past," says Reeve Kam Blight. "So, the Manitoba Roads Improvements Program is no longer going to be in play any more. And for this year, actually, they reduced the funding. It was \$14 million and they've reduced the funding down to \$2.25 million. As you can imagine, there's not as much money to go around, and there are going to be a lot of projects that are not approved."

Blight says the last number of years saw approval from the province for RM projects totaling about \$225,000. To lose

that amount of funding understandably hurts.

He notes the province brought the funding forward to put into the new Investing in Canada Infrastructure Program. Blight explains this is a broad program and it covers many different categories. This means, he adds, there's no guarantee that the money will go toward road improvements. And there's, therefore, no guarantee the RM of Portage can get any of that money. Blight says there's also no guarantee the province will put forward the \$14 million toward that.

Blight says other sources of revenue must now be discovered in order to carry out these projects. He explains this Manitoba Roads and Improvements Program had its 50 percent matched amount provided by gas tax money from the federal government. He says, if the RM was a successful bidder in this new program, they can't use the gas tax money. Blight notes matching funds, therefore, have to come from another source.

He adds taxation is the only way municipalities can generate revenue.

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.

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MHCA pushes for release of province's infrastructure investment deficit number

Ombudsman's office reviewing government's refusal to release figures

The size of the provincial infrastructure investment deficit remains locked in government cabinets, despite the continued request of MHCA for public release of that figure. Also referred to as the "infrastructure gap", the investment deficit is the difference between what is and what must be invested in the province's transportation infrastructure to bring roads and highways to good condition.

"We have had discussions with the Ombudsman's office, which tries to mediate requests for government information when a department refuses release of that information," MHCA President Chris Lorenc said. "There is a pretty wide discretion left to government in the Access to Information legislation, regarding withholding information. We are hoping Manitoba Infrastructure can be persuaded to release what is possible, understanding some information is barred by statute from public release."

MHCA's position is that the figures, as opposed to advice to ministers or cabinet, should be made public as a matter of transparency and to assist in the public discourse about government's fiscal capacity and the best strategy to grow the economy. The shape of Manitoba's roads, highways and other transportation infrastructure assets directly affects the economy because those arteries and hubs are foundational to trade. Trade supports 53% of Manitoba's GDP; investment in strategic infrastructure carries amongst the highest returns to the economy, repeat economic studies have shown.

"We will continue to press for public release of, and regular updates to, Manitoba's infrastructure gap because it is an important part of any move toward formulating a sustained, strategic infrastructure investment plan."

Heavy construction rental rates to undergo sweeping review

Rising equipment, fuel costs putting pressure on hourly rates

The MHCA's Rental Rates Committee will be taking a hard look at the hourly rates for equipment, prior to the publication of the 2019 MHCA Equipment Rental Rates and Membership Directory. The committee needs good input from members of contractor and supplier companies, said MHCA President Chris Lorenc.

Fuel costs have risen and will get hiked further once the provincial carbon tax is applied at the pump later this year. Equipment prices are also rising and pressure may increase, due to tariffs on inputs such as steel. Rental rates will need to reflect those pressures.

"We need good engagement, and we're asking for members to join the Rental Rates Committee this year, to ensure the 2019 rates reflect industry and economic realities," said Lorenc, noting the rates have not been changed for many years.

There will be a general call for new committee members. Some companies will get direct invitations, as well, to ensure key perspectives are reflected in the rate-setting process.

"We need a mix of representation for a good discussion on rates and other issues that arise, infrequently," Committee Chair Greg McKee said. "At the end of the day, we want members to look at the guide and see it as a useful tool — realistic, and reliable."

The Rental Rates Committee meets about a half-dozen times annually, typically starting in fall. The MHCA Equipment Rental Rates and Membership Directory is published each spring.

"Every year, we take inquiries from members about a particular classification, model and the rates. While we canvass equipment dealer members for input, the best way to ensure the guide's accuracy is to get involved in the decisions around the rates," Lorenc noted.

