Aerial view of the P3 port project in the harbour of Goderich, Ontario. Larry McCabe, CAO of Goderich, will speak at the Saskatchewan P3 Summit 2014, Sept. 9 in Regina.
We began the summer dealing with the temporary foreign worker issue in the media – not in the workplace - and as that storm raged, we gathered the facts and brought them to the politicians. Our advice was clear, follow the facts - not the media frenzy; however, politics and optics won out and radical changes were announced in two waves. First, a moratorium on restaurants and food sector TFWs was put in place, and then the federal government went even further, instituting a series of dramatic changes that will effectively eliminate half of the low-skilled TFWs within three years. Our province, so desperately in need of labour, will go from about 9,000 TFWs filling jobs they wanted, jobs that the employers wanted them to fill and that no available Canadian was interested in, to a mere 6,500 TFWs in a couple years. And some people think that’s progress.

We have been very busy on the entire labour/worker file for many years and this summer the activity has expanded immensely. Recent action on the file has been as follows:

May 10th - We released a paper called ‘Quantifying the Need’ that outlined the demand for workers in Saskatchewan and Alberta and presented the fact there are not enough unemployed workers here to fill the current demand let alone our growth. It proved there was not a sufficient pool of unemployed people to meet the demand even if you overcame the geographic and skills mismatch challenges (researched and written by Todd Blyth our summer policy research person)

June 20th – we issued a media release expressing the Saskatchewan business communities disappointment with the changes

June 23rd – we sent a letter to Minister Kenney repeating our concerns with the TFW program changes

June 23rd- we held consultations with our Immigration/HR group and Sask Immigration to discuss the Sask government position on the federal changes.

June 25th- Curtis Hemming (SCC Director of Government Relations) attended and reiterated the Chamber’s position at a Skills Conference in Toronto hosted by Minister Kenney.

July 7th - we hosted a session with several business groups and chambers to hear firsthand what they are seeing and to start moving toward a collective Saskatchewan stance on the issues we all face right now.

July 9th- Monica Krueger, Chair of our HR Committee attended a Fed/ Provincial Minister’s of Employment conference in PEI that delivered presentations on many elements of skill development and training. July 28 & 29th- We held three input sessions (PA, Regina and Saskatoon) in partnership with Ministry of Economy, to hear about the impacts of TFW changes as well as gain input on how Saskatchewan can best use the Canada Job Grant in the near future.

August 28th - we are meeting with Hon. Ralph Goodale and the Hon. John McCallum, Liberal Critic for Citizenship and Immigration. Sept 3rd- We are scheduled to meet with Saskatchewan Federal Conservative Caucus
We are adopting a three-part strategy to move forward on the complex but critical file of labour and skills shortages.

First – we are ensuring we do all we can to understand the magnitude of the impact the TFW changes will have on business by speaking to as many people as we can. From that, we have and will continue to communicate to the Ministers responsible at both the provincial and federal level to strongly encourage them to amend the changes to better serve the needs of Saskatchewan, not just the Federal Conservative Party in Ontario.

Secondly – we are looking at what Saskatchewan can do to adopt new immigration practices (like the attraction of French speaking workers) that allow a faster track, and reviewing the new Express Entry program. We are also looking at future recruitment actions to get more workers in Canada to come here whether they are new Canadians or seventh generation.

In fact we are fleshing out a concept we are calling a “Temporary Canadian Worker Program”. The name, although tongue in cheek, reflects the nature of our program: recruiting Canadians to Saskatchewan while poking fun at the many burdensome rules associated with the TFW program. While no actual red-tape will exist, the mock contracts may include Saskatchewan-specific items such as “bleeding green” and other concepts that will serve to help the workers transition into a permanent life in Saskatchewan. The program will be integrated with other Chamber-led recruitment efforts into Canadian cities that have a high unemployment level (more on that in the early fall).

Thirdly - We have reconvened the Saskatchewan Labour Market Task Force to design a labour market information process and communicate current and needed practices to make sure we get ahead of the curve on our provincial labour needs.

The economy in the province is changing but having 2,500 fewer workers will not generate any positive results for businesses or employees. The ever-changing dynamic that is a workforce is hard to manage and predict, but we know we need to do more and do better. As a province, we need to maintain and grow our production, and we can’t do that without people.

We’re asking you to let us know what is happening in your business:

Are you looking for people – where, and for what skills?

What will a reduction in TFW mean to you and your community?

What do you think will help us all out, or what’s working for you right now?

We will keep running on this file and we need your continuous input and guidance so please call or email us. And when you have a minute… enjoy this fantastic Saskatchewan Summer.

