



2012 MIT Construction Program Substantially Reduced? *MHCA Seeking Meeting with Minister Ashton*

By Chris Lorenc, B.A., LL.B., MHCA President

On March 8, 2012, the MHCA was provided with a revised MIT Tender schedule reflecting substantial reductions and changes to the 2012 Highways Construction Program.

The MHCA has identified 15 projects whose tender advertisement dates have been significantly moved back and at least 10 substantive projects - we estimate a \$50 million value - which were removed and cancelled – see www.mhca.mb.ca for a copy of the changes.

The impact of the above is not insignificant. At a time when our industry struggles to attract new labour, keep existing talent from accepting opportunities in Saskatchewan and Alberta, we now must substantially slow their return to gainful employment, if we have access to them at all.

Manitoba's heavy construction industry was able to attract skilled workers from the oil patch because the employment certainty was an acceptable trade-off for the higher wages. Now, any competitive advantage is potentially lost as skilled workers can find better pay and certainty out West.

However, the great employment story of the past few years has been the attraction of hundreds of entry-level, low skilled workers into our industry. These workers have various backgrounds (Aboriginal, on and off reserve, Métis, new immigrants, women) many of which were not employed, or perhaps even employable. The advancements made in growing our workforce, training these new entrants, and developing their abilities will be lost.

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What message do we pass along to the new and seasoned employees? We don't know if we and therefore you will have jobs this summer? We don't know what the program will be? Speculate on your employment earnings? What certainty do any of those applicable statements provide our employees.

There is as well impact on aggregate producers, equipment supply and repair, the petroleum and oils sector and all of the other related supply sides of the industry. The ripple impact is immediate and counterproductive to the province's economic best interests.

Transportation assets are under significant deficit pressure. They underpin the economy's trade efficiency and they ensure a competitive economy. The above measures run counter to the collaborative work with your government to support economic growth in Manitoba.

The MHCA is very strongly opposed to the above measures and on March 8, 2012 asked for an urgent meeting with Minister Ashton.

We will advise of the nature of those discussions. 

2012 Manitoba Flood Conference

On behalf of the Manitoba Chapter of the CPWA, I would like to invite you to the 2012 Flood Conference.

Here, you will join public works professionals from your neighboring communities. You'll find valuable experience and knowledge of flood fighting and stormwater maintenance.

The conference will also feature exhibitors displaying the latest in equipment, materials, and technologies for the floodfighter of the 21st century. This year's theme will have an emphasis on lessons learned from 2011.



WHEN

Thursday, April 26, 2012 7:30 AM - 4:30 PM

WHERE

Greenwood Inn & Suites, 1715 Wellington Ave., Winnipeg, MB R3H 0G1 Canada

Attire

Business Attire

Link to Register

<http://www.cvent.com/d/jcq05y>

Civil Infrastructure Council Update

The MHCA is an active and participating member of the Canadian Construction Association (CCA). The CIC is one of a number of committees on which the MHCA participates. What follows below highlights a number of topics it addressed.

Hours of Service

In December of 2011, CCA submitted to Transport Canada its latest proposal aimed to create a separate unique road builder weekly cycle that would permit firms to make up time lost due to weather interruptions.

If approved, drivers affected by weather interruptions would be permitted to log the time as 'off-duty time due to weather'. Drivers with off-duty hours due to weather would then be permitted to work a modified weekly cycle of 80 hours (rather than the normal 70 hour cycle) until they exhausted their lost hours. Once completed, drivers would then return to normal weekly cycle caps.

The proposal assumes that participating companies would be required to ensure their drivers maintain and carry with them 35 days of logs, adopt a Fatigue Management Program and provide their drivers with fatigue management training.

CCA continues to work with Transport Canada officials on the proposed exemption. To date, several provinces have expressed concerns regarding the CCA proposal, which may undermine the entire effort. CCA expects a final decision from Transport Canada on the proposed exemption later this spring.