Members interested in or seeking more information about the committee should contact MHCA Policy and Communications Manager Catherine Mitchell at catherine@mhca.mb.ca or at 204.594.9055.

Federal foot-dragging on infrastructure investments jeopardizing Ontario economy, report says

David Kennedy, On-SiteMag, August 22



Photo: Waterfront Toronto

Images of commuters wading through water at Union Station, sandbags ringing the island airport lounge and vehicles navigating swamped city streets have raised Toronto's aging underground infrastructure into the full view of Ontarians during several heavy rain storms this summer.

The city isn't alone.

Infrastructure across the province — both above and below ground — remains in dire need of upgrading in order to keep up with increasingly violent weather and a growing population.

Despite the short- and long-term challenges, chronic underinvestment in infrastructure, particularly at the federal level, is putting the province's future growth and prosperity at risk, according to a new report from the Residential and Civil Construction Alliance of Ontario (RCCAO).

"A growing, modern society needs to build infrastructure faster and it needs to be more resilient," said Andy Manahan, the RCCAO's executive director. "Across Ontario, our transportation infrastructure is insufficient to deal with severe traffic and transit congestion. This is costing the province billions of dollars in lost productivity."

In each of the past seven years, the report found spending on infrastructure as a percentage of the province's GDP has declined or remained flat. From a peak of 4.4% in 2010, Ontario's infrastructure investment as a share of its GDP had eroded to 2.8% by 2017.

The declining spending runs counter to the scenario the RCCAO says will allow the Ontario economy to keep firing on all cylinders. In an initial 2011 report, the alliance of construction associations found investments in infrastructure equalling 5.1% of GDP over the course of 50 years could fully fuel the province's economy. Seven years later, the new report, which was prepared for the RCCAO by the Canadian Centre for Economic Analysis, found that figure has since risen to 5.4%.

Despite lip service paid to infrastructure, the study points to Ottawa as the main culprit behind the underinvestment. In 2017 for instance, it says the provincial and municipal governments spent funds equal to 2.4% of Ontario's GDP on infrastructure, while the federal government contributed just 0.4%. Relative to the amount of tax revenue flowing into Ottawa, the report describes Parliament Hill's spending as "paltry," adding that a "fair" contribution rate would be 2.15%.

The Liberal government swept to power promising significant infrastructure spending in 2015, but that funding has been slow to materialize. The federal government has chalked up the delays, in part, to the reimbursement system it uses to pay for infrastructure, arguing projects are underway but funding has not yet been claimed. While this is true, Budget 2018 also pushed a significant portion of Ottawa's planned \$180-billion infrastructure spending back into the mid-2020s.

Though Ottawa is slowly opening the spigot, even more spending at both the federal and provincial levels will be necessary to reach the optimal 5.4% of GDP scenario. With the province and cities currently shelling out 2.4%, they too have work to do to reach the optimal spending of 3.25% of GDP, the RCCAO says.

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SAFETY

E- NEWSLETTER



Lawmakers push for innovative materials in national infrastructure

Kim Slowey, *Construction Dive*, August 10

Dive Brief:

- A group of U.S. senators from both sides of the aisle have introduced the Innovative Materials for America's Growth and Infrastructure Newly Expanded (IMAGINE) Act, which, if enacted, will support research and investment in new, state-of-the-art materials for use in U.S. transportation and water infrastructure projects. The bill's sponsors are Senators Sheldon Whitehouse (D-R.I.), Lamar Alexander (R-Tenn.), Mike Rounds (R-S.D.) and Cory Booker (D-N.J.).
- In assembling the list of materials covered by the measure, Whitehouse and the other authors took their cue from the Water Infrastructure Improvements for the Nation Act and included high performance asphalt mixtures and concrete formulations, geosynthetic materials, advanced alloys and metals, reinforced polymer composites, aggregate materials, advanced polymers and other material that will help accelerate construction timelines and be more resilient to flooding and water intrusion-related effects like corrosion.
- The bill provides for a task force that will study the federal infrastructure material approval process, so that it can develop new standards, and targets coastal and rural bridge and water infrastructure projects. The measure would also establish hubs throughout the U.S. dedicated to material research. The act would provide \$8 million to the Turner-Fairbank Highway Research Center for its collaborative efforts to develop innovative materials for projects that include large span bridges, highway work and coastal resiliency; \$65 million to the Federal Highway Administration for the design and use of cutting-edge materials in bridge projects and an additional \$65 million to the Environmental Protection Agency for a new grant program that promotes the use of innovative materials in water-related infrastructure.