A sign of the times recently found in Kindersley - in order to relieve stresses brought on by labour shortages, some businesses are looking at self-serve options.
The Saskatchewan Chamber of Commerce is pleased to announce that it has contracted the Conference Board of Canada to complete its first Saskatchewan Research Campaign project: **The Economic Impacts of Rail Access on Saskatchewan Exports.**

As a land-locked province, with a rapidly increasing number of exports, the ability of local businesses to get their products to market is heavily dependant upon rail. Unfortunately for our economy the capacity of rail transportation has been identified as a limiting factor for export, and therefore, economic growth.

**What does this cost, what can we do, and what will it cost,** are the first questions that we need answered. Through Saskatchewan Chamber of Commerce Research Campaign funding, the Conference Board of Canada will tackle these questions on behalf of the Saskatchewan business community. The release of this report is planned for mid-January 2015.

More specifically, the research project on The Economic Impacts of Rail Access on Saskatchewan Exports will consist of:

- **An outline of the current situation:** this will include an overview of rail transportation supply vs demand with a focus on quantifying the costs, in addition to routine transportation costs that occur because of capacity limitations.

- **An analysis of future demand:** research will be conducted, with a primary focus on rail transportation, to determine the requirements necessary to allow for the doubling of Saskatchewan’s export values by 2020.

- **Recommended changes:** the research will identify strategies, processes and mechanisms that government and businesses can use to address the barrier to export growth created by rail capacity shortages.

The Chamber is still accepting funding partners for the completion of the study and there are opportunities in Fall 2014 for businesses to be involved in the consultation process.

Contact Kristin McKee, kmckee@saskchamber.com, for more information.

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**Tradeshow Opportunity**

**SASBO / LEADS / SSBA Joint Conference**

**November 17, 2014**

For more information about this unique display opportunity go to: [www.saskschoolboards.ca/tradeshow.pdf](http://www.saskschoolboards.ca/tradeshow.pdf)
Last month, SIAST was host to the Girls Exploring Trades and Technology (GETT) camps for girls in grades 6-8 wishing to explore career options in technology and trades. Kudos to SIAST and presenter SaskPower for this excellent initiative!

Sixty-six Regina grade eight graduates had an extra chance to celebrate at the end of the past school year when they were presented with the REALTORS Citizenship Awards by the Association of Regina REALTORS. The award recognizes young people who demonstrate an exemplary commitment to their school and community. And we want to recognize the REALTORS for continuing to inspire today’s youth in this manner!

Congratulations to Grit Industries Inc., one of the Grit Group of Companies, which was recently announced among the finalists for 2014 Prairies Entrepreneur of the Year by Ernst & Young LLP.

Also - a shout out to Judie Dyck, first CEO of the Moose Jaw Regina Industrial Corridor (which is responsible for 20 per cent of the province’s GDP)! The corridor serves such businesses as Mosaic Potash and Yara International, and is home to the planned K+S Potash Canada mine.

Kudos, as well, goes to Prabha Vaidyanathan, University of Regina Leaders Council President, who has stepped into the role of CEO of the Women Entrepreneurs of Saskatchewan Inc. effective September 2!

SaskTel is celebrating a noteworthy anniversary this year - 25 years since launching its first cellular network! Back then, phones were BIG and basic - look how far we’ve come! Congratulations to SaskTel on this significant benchmark - and congratulations to its supplier network, who have helped make it a reality.

Those interested in the oil and gas sector may want to attend the workshop being held by the Saskatchewan Industrial and Mining Suppliers Association in Regina October 8-9. For more information, visit http://simsa.ca/events/oil-gas-101-workshop.

Another event upcoming that may be of interest to readers is SkilledMigration 2014, a HR Conference on attracting, recruiting and retaining international talent, to be held in Regina October 15-16. See more information at http://www.skilledmigration.org/canada/conference/.

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http://www.desnedhe.com

Canadian Digital Network
Regina
http://www.cdnetwork.ca

Cumberland Regional College
Nipawin
http://www.cumberlandcollege.sk.ca

Saskatchewan College of Opticians
Saskatoon
http://www.scoptic.ca

Greentree Engineering
Tisdale
http://www.greentreengineering.com

Kevin’s Custom Ag
Nipawin
http://www.kevinscustomag.com/

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Kevin’s Custom Ag
Nipawin
http://www.kevinscustomag.com/

Our apologies to Bushwakker Brewing Company, a new member featured in last month’s New Members section, whose website (www.bushwakker.com) was incorrectly listed. Apologies also to Progressive Discover-e, whose website was listed instead.

Thank you to our renewing members in July!
Your continued support of the Chamber movement makes it possible for us to achieve on your behalf, and we want you to know we appreciate you as members!

