



MANITOBA HEAVY CONSTRUCTION ASSOCIATION (MHCA)  
Unit #3-1680 Ellice Avenue, Winnipeg, Manitoba, R3H 0Z2

April 24, 2020

To: Councillor Scott Gillingham  
Chair, Finance Committee

And to: Members of the Finance Committee  
Councillor Markus Chambers  
Councillor Cindy Gilroy  
Councillor Vivian Santos

From: Chris Lorenc, B.A., LL.B.,  
President, Manitoba Heavy Construction Association (MHCA)

Subject: **Pandemic Financial Management Plan 2020; Item # 6 April 27 Agenda**

I would like to open my presentation with a word of thanks to Mayor Bowman, Councillor Gillingham as Chair of the Finance Committee, all members of Council and the Administration for the admirable efforts amid difficult and worrisome times to maintain the operations, services and meet the obligations you all have to the residents of Winnipeg.

This report before you – Addressing the Financial Challenges of COVID-19 – ably sets out the scale of the damage that is being and may ultimately be done to city finances and the careful fiscal plan you and your colleagues created and approved a few short months ago. As has been noted by Committee Chair Gillingham, council's discipline and dedication to balanced budget requirements has put the City of Winnipeg in a strong position to meet this crisis.

I am confident the integrity and determination you and your council colleagues demonstrated in the budget process will serve this city well, again, as we weather this storm and move to economic recovery.

The report before you succinctly outlines the scale of the problem – the numbers are stark. But I also see within this document clear-headed resolve to keep the City of Winnipeg safe, firmly anchored, and true to its mandate of core service to citizens. That positions us for strong and early recovery.

There is recognition that capital investment is a keystone in our economy. Our local streets and roads will carry that economic recovery plan on their backs. The local and regional repair programs are the fastest way to put people to work, money circulating in the economy. Good roads get people to jobs and products to the stores and doorsteps.

MHCA is advocating the province do what Alberta has done – accelerate its capital programs to double infrastructure here. Our economy is on life support. We need to find an anti-viral now. Acceleration of planned capital investments can be that economic shot in the arm.

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 1 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. There are some 45 projects listed in the plan. We urge you to re-prioritize to elevate the projects that hold the fastest, greatest return on investment. Keep in mind the compounded returns that come from legacy benefits – in respect of major capital infrastructure, projects such as completion of Peguis pave the road to prosperity. Peguis, itself, is a key piece in Winnipeg's and the Capital Region's trade transportation network. Completing Peguis connects to CentrePort Canada Way 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.
- It would be misguided to think of the knock-on impact of Peguis as capital conundrums – opportunity and momentum are on your side now. 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, unlocking greater trade productivity and profile, opening significant markets 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 makes the case for permanently doubling the gas-tax share.

I understand Council is focused on immediate, emergency measures and financial management. That's to be expected. But I would encourage you to resist the reflex to retract, look for safe harbour. I would encourage you to harness the power and potential in the economic storm bearing down on us now and use it for good.

In other words, I suggest take this time to think big. See the opportunity and position Winnipeg to come out stronger, a winner.

As noted in an email communication from the MHCA in early April and in separate April 24 communication you have on file from the ACEC-MB, MHCA, MHBA, MERIT, UDI and WCA on this report, we collectively support the report. We 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.

In conclusion, joined by colleague business organizations, we strongly encourage your unanimous adoption of the report.

Thank you,



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