CCA: The National Industry Champion for Economic Growth

The MHCA suggested to the CCA that the CCA should broaden its advocacy program to position itself as the national industry champion for Canadian economic growth, and that the CCA Savannah Conference should launch a review in support of such a direction. After some effort the following motion was adopted at the Industry Advocacy & Regulatory Affairs (IARA) Committee: 'That a task force be struck by the IARA to review the potential and merits of broadening CCA's advocacy program to include championing economic growth strategies. It should report back to the Committee for the spring 2012 meetings with recommendations including measurable goals and consideration of the HR and financial resources required to attain those goals.' MHCA President Chris Lorenc has been asked to chair the sub-committee whose full membership is still being finalized.

Statutory Review of the Canadian Environmental Assessment Act

In 2010, the House of Commons Standing Committee on the Environment was instructed by Parliament to initiate a statutory review of the Canadian Environmental Assessment Act. The review commenced in the fall of 2011.

CCA appeared before the Committee in November 2011 and advocated high-level principles be incorporated to improve the process timeliness and increase investor certainty. These principles are:



1. Adopt a framework approach to environmental assessment whereby the federal requirements are incorporated into the assessments of other jurisdictions, thereby eliminating the need for duplication of assessment efforts.
2. The federal government only undertake assessments where no other jurisdiction has authority, or if the project is exclusively on federal lands.
3. Reduce the number of federal triggers for decisions of little environmental consequence, freeing up environmental resources to focus on projects of greater environmental consequence.
4. Adopt a list-based approach to the environmental process for projects of lesser environmental consequence and eliminate the need for a federal assessment to occur when the federal government is merely transferring funds or issuing a permit, which already has environmental considerations attached to its issuance.

The Committee's recommendations were all in line with the recommendations presented by CCA. The Federal Government has 120 days to table a formal response which is expected to come in legislative and regulatory amendments, to be tabled in the House of Commons in April or early May 2012.

Public Enterprises Competing Against Private Sector Construction Firms

The Civil Infrastructure Council was alerted to a disturbing trend on the part of some publicly-owned municipality construction operations competing for work outside their local market. The CIC is very concerned that these examples may turn into a broader trend.

CCA has a longstanding policy statement opposing this practice. CIC instructed CCA staff to actively support its partner associations in opposing this practice and to, at the request of a partner association, undertake direct advocacy efforts with local or provincial governments in support of the CCA policy. CCA staff will be consulting with partner associations over the coming weeks to determine the most appropriate role for its involvement.

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National Report Card on the State of Canadian Infrastructure

In 2010, TRIP Canada, in partnership with the Federation of Canadian Municipalities, the Canada Society for Civil Engineering and the Canadian Public Works Association contracted to develop a national infrastructure report card from municipal Public Sector Accounting Board (PSAB) reports. The report card will include information regarding the state of Canada's water, sewer and road infrastructure. Subsequent reports will include other infrastructure assets such as bridges, electrical and public transit assets.

Information has been received from more than 400 municipalities across the country which combined, account for approximately 80 per cent of Canada's population. Analysis is now ongoing, and the report card should be available for public distribution in the early spring.

While the report will be technical, it will assign each asset class a grade from A to F. The report will not single out any jurisdiction by name, but will make regional comparisons so as to provide a better sense of how public infrastructure rates by comparison across the country.

The report card will be a valuable advocacy tool to press for additional funding for public infrastructure renewal. Once completed, CCA will provide communications products that will help explain the report card, and include main messages designed to assist discussing the issue with public officials.

Infrastructure Lobby

The Civil Infrastructure Council has been a long-time advocate of greater federal involvement in the renewal of Canada's ageing public infrastructure. The Council has made this a top priority for CCA and been successful in adding it to the association's overall national federal lobby strategy.

In Budget 2011, the federal government announced that it would introduce legislation in the fall to make permanent the annual \$2 billion transfer of Gas Tax Fund (GTF) revenues to municipalities for the development of public infrastructure. Bill C-13, the Budget implementing legislation, was introduced in the House of Commons on October 4 and was passed into law on December 15, 2011.