- Canadian Light Source
- March Consulting
- Funds Direct Canada
- CIBC
- Industrial Parts & Equipment
- Bioriginal Food & Science
- Meridian Manufacturing
- Western Litho
- Custom Truck Sales
- Cogent
- GRIT Industries
- Dr. Radevski
- Dr. VanHeerden
- Parkland Ambulance Care
- Redvers Agricultural & Supply
- Russel Metals
- Vern’s Pump House
- Concentra Financial
- Legumex Walker Canada
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- Leon Bekker Medical PC
- Look Matters
- Imagepress
- Carson Energy Services
- ARC Resources
- Cameco
- PDRA Ackerman Acres
- HJ Linnen Associates
- Dr. Ms Renuka Prasad
- SaskEnergy

Sask Chamber 2nd Vice-President Shawna Nelson, Marty Kline, Rick Fraser and Sask Chamber CEO Steve McLellan took part in the SIIT Annual 2014 Scholarship Golf Tournament on June 26 at the Dakota Dunes Golf Links.

Calling all SIAST Alumni

For a variety of alumni services, benefits and exclusive discounts, register as alumni at goSIAST.com.
This special section of the action! online features some of the experts in Public-Private Partnerships who will be on hand to share their knowledge at the Saskatchewan P3 Summit 2013, September 9 at the Delta Regina Hotel. All articles by Scott Pettigrew, Research & Marketing Assistant.

Sessions include:

- **The P3 Landscape (What’s new - Projects and processes)**
  With Mark Romoff, CEO, Canadian Council for Public-Private Partnerships

- **Where P3s Fit Into the National Picture - And Where They Don’t**
  Panel discussion featuring Michael Atkinson, President, Canadian Construction Association and Perrin Beatty, President, Canadian Chamber of Commerce

- **Smaller Municipal Projects - how to do them so they make sense**
  With Larry McCabe, CAO, Town of Goderich, ON; Murray Totland, City Manager, City of Saskatoon; and John McBride, CEO, P3 Canada

- **Measuring Value for Money and Establishing Net Benefit**
  Presentation by Judy Ferguson, Acting Provincial Auditor, Government of Saskatchewan and Michael Ferguson, Auditor General, Government of Canada

- **Bundling Projects - the Alberta school experience**
  With Kees Cusveller, VP Alternative Procurement & Delivery, Graham Construction and Alan Humphries, Strategic Executive Advisor, Alberta Infrastructure

- **Unique Challenges of Horizontal Projects - the Edmonton ring road project**
  With Allan Neill, CEO, Capital Link General Partnership and Tom Loo, Executive Director, Partnerships Procurement, Alberta Infrastructure

- **Legal Issues and Contracts Panel - ensure you have the right deal for all**
  Featuring legal experts from Miller Thomson LLP, McKercher LLP and MLT LLP

- **How to Creatively Finance Infrastructure Projects**
  With Gianni Ciufod, Partner, Deloitte and Jim Cahill, Senior Vice President, AON Risk Solutions

- **The Next P3 Frontier - What is coming for infrastructure in Saskatchewan and Canada**
  With Michael Atkinson, President, Canadian Construction Association Rupen Pandya, President & CEO, SaskBuilds Perrin Beatty; John McBride and Mark Romoff
John McBride  
*Working hard to bring the taxpayer better value*

John McBride is the Chief Executive Officer of PPP Canada, a Federal Crown Corporation established in 2009 to allocate Federal Public-Private Partnership (P3) grants, and to work with smaller governments to help them utilize P3 projects to meet their infrastructure requirements. McBride doesn’t believe that P3 projects are a solution to every infrastructure problem that a community might have, but in many cases, they are a good answer.

“P3s benefit the average taxpayer by providing better value,” said McBride. “P3s are not a silver bullet, but when they are the right tool, they deliver the best result.”

As the CEO of PPP Canada, McBride is either directly or partially involved in every P3 project underway in the country. He feels that P3 projects provide great value to the Canadian taxpayer.

“P3s ensure that the taxpayers are getting the best overall deal by making sure that the whole life cycle of the project is considered. Too often, projects are built cheaply, and then become very expensive to maintain… by putting together the design, build, operate, and maintenance phases, it gives single accountability to the private sector to deliver the best overall results.”

McBride can recount many cases where P3s were beneficial to everyone involved. Not only have P3s provided better value to taxpayers and higher quality maintenance and operation, private sector innovation has created results which are unlikely within the spectrum of public sector operation. McBride noted that the P3 model encourages innovation in all sizes of projects.

