



February 8, 2021

Premier Andrew Furey
Liberal Party of Newfoundland & Labrador
1 Crosbie Place, Suite 102
St. John's, NL
A1B 3Y8
info@nlliberals.ca

Dear Mr. Premier:

The Association of Consulting Engineering Companies of Newfoundland & Labrador (ACEC-NL), which represents the consulting engineering industry in Newfoundland & Labrador, would like to highlight several important issues to you and your party that are impacting Newfoundlanders & Labradorians regarding Canada's economic stimulus plans.

Infrastructure is an investment, not a cost to be minimized. It helps to support our economic vitality. Infrastructure is the foundation that Newfoundland and Labrador is built upon. It provides safe transportation, public buildings, clean drinking water, handles our waste, creates spaces for sports and recreation and helps protect our homes against flooding and other natural disasters. We believe public infrastructure is a core business of the government and a key investment in our social, economic, and environmental quality of life. It connects communities, enables commerce, and protects our environment.

Priority should be given to core infrastructure that sustains our capacity for economic growth, creates jobs and expands the tax base. Growing the economy is essential to making further investments in community and social infrastructure viable and sustainable in the long term.

Newfoundland and Labrador has a lot of infrastructure needs and with the Covid-19 pandemic our economy has been hit hard. But opportunity is knocking. There is a way, right now, for our province to access 50-cent dollars at a minimum and, in many cases, even better cost sharing ratios from the federal government for infrastructure projects that we can leverage to help renew the foundations built by our parents and grandparents.

The problem is that hundreds of millions of dollars remain untapped. Newfoundland and Labrador has one of the lowest uptakes of federal funds of any province with approximately \$468 million dollars left on the table at this time (see graphic below). With the province facing financial



pressure on just about every front, it is critical to leverage available federal money wherever possible, particularly with such a great return on investment.

(Source: Infrastructure Canada <https://www.infrastructure.gc.ca/pt-sp/index-eng.html>)

Investing in Canada plan: Infrastructure Canada Bilateral Agreements - Newfoundland and Labrador

Investing in Newfoundland and Labrador Infographic [PDF Version](#) (835.41 KB) | [HTML Version](#)



Public Transit



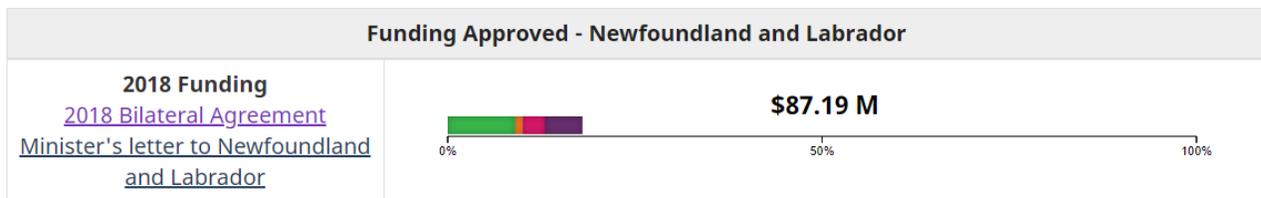
Green



Community, Culture,
and Recreation



Rural and Northern
Communities



The federal government has prioritized funding for “shovel-ready” projects, meaning where planning and engineering is advanced enough that with sufficient funding, construction can begin within a short period of time. It is our belief that funding should be geared toward the right projects i.e. “shovel-worthy” projects rather than those that are imminently able to be tendered and constructed. Here is why:

1. Given the aged infrastructure and associated challenges within our province, government should be focused on promoting smart infrastructure investments rather than spending for the sake of short-term stimulus. Both will ultimately result in near-term economic stimulus, however, a focus on “shovel-worthy” projects is an approach that is - in the best long-term interest of Newfoundlanders and Labradorians to support growth for future generations. Proper asset management in the region requires that investments be made selectively and with a long-term vision.
2. Being flexible with funding timelines allows the right projects to be completed with a better return on investment. It is our experience that a large influx of government spending within short timelines does not result in the best value for money for the



province. Accommodating dramatic short-term economic changes is challenging for the consulting and construction industries in terms of resources, materials, equipment, etc. In such a manner, there are inefficiencies in the execution of work, a lack of competitive pricing, and often employers cannot maintain staffing levels at the conclusion of the funding. A sustainable investment over a longer period, rather than a series of short-term fixes, will provide the Province with the best value for money and at the same time allow companies to stabilize their employee base in Newfoundland and Labrador - building strong businesses that in many cases will likely be able to 'export' that established expertise on a national and/or global scale.

Economic stimulus programs should be focused on sustainability, efficiency, risk reduction and asset management. Investing in shovel-worthy, rather than shovel-ready, projects will not only fund the right projects, but its effects will stimulate many sectors, resulting in lower lifecycle costs for critical infrastructure and lead to a more sustainable future for our province.

As proud Newfoundlanders and Labradorians, we know that Newfoundland & Labrador is the best place to live in Canada. We owe it to current and future residents to invest in renewing our infrastructure by leveraging federal support and selecting projects wisely to advance our capacity to grow our economy and enjoy the social and environmental gifts we enjoy and value.

With the upcoming election, we are asking for your opinion and what actions you, and your party will take on the issues stated above, should you be re-elected. We would appreciate a written response prior to the election. Representatives of ACEC-NL would be very pleased to meet with your team, either before or after the election, to provide further input on how we perceive infrastructure spending should be directed in the future. We are inviting all provincial party leaders to do the same.

We thank you for your time and attention on this matter.

Sincerely,

Christy Cunningham, P.Geo., Executive Director
Association of Consulting Engineering Companies – Newfoundland & Labrador (ACEC-NL)
(506) 651-6562 or ccunningham@acecnl.ca



ASSOCIATION OF CONSULTING
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About ACEC-NL

ACEC-NL is a non-profit organization dedicated to the business of consulting engineering in the province of Newfoundland and Labrador. ACEC-NL member firms provide professional engineering services to both the public and private sectors in a wide range of projects and engineering related fields. ACEC-NL has 20 member firms which represents approximately 400 employees. For more information please visit www.acecni.ca.