Dive Insight:

New materials have already made their way into infrastructure projects in some areas of the country, as research seeks to find components that will extend the life of roads and bridges.

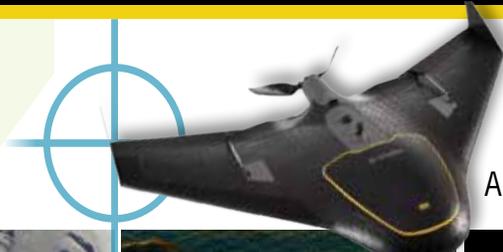
University of Maine's Advanced Structures and Composites Center has developed a composite girder bridge system that is reportedly easy to transport and install, plus offers double the collapse-resistance found in more traditional spans. Decks are installed onto lightweight composite girders and can be easily replaced at the end of the deck's useful life.

In Switzerland, scientists are working on a self-healing asphalt that uses an alternating magnetic field to repair surface cracks. In the Netherlands, Delft University of Technology researchers have developed an asphalt composite that is filled with electrically conductive fibers, resulting in a material that looks like closed-loop circuits.

And in Homosassa, Florida, the Florida Department of Transportation is using polymer and composite technologies in the construction of the \$6 million, 186-foot-long Halls River Bridge. Spans are made of 36-foot-long hybrid composite beams, which are hollow plastic forms reinforced with glass and steel fibers and filled with self-consolidating concrete. In addition, instead of steel, the bridge will use glass- and concrete-fiber-reinforced polymers and carbon-fiber composite cable for piles, decks, railings and abutments.

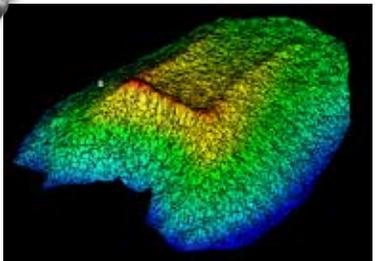


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Annual Safety Leader Award to Lafantaisie

Don Hurst
Director of WORKSAFELY™
Education and Training

WORKSAFELY™ would like to congratulate **Pat Lafantaisie of Nelson River Construction** on being the recipient of the **2018 Safety Leader Award**.

Safety is everyone's first job, and improving worksite safety is a daily process for all our heavy construction companies. The Safety Leader Award recognizes individuals who demonstrate outstanding achievement and commitment to the pursuit of safety in the heavy construction workplace.

Pat has shown his commitment to ensuring his co-workers and workplace are safe, by taking safety courses and then applying this knowledge in the field in the interests of colleagues on the job.

Pat also has been instrumental in developing various features, such as a walkway system and a one-loop lockout system, to better protect workers.

This award recognizes Pat's achievement in program development, staff training and industry contribution. Congratulations, Pat!

KNOW YOUR WORKSAFELY™ TEAM

Don Hurst, B.A., M.A. (Econ.)

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SAFETY TALK

Safe lifting and your back

An injury that results in a strain, sprain, torn muscle, tendon, ligament or joint is called an MSI (musculoskeletal injury).

What's the danger?

Work-related lifting injuries are some of the most common injuries in the construction industry.

How to protect yourself

Proper lifting techniques can help prevent injury.

- Break down loads
- Use a machine such as a dolly or loader
- Team lift – ask a coworker to help with the load
- When getting supplies delivered, get them unloaded as close as possible to where they are needed
- Pick up trip hazards on stairs and walkways
- Wear the correct footwear for the jobsite

THINK ABOUT THE LIFT!