While making the annual transfers permanent is an important first step, the current allocation of \$2 billion remains insufficient to meet the growing needs of municipalities. As part of the 2011 pre-budget process, TRIP Canada, through CCA, advocated for, at a minimum, GTF funding be indexed to the cost of inflation. Going forward, CCA will continue to press for not only a funding increase to the GTF, but the development of a new Building Canada Plan.

National Infrastructure Summit

In January of 2011, the City of Regina hosted the first ever and very well attended and highly profiled National Infrastructure Summit (NIS). The CCA was a prominent NIS sponsor and called



upon all levels of government to sit down with stakeholders to develop a national infrastructure renewal plan that quantifies the needs, assigns construction and maintenance priorities and develops funding mechanisms to ensure the timely renewal of these critical public assets.

The NIS endorsed a proposal to create a National Infrastructure Forum to explore the many challenges governments face in funding the renewal of Canada's aging infrastructure. The federal government announced in Budget 2011 that it would be holding a series of national consultations with provinces, municipalities and other stakeholders on the development of a successor program to the existing Building Canada Plan. As a long-time proponent of a national infrastructure renewal plan, CCA expressed its strong support for this important announcement and was subsequently invited to participate in the formal consultation process.

In September 2012, the City of Regina will host the second NIS. CCA will again be a sponsor, as well as participant. This will provide CCA with an ongoing voice in the development of infrastructure renewal policies, provide a joint platform with the Federation of Canadian Municipalities (FCM) from which to promote the Canadian Infrastructure Report Card.

Canadian Construction Association (CCA) UPDATE

The Manitoba Heavy Construction Association (MHCA) is a long-standing, active and participatory member of the CCA which represents the horizontal and vertical construction industry across Canada. The CCA speak to matters of industry interest at the national level.

The following highlights discussion at the 94th Annual CCA Conference held March 11-16, 2012.

In no particular order of importance, CCA endorsed the following industry priorities for 2012-2013:

Infrastructure Investment

- » Work with Infrastructure Canada, the Federation of Canadian Municipalities (FCM), the partner Associations and other stakeholders in the development of a long-term, national infrastructure program to replace the current Building Canada Fund;
- » Develop with the FCM and other stakeholders an annual Infrastructure Report Card;
- » Seek to have the \$2 billion annual federal Gas Tax transfer indexed.

Environmental Policy/Regulation

- » CEAA - Seek reforms to the Canadian Environmental Assessment Act that will limit the need for federal project assessments where provincial assessments are undertaken to create a 'one project: one assessment' approach;

Standard Documents & Practices

- » New Documents - Endorsement and publication of the new CCDC Standard Design-Build Contract Forms, CCDC 14 & 15;
- » New Documents - Development of an Owners' Guide to Project Delivery Methods;
- » P3s - Continue to develop educational material on P3s.

Labour Supply & Training

- » Continue to develop a CCA strategy to tackle labour shortages and respond to barriers to labour mobility.
- » Immigration Reform - Continue to seek reforms to Canada's temporary foreign worker and permanent immigration programs to facilitate the entry of foreign-trained construction workers and supervisory personnel;
- » Labour Market Information - Work with the Construction Sector Council and other interested stakeholders to ensure and safeguard the continuation of the construction Labour Market Information (LMI) reports and the eLearning Program.

- » Credential Recognition/Red Seal Program - Monitor & respond as required to proposed revisions to the current assessment model for Red Seal Certification and the effect these revisions may have on the national Red Seal program

Federal Tendering & Contracting Practices

- » RP1 Consultations - Influence the next procurement process for the Real Property (RP) 1 contract by PWGSC so that it requires the use of standard industry contract conditions and practices by the RP1 Contractor;
- » Industrial Security Clearances - Continue to press for a more streamlined and uniform industrial security clearance process for federal construction contracts;
- » GETS - Monitor and influence the procurement process for the next Government Electronic Tendering Service (GETS) that is used to advertise and/or procure Federal/Provincial/Municipal (construction) projects (replacement or continuation of the MERX system).

