

**Chairman's Report to the
57th Annual General Meeting of the
Western Canada Roadbuilders & Heavy Construction Association
February 23, 2000
Kauai, Hawaii**

Introduction

I am very pleased to report to this Annual General Meeting of the WCR&HCA, the activities of your Board of Directors for the period covering February 1999 to date.

I can assure you that your Board of Directors and the supporting members of the WCR&HCA have had another active year, supporting the efforts of our industry regionally and nationally. Our thrust has been to lobby the federal government to implement a sustained funding program with which to address Canada's crumbling municipal infrastructure and its inadequate national highways system.

Activities

The Board began its work in earnest at its first meeting on February 24, 1999 at which it directed a number of important initiatives:

- i) it re-endorsed a lobby thrust supporting the following programs:
 - a) a *National Highways Program (NHP)*, with annual 50/50 cost-shared investments totalling \$1.6 billion to address national highways system improvements;
 - b) a *National Infrastructure Program (NIP)* with proposed annual tri-government level cost-shared investments totalling \$1.8 billion, to rehabilitate core municipal infrastructure;
 - c) a *Strategic Infrastructure Investments (SII)*, to create new areas of economic activity funded as a component of each of the first two programs.

- ii) it approved a change to the policy name to "National Transportation & Infrastructure Policy (NTIP) to reflect the political realities;

iii) it directed that a strategic action plan be prepared around which to shape the WCR&HCA lobby activities; and

iv) given the importance of TRIP/Canada's activities, the Board resolved to request the formal designation of a WCR&HCA representative on the TRIP/Canada Management Committee. A memo to this effect was issued to TRIP/Canada on March 4, 1999 - *see attachment #1*.

The Board held a teleconference meeting on March 15, 1999 and resolved the following matters:

i) the Board was advised that TRIP/Canada supported the designation of a formal representative to its Management Committee;

ii) a draft lobby strategy was presented, and after a number of modifications, was adopted. It is supportive of the policy thrusts affirmed at the February 24, 1999 meeting - *see attachment #2*;

iii) the Board agreed that an infrastructure policy presentation should be made to the Big City Mayors' Caucus in Saskatoon, Saskatchewan on April 30, 1999. This flowed from an invitation by Winnipeg Mayor Glen Murray;

iv) that WCR&HCA support the proposed April 14, 1999, stakeholder meeting in Ottawa, which flowed from a WCR&HCA generated meeting in Ottawa with a number of Parliamentarians.

In early April 1999, Minister Collenette made a number of statements in a media interview relating to the funding and overhaul of Canada's national highways system. The WCR&CHA immediately directed correspondence applauding Minister Collenette with copies appropriately distributed - *see attachment # 3*.

We attended the NHP stakeholder conference in Ottawa on April 14, 1999 along with approximately 80 other national stakeholders. This event was chaired by Joe Fontana, Liberal Caucus Chair and John Redfern Chair of the CRCI. The meeting was important in that it brought to the table Ministers Martin, Collenette, most provincial transportation ministers, a number of MPs, Senators and other interested parties. The consensus reached was that a national highway policy was needed by the country, and that Ottawa and the provincial governments should proceed with finalizing funding partnership arrangements.

On April 30, 1999 an infrastructure policy presentation was made to the Big City Mayors' Caucus, facilitated by Mayor Glen Murray of the City of Winnipeg. This resulted in a supportive resolution from the Big City Mayors Caucus - *see attachment # 4*.

The WCR&HCA was nominated to the Board of Directors of the Transportation Association of Canada (TAC). Discussions were held with the provincial and federal transportation deputy ministers. We advanced a resolution supportive of a national highways policy. It was discussed and verbally supported, but for politically sensitive reasons at the time, not put to a formal vote. Presence at the TAC Board level provides a useful networking contact for our industry, and is therefore valuable.

With assistance from Dr. Rey Pagtakhan, MP Winnipeg North, our President was able to have a private meeting with the Prime Minister of Canada in May 1999. This provided us with the opportunity to present the Prime Minister with a copy of the NTIP brief, and to urge his continued support for infrastructure programs.

We participated in the TRIP/Canada strategy planning session held in Halifax in May 1999. The consensus

reached was that TRIP/Canada should focus its lobby efforts on supporting a National Highways Policy (NHP) exclusively until August 15, 1999, after which date the focus would revert to support for a national Infrastructure Program, National Highways Policy and Strategic Infrastructure Initiatives.