- Face the object
- Use a well-balanced stance with one foot slightly ahead of the other
- Bend at the knees, not at the back
- Keep your arms straight
- Get a firm grip on the object with your hands and fingers – use handles when present
- Tighten your stomach muscles as you start to lift
- Use your legs to lift
- Pick up your feet and pivot to turn, do not twist your back
- Bend your knees to lower the object

Things to consider

- What processes and tasks on the jobsite most often require lifting?
- What objects are the heaviest for workers to lift?
- What machines on the jobsite can do the lifting for you?

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

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Supervisor: _____

Location: _____

Corrective Actions:

Employee Signature:



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TO REGISTER,
PLEASE CONTACT:
Kristen Ranson
kristen@mhca.mb.ca

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September 2018

- 11 Flagperson 1/2 day AM
- 11 Safety Committee/Representative 1/2 day PM
- 17-18 COR™ Leadership in Safety Excellence**
- 19 COR™ Principles of Health & Safety Management**
- 20-21 COR™ Auditor**
- 24 Transportation of Dangerous Goods 1/2 day AM
- 24 COR™ Auditor Refresher 1/2 day PM**
- 25-26 Traffic Control Coordinator

October 2018

- 3 Flagperson 1/2 day AM
- 3 Safety Committee/Representative 1/2 day PM
- 10-11 Traffic Control Coordinator
- 15-16 COR™ Leadership in Safety Excellence**
- 17 COR™ Principles of Health & Safety Management**
- 18-19 COR™ Auditor**
- 23 Train the Trainer - Facilitation Skills
- 29 Excavating & Trenching 1/2 day AM

November 2018

- 1 COR™ Auditor Refresher 1/2 day AM
- 5 Winter Roads 1/2 day AM
- 5 Emergency Response 1/2 day PM
- 19-20 COR™ Leadership in Safety Excellence**
- 21 COR™ Principles of Health & Safety Management**
- 22-23 COR™ Auditor**

BRANDON St John Ambulance

September 2018

- 24-25 COR™ Leadership in Safety Excellence**
- 26 COR™ Principles of Health & Safety Management**
- 27-28 COR™ Auditor**

Construction stakeholders applaud federal prompt payment review

Angela Gismondi, Daily Commercial News, August 22



Leaders from national construction organizations are praising the authors of the federal prompt payment review for conducting a thorough consultation process and including issues that are important to their members among the recommendations.

Building a Federal Framework for Prompt Payment and Adjudication was conducted by Bruce Reynolds and Sharon Vogel of Singleton Urquhart Reynolds Vogel LLP and was released by Public Services and Procurement Canada (PSPC) Aug 2. The review provides the Government of Canada with a set of recommendations for the implementation of prompt payment and adjudication legislation on federal construction projects.

"It's a matter of knowing when you're going to get paid," said Sandra Skivsky, chair of the National Trade Contractors Coalition of Canada. "We're trade contractors with no direct contractual relationship with the owner for the most part. The uncertainty of knowing when you are going to get your payment affects all of us. Once the proper invoice goes in, having that process outlined of how many days and what happens if you don't get paid, what are your remedies, all of that makes it a more transparent and accountable system."

The 258-page report outlines 55 recommendations, including mechanisms to ensure that cash flows down the construction pyramid quickly on federal construction projects. The report recommends the time period for payment between the federal owner to the general contractor be 28 days, and payment at levels below the general contractor be seven days from receipt of payment from the owner.

"CCA (the Canadian Construction Association) believes that these recommendations are consistent with what we had submitted on behalf of the general contractors, trades, civil, manufacturers and suppliers," said association president Mary Van Buren.

"CCA championed the consultation process, which was similar to what was done in Ontario, because we believe that this would ultimately result in consensus legislation. We think the release of this report is an important milestone and we really appreciate PSPC for their collaborative approach and the Government of Canada supporting this member priority."

The association will be providing feedback in a few areas, with a key item being trusts.

Matt Ainley, chair of the General Contractors Association of Canada (GCAC), also stated trust provisions are an important area in the report.

"There are no trust provisions federally, so they've asked the question in the report about should there be trusts or should there be bonding. I believe that is a very good question for the government to consider," he said.