Specific Legislative/Regulatory Measures

- » Hours of Service - Continue to seek an exemption for the road building sector from the provisions of the Federal Hours of Service Regulations.
- » Accelerated Capital Cost Allowance for Diesel-Powered Equipment - Continue to seek an accelerated capital cost allowance rate for diesel-powered, mobile

Civil Infrastructure Council (CIC) Concerned about Government Competition

The CIC is concerned with reports of public sector entities not only using own forces to do their own work but also bidding against private sector construction firms on public sector infrastructure opportunities in other jurisdictions. CCA has a clear Policy Statement opposing government-owned, or controlled, entities competing for construction contracts. The Council encourages local and provincial construction associations to lobby public sector procurement authorities to prohibit government-owned or controlled entities from bidding against private sector contractors. CCA will provide supporting letters to assist its Partner Associations in such actions.

Industry Advocacy & Regulatory Affairs (IARA) Committee

The IARA supported a proposal from the MHCA that a task force be struck to review the merits of broadening CCA's advocacy program to include championing economic growth strategies and to report back to the Committee for the spring 2012 meetings with recommendations. MHCA President Chris Lorenc will chair the Task Force.

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Board Approves Proposed New Construction Industry Research Institute

The CCA Board of Directors approved in principle a proposed governance model and some seed funding for a new industry-led Construction Research Institute to be known as CCInnovations (i.e. Canadian Construction Innovations). A steering group working under the auspices of the CCA Innovation and Technology Committee developed the proposal based upon an existing model used in another industry. The next step is to seek the participation and support of major private and public sector construction purchasers/users.

CCA Sponsors National Skills Competition & Aboriginal Inclusion Works

The Board approved CCA once again being a Supporting Sponsor (at a cost of \$5,000) of Skills Canada's annual National Skills Competition taking place May 13-16, 2012 in Edmonton. This competition features some 500 students competing in more than 40 skilled trade and technology areas. In 2011, CCA's Supporting Sponsorship was attached to the carpentry competition.

The Board also approved CCA once again sponsoring (at the \$5,000 level) 'InclusionWorks '12', Canada's largest Aboriginal human resources event, hosted by the Aboriginal Human Resource Council, from May 1-3, 2012, in Edmonton, Alberta".

2011 CCA Audited Financial Statements Approved

CCA's Audited Financial Statements for the period ending December 31, 2011 were approved at the Annual General Meeting. CCA finished the year with a \$144,400 surplus due primarily to extraordinary sales of standard documents prompted by promotional efforts and seminars and the release of new documents.

Thank You to Retiring Board Members

CCA wishes to thank the following retiring CCA Board of Directors members for their contribution to CCA and the industry nationally: Colin Anderson, Barry Arnason, Frank Collins, Wayne Cranford, Ken de Rooy, Roger Dootson, Bob Dunnett, Martha George, David Giles, John Kewley, Gord Lee, Kevan MacLean, Leo McArthur, Wayne Morsky, Dave Pelletier, Frank Ross, Phil Roy, Ian Steer, Kendall Wright and Mike Zaine.

Chief Peguis Trail named Manitoba's Best Managed Project

MHCA Member Companies Lead Project Management Team

THE \$109-million extension of the Chief Peguis Trail -- completed on budget and a year ahead of schedule -- has been named Manitoba's best-managed project for 2012.

The project, which took only a little over a year to complete -- from September 2010 until December 2011 -- beat out five other entries at the Project Management Institute's annual awards luncheon held Tuesday at the Winnipeg Convention Centre.

The team of DBF2 Ltd. was led by Norbert Hansch of Terracon Development Ltd., and Boris Gavrailoff of Bituminex Paving Ltd., both MHCA members.

