



# Western Canada Roadbuilders & Heavy Construction Association

## Provincial Report

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### ***ECONOMIC/POLITICAL OUTLOOK***

The recession is now over and BC's economy has been growing since mid-2009 although recently there has been another slow-down in the recovery.



*BC Road Builders President Jack Davidson along with Premier Christy Clark at the association's AGM Convention*

BC has once again experienced a strange year when it comes to its political landscape. Premier Gordon Campbell who guided us through the economic downturn left office because of the controversy surrounding the implementation of the HST. While the NDP was poised to take advantage of a government without a leader, they ended up having their own internal party/leadership issues essentially failing to capitalize on the opportunity. Local radio talk show host, Christy Clark successfully ran for the Liberal leadership and was made Premier in March 2011.

Also over this past year, British Columbians voted to extinguish the HST at a cost of billions to the province mainly because they didn't like how it was brought in. With the success of the HST recall led by former-Premier Bill Vander Zalm, "the people" then went on a recall campaign against select MLAs in an attempt to overthrow the government- this recall failed.

The government is now scrambling to balance a budget with an agreement to re-pay \$1.6 billion to the federal government over the next five years. During this past September fiscal update, BC Finance Minister Kevin Falcon said the province's deficit had tripled because of the rejection of the HST. Scrapping the HST will cost the province \$2.3 billion over three years but the government still intends to balance its budget by 2014.

In September, the Premier came out with the BC Jobs Plan intended to attract new foreign investment, reduce government-imposed roadblocks and find new buyers for BC's most promising exports. Fortunately infrastructure investment is a focus of the plan recognizing that transportation infrastructure is solidly linked to building a strong economy.

BC's primary highway network is an essential part of the infrastructure that enables our economy to function. An inadequate primary highway network causes costly delays in moving goods, compromises the livelihoods of the trucking industry and increases the risk that BC ports could lose business to Seattle and other competing US Westcoast ports.

Aging of the province's primary highways, together with increased demand on them, results in a need for significant highway expansion (new construction is required in most areas of the province).

While there is a lot of work ahead, BC's future looks promising. British Columbia's Westcoast location and the rapid growth in trade between BC and Asia will sustain BC's economy well into the next decade. Canada needs to capitalize on BC's geographical location and do everything necessary to make our transportation infrastructure, ports and airports world-class and ultra competitive.



## **2011 ASSOCIATION ACTIVITIES**

- The BC Road Builders and Heavy Construction Association (BCRBHCA) were involved in the “Save the HST” Campaign and in the Stop-Recall Campaign.
- BCRB have long advocated for fair and transparent tendering and this year the provincial government announced its plans to develop a Municipal Auditor General (MAG). We are hopeful that the MAG will look at municipal tendering practices and will highlight where taxpayers are getting a poor deal.
- BC Road Builders were faced with building relationships with a new Premier, a new Transportation and Infrastructure Minister, and Transportation and Infrastructure Deputy Minister. New, strong and positive relationships are being built and the BC Road Builders have a strong voice with the government.
- In BC, 78% of Ministry of Transportation tenders were released early. The Ministry’s program for 2011 included 1,053,000 tonnes of asphalt, 1,971 square metres of hot-in-place and 26 bridges rehabilitated or replaced.
- The BC Road Builders years of advocacy were successful in getting the government to finally agree establishing annual equipment rental rates that use a formula similar to the CAT handbook formula. Also, the government has agreed to a monthly Fuel Adjustment developed by the Ministry and posted on their website.
- Safety is still a focus of the BC Road Builders and this year we amalgamated our safety association with the rest of the construction industry. Also, we negotiated with WorkSafe BC to have our trucks back-up in a closed lane to pick up cones and produced a best practices checklist for maintenance trucks stopping on the roadside to do emergency work or work of short duration. Against our advice, WorkSafe BC will be changing the Experience Rating 33 1/3 demerit and 33 1/3 merit discount to 100% and 50% respectively. The change will be phased in over 5 years.
- On the environment file, BC Road Builders have partnered with the Ministry of Transportation to produce a GHG Emissions Reduction Best Practices Guide. In partnership with the Interior Logging Association, the BC Road Builders have created the Carbon Offset Aggregation Co-op. This co-op will aggregate carbon credits earned by heavy equipment owners and sell them to the BC government. Carbon credits are earned by replacing older tier 0, 1, or 2 engines with Tier 4 engines.
- BC Road Builders have recognized the upcoming shortage of skilled workers as the biggest issues facing our industry in the next two to three years. In response to the current shortage of Supervisors and Foremen, BC Road Builders partnered with the Asia Pacific Skills Table to produce a self training guide for employees to use to evaluate employees and track progress.

## **ONGOING INITIATIVES**

- BC has “*Slow Down Move Over*” legislation for motorists approaching police and other emergency vehicles stopped on the side of a four lane highway. BC Road Builders are advocating for the inclusion of our maintenance and construction vehicles to be included as emergency vehicles.
- BC Road Builders have continued to advocate the provincial government in calling for a legislated mandatory *One Call Program*; using the Ontario model as a positive example.

## **ASSOCIATION EVENTS**

- All our 2011 events were successful with record crowds:
  - 500 people attended our AGM and Christmas Party
  - 311 attended our Annual Charity Golf Tournament raised \$25K for BC Children’s Hospital and \$5K for the association’s Betty Spalton Scholarship Fund; the association has donated \$255,229 to the BC Children’s Hospital over the last ten years thanks to our member companies’ sponsorship support!
  - 366 attended our Fall Business Conference



*2011 Annual Ivan Hanchard Charity Golf Tournament*



*2011 Board of Directors prepare and serve pancakes to members at the Fall Business Conference*



*Members participate at the 2011 Annual General Meeting*

**Submitted by: Jack Davidson, President  
BC Road Builders & Heavy Construction Association**