

Good morning Mr. Chairman and members of the Finance Committee.

I would like to begin by thanking Mayor Bowman and Councillor Gillingham, for having participated in releasing the recommendations of the Financial Challenges of COVID-19 Report, on April 21 ahead of this meeting of the Finance Committee.

The one thing that I respectfully suggest be kept in mind in these discussions, is the lack of confidence in the economy by all its sectors, the alarm, the anxiety, the fear of what lies ahead around the corner, and indeed where that corner is.

We are living through an unprecedented period with approaching unprecedented impacts upon our economy, which prior to the pandemic, was showing resilience.

But those challenges pale by comparison, to what we are living through now. And that requires bold leadership of all levels of government, regardless of ideological stripe; leadership untethered by the 'politics of the day' and focused on pulling our communities, province and country to the other side of the pandemic, positioned for recovery.

The one thing we can and should agree upon, is that this is not the time for rampant austerity. There is no economic recovery strategy that I am aware of, that preaches austerity as the path to economic recovery. As difficult as it is for disciples of fiscal balance, this is the time to invest, the time for stimulus programs, to ensure our economy does not flat line.

We will have to worry about the aftermath of unprecedented deficits. But better to worry about that in the context of an economy that has been nurtured with investments to procure jobs and build legacy assets that will spur economic growth, and greater revenues back to governments.

Which brings me back to the reason I extended thanks to the Mayor Bowman and Councillor Gillingham at the outset.

People need their local and provincial governments now, more than ever. They need to see their leaders speak with equal commitment to hope and recovery, and investment. They need to feel comfort that the essential services they rely upon will continue. They need to know our community is ready to face the future.

The report before you today, is an example of the leadership we need now. Nothing is sugar-coated. Scenarios are laid out. Responsibilities are identified. Essential services are named. Importantly, confirmation is given that the municipal government has a necessary role in supporting employment in the private and public sectors. And most importantly, it recognizes as do most, that investment in the city's infrastructure is a critically important activity that must continue, to enable the city to participate in shaping the solutions, as distinct from exacerbating the problem.

It is noted in the report that municipalities across Canada are not allowed by legislation to post operating budget deficits, and that they require the assistance of provincial and federal governments to help breach gaps. That reality should not obstruct making those necessary decisions that allow for investing in our future.

The report at pages 20 & 21 demonstrates the impacts on the GDP, jobs and revenues. It is modest about the legacy, many of the assets leave.

Imagine for a moment the opposite: no capital program, the loss to GDP, the loss of employment, individual and family hardships, the additional subsidy burdens and the exponentially larger capital and social costs of inaction. I would not want to be in a position of having to account for those outcomes.

Capital program investment is needed by the public, the business community, and by the thousands of woman and men whose livelihoods directly and indirectly depend upon the work that the vertical and heavy civil construction industries induce and support. In short it is needed by the economy.

As noted in a communication from the MHCA in early April, and in separate communication dated April 24 you have on file from the ACEC-MB, MHCA, MHBA, MERIT, UDI and WCA, we collectively support the report and are more than willing to provide our experience, to ensure the capital program procures jobs, leaves legacy assets that benefit our community and assists in ensuring that whatever is 'around the corner' is manageable.

The MHCA urges you – and I refer you to our April 24 communication which you have on file:

- Stay the course; fully flow the core infrastructure investment programs.
- Consider accelerating those programs; the market is competitive, and prices are low, the City will benefit from robust budgets that derive greater value because of the market conditions.
- Identify now, shovel-ready projects of 5 to 18 months duration. The federal government is looking for provincial and municipal partners in quick roll-out of the Investing in Canada Infrastructure Program dollars. Seize this opportunity and momentum.
- In support of that, review Winnipeg's 2020 Infrastructure Plan which lists some 46 projects. We urge you to re-prioritize and elevate the projects that hold the fastest, greatest return on investment. Keep in mind the compounded returns that come from legacy benefits. Projects such as the Chief Peguis extension, help induce expanded trade related investments and jobs. Peguis itself, is a key piece in Winnipeg's and the Capital Region's trade transportation network. Completing Peguis connects to CentrePort Canada Way - CenterPort has already attracted more than \$800 million of private sector investment based upon the global trade proposition that CenterPort Canada is - and then triggers a number of other major investments in the regional trade network such as St. Norbert bypass; Headingley bypass; and Route 90 expansion. They all lead to and from Winnipeg.
- The federal government's Investing in Canada plan can leverage trade-enabling and nation-building projects. This is a key turner for Winnipeg and Manitoba, capable of raising our trade productivity and profile, opening significant markets domestically, continentally and globally.
- With the FCM, press the federal government to double the gas-tax revenues to municipalities. This fiscal threat to municipal revenues and operations compels the doubling of gas-tax sharing be made permanent.

I thank you for this time, and joined by noted colleague business organizations, strongly encourage your unanimous adoption of the report.

Thank you!