



March 2, 2005

Report from the Chairman to the Annual Report Meeting of the WCR&HCA

Good afternoon,

We have already heard a great deal today about the efforts on industry's behalf at the national and provincial levels.

I will therefore try to provide you with an overview, a highlight of the what the WCR&HCA focused upon in 2004.

Deficit Counter

The Federation of Canadian Municipalities established a Deficit Counter on their website which is now linked to our website. This deficit counter permits the visitor to view a real time cost increase in Canada's core municipal infrastructure deficit. Further it allows the visitor to see by what amount the deficit grew since the last visit.

Taking our cue from the FCM, we proposed to the Roadbuilder & Heavy Construction Council of the CCA, that it establish a similar "deficit counter" for the National Highways System.

These two instruments, which can be duplicated for provincial deficits, are good tools to present to the public whether at special media events, or just having them available for view on our website.

We anticipate the NHP Deficit Counter to be up and running very soon.

Petro-Canada Share Sale Proceeds

Some of you will remember that Petro-Canada shares were acquired by the federal government in 1980 funded by increases in road use fuel taxes. As you know, in the 2004 federal budget, the government announced that it would be selling off its remaining shares of Petro Canada. The federal government owns approximately 20 per cent of Petro Canada's shares.

The revenue from the share offering is expected to be in the \$2.8 to \$3.8 billion range. The budget, furthermore, announced that \$1 billion from the revenue of this share sell would be devoted to the development of environmental technologies. This leaves approximately \$1.8 to \$2.8 billion left unallocated.

We brought the notion that a portion of the sale proceeds should be allocated to kick start funding of the National Highways System to the attention of the CCA and the Roadbuilder Council. As a result of our efforts, that has become a focus of lobby activity at the national level.

We also wrote as the WCR&HCA to the three national party leaders and the four western premiers urging their support of this position.

Whether we succeed in the effort remains of course to be seen.

Hours of Service

The implementation of the proposed federal Hours of Service Regulation has been pushed back to January 2006. Given this window of opportunity the WCR&HCA working with the Roadbuilder Council will be pressing all provincial governments to provide for a measure of exemption for short haul drivers typically employed in our industry.

The challenge of course is that the governments view this as a matter of safety, a position with which we do not disagree. However the regulation was drafted with long distance commercial haulers in mind given the spat of bad accidents they have had over the last number of years.

Our industry has developed fatigue management programs and training for our drivers and we hope to make some headway in this regard.

National Infrastructure Policy (NIP) Brief

We have updated our National Infrastructure Policy (NIP) brief, circulated it broadly and posted it on the WCR website. It articulates our views on the New Deal for Cities, the need for sustained policies regarding national highways and core municipal infrastructure re-investment. The Brief does not provide all of the answers, but rather is intended to provide some background and template for discussion.

Convention Surveys

While convention surveys may not seem like a priority at first blush, it is important for the WCR&HCA to understand what our convention delegates like and don't like about our convention programs. More importantly we want to find out how to attract the new generation of industry leaders to attend and participate in the WCR conventions.

We began this process and found that most people appreciate the mix 'n mingle aspects of the convention, the business development side and of course the entertainment.

We made a concerted effort this year to reach out to young industry contractors with registration discounts for first time attendees. As we move and mature this data base we will be better able to address the vast majority of our attendee expectations.

WCR&HCA Website

We established a WCR&HCA website with the purpose of finding a home where those interested in the work, past, present and ongoing of the WCR&HCA could visit.

Again this is a work in progress task. You will see annually all business material posted on the web along with any briefs position papers, letters of significance to political leaders, past and upcoming convention material.

Our objectives include the ability to establish a fully operational online registration system which can be used by each of the hosting convention associations.

Conclusion

There were a number of other issues addressed by the Board, but the above serve to highlight. You will be able to visit our website for much more detail than time permits at this meeting.

The job of the WCR&HCA is to provide a vehicle through which the voice and views of western Canadians is developed and advanced to the national level. It requires us to be cooperative, mutually supportive and develop positions by consensus. This we have been able to successfully accomplish and I am confident that this strong tradition will serve us well in to the future.

I thank you for the opportunity of serving as your Chair. I thank the Board members for their support. And I thank all roadbuilder associations and their members for supporting these worthwhile lobby activities.

I close by extending my best wishes to Brent Hendry who will succeed me as Chair, and to the new Board of Directors of the Western Canada Roadbuilders & Heavy Construction Association.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Cal Moon', with a stylized flourish at the end.

Cal Moon, P.Eng., G.S.C.,
Chair WCR&HCA 2004