

August 20, 2020

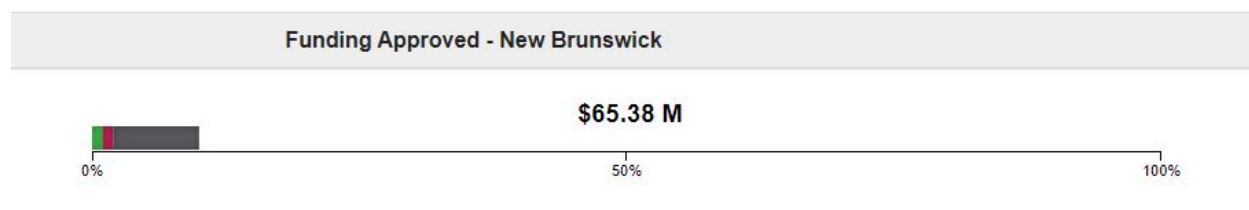
The Association of Consulting Engineering Companies of New Brunswick (ACEC-NB), representing the consulting engineering industry in New Brunswick, would like to highlight several important issues to you and your party that are impacting New Brunswickers regarding Canada's economic stimulus plans.

Infrastructure is an investment, not a cost to be minimized. It helps to support our economic vitality. Infrastructure is the foundation that New Brunswick is built upon. It provides clean drinking water to our residents, handles our waste, creates spaces for sports and recreation and helps protect our homes against flooding and other natural disasters. We believe 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.

Here in New Brunswick, we have some of the oldest infrastructure in Canada. But opportunity is knocking. There is a way, right now, for our province to access 90-cent dollars 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, while other provinces seek their fair share of federal tax dollars. New Brunswick has the lowest uptake of federal funds of any province with approximately \$540 million left on the table at this time (see graphic below). It is fiscally irresponsible not to leverage available federal money with such a great return on investment.





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

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, rather than those that are imminently able to be tendered and constructed. Here is why:

1. With the aged infrastructure and the associated challenges within our province, the 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, the focus on “shovel-worthy” projects is an approach that is in the best long-term interest of New Brunswickers to support growth for future generations. With some of the oldest infrastructure in the country, proper asset management in our 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. The construction industry is not able to easily accommodate such a dramatic change in the economic situation in the short-term 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 employers who will not be able to maintain staffing levels at the conclusion of the funding. A sustainable investment over a longer period will provide the province with the best value for money, rather than a short-term fix.

Economic stimulus programs should be focused on sustainability, efficiency, risk reduction and asset management. Investing in shovel-worthy 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 New Brunswick residents, we know that New Brunswick 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 an upcoming election next month, we are asking for your opinion and what actions you, and your party will take on the issues stated above, should you be elected. We would appreciate a written response by Thursday August 27, 2020. We are inviting all provincial party leaders to do the same. We will also be forwarding this letter to all media outlets in New Brunswick and intend to



share all provincial party responses publicly via our social media channels following the August 27, 2020 deadline.

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

Sincerely,

Christy Cunningham, P.Geo., Executive Director
Association of Consulting Engineering Companies – ACEC-NB
(506)651-6562
ccunningham@acec-nb.ca
www.acec-nb.ca

ACEC-NB is the voice of consulting engineering in New Brunswick it represents firms that provide professional engineering services to both public and private sector clients. These services include the planning, design and execution of all types of engineering projects, as well as providing independent advice and expertise in a wide range of engineering and engineering-related fields. The New Brunswick engineering industry provides 3,000 direct jobs to the New Brunswick economy and contributes \$355 Million to the provincial GDP (New Brunswick Department of Finance, 2016). ACEC-NB has 21 member firms which employ approximately 1200 employees. For more information about ACEC-NB, please visit www.acec-nb.ca.