

Good afternoon,

The below editorial published in the March 9 edition of the Winnipeg Free Press, is a very good assessment of what 'he did it' means across this province. It is therefore most worthy of your full consideration and reflection as you enter into the home stretch of the 2019 Operating and Capital Budgets.

<https://www.winnipegfreepress.com/opinion/editorials/for-better-and-worse-pallister-delivered-506894652.html>

We agree with the sentiments expressed Thursday March 7 by Finance Chair Scott Gillingham, who reflected on the fact there was no residential street work scheduled for 2019 due to the shortfall, and that it was an untenable situation.

Councillor Gillingham also noted that perhaps adjustment could be made to the situation through the council budget approval process.

It is untenable that councillors will be telling constituents that none of their streets will see repairs this season, beyond bituminous overlay. This not only means bumpier streets for residents, but it compounds the cost of eventually repairing bad roads and the infrastructure investment deficit that city council had worked hard to address. The condition of streets as you know is well laid out in the 2018 State of Winnipeg's Infrastructure Report.

Further, our Board, members, industry and its workforce appeal to you, to not participate in, nor enable an arbitrary decision made by the provincial government, to result in inflicting further harm, damage and deterioration to an industry and its workforce much of it spread across each of your individual wards. Our industry and workforce are already labouring under the negative impacts of roughly \$500 million in cuts to core municipal and provincial infrastructure budgets since the 2016 election.

We do not envy the position you have been placed in, and have said so publicly. There is no element of fairness associated with what the provincial government has done in failing to appropriately share the infrastructure burden that is faced not just by Winnipeg and its 750,000 residents, but all municipalities across Manitoba.

However, the impact of provincial decisions cannot be placed only and squarely upon the backs of workers of the heavy construction industry. Yet the 2019 Preliminary Operating and Capital program does just that.

While we can appreciate that prior to the March 7 provincial budget, the civic budget may have been shaped as part of a calculated public strategy, its implementation cannot now, knowingly be lost jobs, reduced incomes and the stresses of uncertain employment upon the families of our workforce.

Leadership is often laboured by difficult decisions - they are never easy. You know that, we know that and we understand that. As an association and industry, our approach has always been and continues to be, solutions oriented.

Asking our industry workforce to squarely bear the burden of decisions imposed by the provincial government, should very respectfully not be the option, anymore than, as the mayor noted, the burden of righting provincial fiscal balance be placed only on the shoulders of Winnipeg ratepayers.

We respectfully appeal to you to:

1. Fully reinstate to the local street renewal budget the \$40-million hole left by Manitoba;
2. Make the impacts of required decisions clear with the public;
3. Continue to publicly press Manitoba for:
 - a. a full reinstatement of the \$40-million, and
 - b. a new five-year infrastructure funding agreement to replace the one ended 2018; and
4. Marshall public and private sector support to press for a New Fiscal Deal recognizing that the current fiscal structure crafted at the turn of the century is clearly inadequate to municipal tasks at hand.

We (and others in our community and province) are prepared to support and work with you to help achieve each of the above objectives.

This appeal will be circulated under separate cover to contractors and suppliers who employ thousands of Winnipeggers in the heavy construction industry, and to the MHCA Board of Directors.

Regards,

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President, Manitoba Heavy Construction Association (MHCA)