Also involved with the team was MHCA members Taillieu Construction Ltd. and Genivar Consultants Limited Partnership, as well as Gateway Construction & Engineering Ltd., Kupskey Consulting Ltd., and Fengate Capital Management Ltd.

Officials with DBF2 said their goal from the beginning was to finish a year sooner than scheduled.

And last summer's hot, dry weather helped them achieve their goal, said project manager Jeff Fontaine and construction lead Dennis Cruise.

Maintaining a seven-day-a-week work schedule also helped, they said.

The project involved extending Chief Peguis Trail eastward from Henderson Highway to Lagimodière Boulevard.

Lester Deane, the city's lead on the project, said one of the main purposes of the extension was to relieve the burden of traffic on east-west streets in northeast Winnipeg.

"And the big advantage for the city is we got to use the infrastructure a year ahead of schedule," Deane said.

Source: Winnipeg Free Press





Senior Project Manager

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- Give strategic direction and oversight to the larger, complex projects and the project management team delivering projects on time, on budget and within contract specifications.
- Mentor and develop a passionate project management team who are excited about an organization that dares to charter new ground with the most challenging and high profile projects.
- Improve project management processes and quality practices, increasing efficiency and profitability.
- Inspire, build and manage strong communication and cooperative working relations with owners, senior management and project managers, supervisors, field workers, multiple sub trades, Aboriginal and First Nations community.
- Be the project face, developing superior customer relations with a major customer.
- Champion safety and train all personnel to achieve an incident free and environmentally responsible workplace in compliance with industry standards.

You bring:

- 15 years' project management experience in heavy civil construction or transportation with proven success working with large-scale projects.
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 - Knowledge of contract law
 - Degree or diploma in Applied Science, Engineering or Business, (CET) Certified Engineering Technologist or Technician or other professional certification such as PMP, Gold Seal Certification.
 - Registration with SHEP and WHMIS; valid Driver's License
 - Computer skills with Excel, Project, Primavera or other project management software.
- Vehicle, laptop and cell phone provided.*

Company Values

Our Client values building not only the best roads and bridges but also the best skilled workers in the marketplace; a positive, continuous improvement and safe work environment; and strong working relationships with the Aboriginal community. Committed to innovation and improvement, they offer the latest and extensive equipment fleet. They are passionate about their long-term growth and committed to their employees and family.

Please contact Roma Thorlakson at 204 475-5600 ext 3; thorlakson@ianmartin.com for more information and/or submit your resume at www.ianmartin.com. Click on IML Engineering – Senior Project Manager.



The Westland Foundation



PRESENTS

Guest Speaker Dr. Glen McCabe

“Education, Knowledge and Identity:

Places on the road to wellness and healing.”

April 25, 2012

Doors open: 6:45 a.m.

Breakfast starts: 7:30 a.m.

Location: Fort Garry Hotel

Grand Ballroom

Emcee: Gary Filmon

Price: \$35.00/ticket

Charitable Tax # 89080 1947 RT 0001

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Contact John Prystanski for tickets at 333.9320 or jmp100@shaw.ca.

FYI

MINIMUM WAGE RATES & EMPLOYMENT CONDITIONS

Copies of the Construction Industry Wages Act (CIWA) minimum wage rates and employment conditions are available to MHCA members by simply phoning Brenda Perkins at the MHCA office at 947-1379 and requesting a copy.

The pamphlet provides for the minimum wage rates effective May 1, 2012 and May 1, 2013. It provides reference to the Employment Standards Code and the CIWA; helps define heavy construction industry and workers and addresses a number of questions including: Can one construction company do work in all three construction sectors (heavy, ICI and house-building?). It speaks to the prohibition against paying rates lower than those published in the Heavy Construction Sector Wage schedule which itself arises from CIWA.

The brochure also address employment conditions such as hours of works and overtime, vacation, general holidays, termination and complaints for non-compliance with the minimum wage provisions.