Reynolds and Vogel were retained by PSPC Jan. 30 and began by sending out a survey to key stakeholders.

"They were able to spend a lot of time consulting the industry and I think that was probably the key," stated Ainley, adding he was pleased the federal government decided against a Private Member's Bill, opting instead for a consultative process.

The review also addresses the issue of alignment, which is important especially with many provinces considering prompt payment legislation.

Following the release of the review, Reynolds and Vogel have been retained to assist PSPC as they instruct the Department of Justice in relation to drafting the legislation.



Is tourism a trade-war victim?

By Peter G Hall, Vice President and Chief Economist

Summer in the Northern Hemisphere is break time for most. Sadly, trade-bashers are taking no vacation. Concern is as high as ever about the future state of trade and the direction current rhetoric – and policy – may take. It's the kind of situation that could really wreck a good vacation, or at worst, lead holiday-makers to cancel plans altogether. Is tourism a trade-war victim?

It may still be too early to tell. Official data on Canada-US travel only extend to May, covering months that are typically tourist-light. Over that period, US visitors to Canada were down 0.9 per cent as compared to the same time-frame in 2017. You might think that a deeply-discounted dollar – ours, that is – would be more of an enticement.

Canadians are travelling South!

What about the flipside? Are Canadians going stateside? You bet – and in spite of a pricey greenback. Through May, Canucks headed south were up 11.5 per cent. Most of these trips are by car, and the bulk of those are same-day trips. Net of quick-in-and-out business travellers, there seem to be a lot of active cross-border shoppers. Go figure.

Shouldn't we just wait for the real travel season numbers? Well, unlike the past, we actually now have a sense of what's going on through July. Thanks to automated systems at land crossing points, we now have real-time data on US-licensed vehicles entering Cana-

da and Canadian vehicles re-entering from the US. Given that this is the bulk of total travel, it's a good proxy for overall activity. What are the numbers saying?

For July, year-to-year US travellers bound for Canada were down by 0.8 per cent – in line with the official data. Big declines were registered for US trips to Quebec (-4.5 per cent) and British Columbia (-3.2 per cent). The latter decline is likely in part due to the BC wildfires and visuals of poor air quality conditions.

Travel numbers are also up in high season

Canadians seem to have edged back on their travel to the US. Compared to the earlier-year numbers, year-to-year figures were not as robust – although they were still up 0.6 per cent over last year. Yes, even in peak season, more trips are being taken stateside in spite of politics and the currency.

What seems to be in the works is sort of the same as for the rest of trade: Canadians are carrying on, with minimal impacts on real activity. Looking at other economic drivers of travel, it does make some sense. Income is a key factor, and in both the Canadian and US economies, job creation together with wage growth is strong, and travellers seem to believe they can afford it. On the trade side, hot US growth is powering cross-border shipments, tariffs, retaliations and renegotiations notwithstanding.

Eye of the storm, or just good weather?

On both counts, there are in very general terms two plausible scenarios: either we are in the eye of the storm, facing impending hurricane-force

winds and their devastating impact; or we are operating in two quite separate dimensions: the first, the real economy, with its day-to-day pragmatic movements of goods and services and the second, trade-bluster that is being used to take us to what is hopefully a higher economic plane.

If these are indeed separate dimensions, then the real danger we face is that at some point they would conjoin, or perhaps more appropriately, collide. If rhetoric turns into reality, it would quickly wreck the prosperity we now enjoy. If on the other hand they remain separate, that is, there is some method to the madness that in fact sweeps out remaining protectionist cobwebs in the system, crafting a refined reality, we can welcome an extension of today's improving times.

For the moment, travellers agree – whether tourists, or those who are travelling the roadways of global business flows. To date, their fears have not kept them from carrying out today's plans. What is less certain are longer-term projects. Further out, things are less certain, and from what we can tell, people and organizations are less inclined to put their money down on large-scale activities ahead of time.

The bottom line?

Political rancour hasn't kept tourists from heavy usage of the Canada-US border. Same goes for exporters. Long may that be the case.



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