In June 1999 the Board met to review and consider the status of national lobby efforts. After much discussion it resolved:

“That the WCR&HCA lobby efforts support the consensus position reached at the TRIP/Canada and the Roadbuilders & Heavy Construction Council meetings held in Halifax at the end of May 1999, namely that the NHP be the focus of sustained lobby effort until August 15, 1999, at which time the focus would revert to the three pronged approach as reflected in the WCR&HCA NTIP brief, namely: National Highways, Municipal Infrastructure and Strategic Infrastructure Investments.”

In advance of the annual Premiers Conference held August 9 - 11, 1999, the WCR&HCA asked the Premiers in Western Canada to support the National Highways Program (NHP) component of the National Transportation Investment Strategy (NTIS) as a high-priority item. A letter to the Premiers was directed on July 7, 1999 - *see attachment # 5*.

During the summer months of 1999, each of the four WCR&HCA association members, pursued and supported the larger strategy adopted at the national level. We worked cooperatively with TRIP/Canada, CRCI, CRCI and many other stakeholder organization which supported the thrusts of our efforts.

We learned from participants at an October 4, 1999 meeting of transportation ministers, of Minister Collenette's comments reflecting upon his perception of weak provincial support for NHP funding, and communicated this information to TRIP/Canada for attention. We pursued into the fall months of 1999, every opportunity available to us to contact MPs, Ministers, Deputies and others urging support for a municipal infrastructure program and a national highways program.

We learned in December 1999, that while there appeared to be solid support for infrastructure funding, rumors were circulating in Ottawa that the industry could not absorb the additional work if a new program were to be launched, and that the economy would overheat if such a program were in fact launched.

We immediately communicated this information to the CCA and TRIP/Canada. This resulted in a number of letters being addressed to Minister Collenette and Martin by the CCA in December - *see attachment #6* - and in January, 2000 by the WCR&HCA - *see attachment # 7*.

A report prepared by the University of Manitoba Transport Institute (UMTI) was released on January 19, 2000 by the Hon. Steve Ashton, Manitoba Minister of Highways & Government Services. This document underlines a clear gap between what Ottawa extracts from the transportation sector as compared to its level of reinvestment. It demonstrates that the federal government receives \$3 billion a year more from the transportation sector in revenues than it reinvests back to transportation. That surplus is expected to increase to \$3.9 billion annually. A summary of the report's findings are appended as *attachment #8*.

We provided copies of the summary and full report to the WCR&HCA member associations, the CCA, TRIP/Canada, CRCI and other stakeholders, and urged that they write federal cabinet ministers and others

interested organizations.

On January 24, 2000 the WCR&HCA wrote to all western Premiers and provided each with a summary and full report- *see attachment #9*. Our message was that the brief clearly demonstrated that the federal government financially able to provide appropriate levels of funding for a national highways program.

As news gained momentum in Ottawa about the possibility of an infrastructure program of up to \$7.5 billion being announced in the 2000 federal budget, we wrote to the Prime Minister on February 1, 2000 with copies broadly circulated - *see attachment #10*. In our letter we urged the Prime Minister to seize the opportunity presented his government to position Canada to economic greatness in the 21st century, with sustained re-investments in this nation's critical municipal and transportation infrastructure.

Although we are faced with challenges, not unlike any other association, financially we are doing reasonably well. We have sufficient funds with which to carry on this important activity on behalf of our industries. There should be no mistaking the importance of the work accomplished by the WCR&HCA on the national and regional levels. The funds expended in this regard are managed prudently and strategically by your Board.

Conclusion

What I have spoken to in this report along with the attachments serves only to highlight the more important areas of activity of the WCR&HCA. None of these activities could have been possible without the ongoing support of the WCR&HCA Board members, member associations and the chief operating officers of our associations. On your behalf, I offer them unequivocal thanks.

It is a fair observation that we are today closer to announcements by the federal government than ever before of funding Canada's two core requirements, namely: reinvestment in Canada's core municipal infrastructure and our national highways system.

We have made and repeated the argument that Canada's social priorities related to healthcare, education and safety net programs, can only be funded if there exists a robust economy, which generates revenues to governments with which to fund those priorities.

On February 28, 2000, when the federal budget is tabled, all Canadians will learn whether our message, supported by so many other stakeholder groups, has been heard.

It has been a privilege to serve as your Chairman. I thank you for your support of the WCR&HCA.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rizzardo". The signature is written in a cursive, flowing style.

Frank Rizzardo, A.Sc.T.,
Chairman of the Board
Western Canada Roadbuilder & heavy Construction Association (WCR&HCA)

February 23, 2000