For more information, updates and more detailed information, industry is also encouraged to visit www.manitoba.ca/labour/standards

A Different Economic Development Model

By Peter Hall, Vice-President and Chief Economist of Export Development Canada

Job creation is always at the forefront of economic progress. It becomes an even hotter issue when the economy goes down. The post-recession global economy is no exception. Unemployment rates are high everywhere, and policymakers the world over are obsessed with getting them down. Canada's ageing population puts a different spin on job creation in the coming cycle.

How so? Look at today's unemployment rate compared with past cycles. True, our domestic economy has done well in the past three years, but in the deepest part of the recession, Canada's unemployment rate "shot up" from 6% in 2008 to 8.7% by August of 2009. The deterioration is not great, but it compares favourably with the 6.1 percentage point increase in the early 1980s, and the 4.9 percentage point hike in the early 1990s. Moreover, a steady down-trend lowered the rate to 7.4% by mid 2011, where it has remained. Normally, our unemployment rate would be much higher than America's, but this time, we are well below our southern neighbours. A different experience indeed.

Often, employment numbers can be distorted by "hidden unemployment". Discouraged by the lack of jobs, workers can decide to exit the labour force altogether – meaning they fall outside of the unemployment calculation, biasing the numbers downward. But adjusting for this phenomenon, Canada's numbers still look strong. Including discouraged workers in the unemployment count would have raised the posted unemployment rate by almost two percentage points in the early '90s, to an unthinkable 13%. This time around, the same calculation lifts today's unemployment rate just 1%, to 8.4% - less than the recent peak in the rate. This suggests labour market strength significantly greater than previous experience – or does it?

Clearly, Canada's economy has fared better than most developed nations in this downturn, helping this situation out. But there is another dynamic affecting the picture. At the end of the last cycle, labour shortages, particularly for skilled workers, became obvious. This was perhaps most apparent in Alberta's oilsands, which took to ferrying and



training workers from different parts of Canada just to keep the projects going. Other industries and provinces were bumping into similar constraints, but recession put paid to the shortages. Problem solved? Hardly.

According to Statistics Canada, the population aged 15-55 will take a U-turn in 2016, adding significant additional pressure to the labour market. How the market deals with this will determine a lot about Canada's competitive position in the next growth cycle. Training of existing workers – both by educational institutions and on-the-job – is likely to gain new prominence in strategic plans. Government is already trying to re-tool immigration to ensure access to the right type of workers for the economy. Good initiatives – but they are not likely enough. In order to succeed, models of economic development will need to leverage the vast underemployed labour forces in other countries. Outsourcing and offshoring of work to fill the unfillable gaps in the Canadian labour market – in essence, importing labour without moving it – will become more necessary to ensure that we have the capacity to fill the domestic and international orders that Canadian producers receive.

The bottom line? The next growth cycle will put huge pressure on our ageing labour force. Accessing the world's vast labour force will be critical to maintaining our market presence and competitive edge.

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APRIL 2012	
April 10	Safe Work Procedures
April 11	Prime Contractor
April 12	Back Injury Prevention
April 12	Fatigue Management
April 13	Safety Administration (1/2 day AM)
April 13	Toolbox Talks (1/2 day PM)
April 16-17	COR™ Leadership
April 18	COR Principles
April 19-20	COR™ Auditor Refresher
April 20	First Aid 1 - CPR
April 23-24	Train the Trainer
April 25	WHMIS (1/2 day AM)/ TDG (1/2 day PM)
April 26	COR™ Auditor Refresher
April 27	Excavating & Trenching (1/2 day AM)
April 27	Flagperson (1/2 day PM)

MAY 2012	
May 1	Safe Work Procedures
May 2	Prime Contractor
May 3	Back Injury Prevention
May 3	Fatigue Management
May 4	Safety Administration (1/2 day AM)
May 4	Toolbox Talks (1/2 day PM)
May 14-15	COR™ Leadership
May 16	COR Principles
May 17-18	COR™ Auditor
May 20	First Aid 1 - CPR
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May 27	Excavating & Trenching (1/2 day AM)
May 27	Flagperson (1/2 day PM)

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