“In the city of Winnipeg, they delivered a road over a year early due to multitudes of innovations, including simple things such as putting air conditioning in the churches along the side of the road so that the churches could keep their windows closed in the summer, and the company could work seven days a week;” he said. Therefore that road, and the safety benefits that go along with that road, were delivered to the citizens of Winnipeg over a year early.”

P3s often undergo harsh criticism and skepticism in this country, not only in the media, but in the comments of MLAs and MPs who are opposed to the idea of this model of project. The most common criticism against P3 projects is that they “cost more”. McBride said this criticism is not based in fact.

“P3s are not always the right tool, but they can deliver value for money. All projects that PPP Canada are involved in and all projects that Regina and Saskatchewan are involved in are subject to detailed analysis to ensure that public private partnership is, in fact, the right approach.”

What’s next for P3 projects in Canada? “Canada is increasingly recognized as a global leader in P3s,” said McBride. “This is particularly true since the financial crisis in 2009. There are a number of reasons for that, but at the top of the list is that in Canada, we’re doing P3s for the right reason, and that’s value for taxpayers.”
Larry McCabe is the Chief Administrative Officer of Goderich, a town of around 7,000 people, and he is a Public-Private Partnership (P3) specialist. McCabe and his colleagues have gone above and beyond expectation to deliver maximum value to their taxpayers, and also to bring to fruition infrastructure projects that many would have previously deemed unlikely for a community of Goderich’s size.

According to McCabe, the Town of Goderich’s start in P3s was not by choice, but by necessity. “The harbour gave us the experience of putting together a very complex project,” said McCabe. The need for a new port in town, paired with the town’s level of inability to operate a port due to inexperience meant that a P3 project was the obvious choice. The harbour was mainly used by the salt mining company, Sifto, and so the company had significant interest in making sure an efficient and well operated port was available to export its goods. Sifto was the company who was awarded the contract, and they continue to operate the port today. “They [Sifto] do have the expertise, they have more flexibility in the private sector of awarding contracts and dealing with that type of infrastructure, knowing the infrastructure the users needed,” he said.

Goderich has also been a national and provincial leader in using P3s for the operation of their water and sewer infrastructure. Goderich transferred the operation of its water, sewer and distribution infrastructure to a private sector company, Veolia, and the Goderich taxpayer saw substantial benefit. “We were one of the first [communities] in the province to go with a private operator of our water, sewage, and distribution system,” said McCabe. “They transferred all the employees and guaranteed their pension plans, and they have operated for 12 years now our water and sewer distribution system, so we have no water and sewer employees.”

Goderich’s third P3 project has provided many benefits to taxpayers. In 2004, Goderich opened a 19 million dollar recreation facility, including multiple swimming pools, an ice rink, a gymnasium, aerobic studios, and other spaces and facilities to accommodate the needs of the community. McCabe emphasized that none of this could have happened without utilizing the power of P3s.

“As far as the recreation facility, when you build a 19 million dollar facility and you only have six full time staff in the community... We couldn’t have had programs, we didn’t have enough staff to try to operate like an organization such as the YMCA,” said McCabe. “They [The YMCA, the company awarded the recreation centre contract] were the first ice rink and pool combination in Canada when they took it over, so it’s worked out very well. We were the model for facilities built, certainly here, and elsewhere, following the model of the YMCA.”
Michael Ferguson

Going through the learning curve

Michael Ferguson’s focus as Auditor General of Canada is ensuring that taxpayers’ money is channeled efficiently and effectively to its best use. Noted for his criticism of the political and bureaucratic issues surrounding Canada’s multi-billion dollar F-35 jet program, Ferguson is at the helm when a P3 project is considered by the Federal Government, ensuring that it delivers the best value possible.

Ferguson began his career in the Government of New Brunswick’s comptrolling office in 1985, and by 2005, he was the Auditor General of New Brunswick. A mere five years later, Ferguson stepped into the role of Canada’s Auditor General. Ferguson does not see P3 projects as a solve-all solution to finding the best value possible, instead treating them like any other government project that he audits, assessing their cost, and determining whether or not they are likely to produce the best value possible. Naturally, that assessment changes from project to project.

“I don’t see P3s on their own as something inherently good or something inherently bad,” said Ferguson.

“When a government is making an investment decision, they have to decide how they are going to acquire a certain asset, system or service. They have to look at all the different options that are available to them and choose the one that meets their objectives.”

As to the merits of the P3 method, Ferguson acknowledges their potential for success, but is cognizant that some of the benefits of P3 projects come with consequences. Ferguson said that in order for the government to allocate more money for maintenance to infrastructure completed under the P3 model, funding allocated to maintaining existing infrastructure may have to be diverted.

“He added that if the government hadn’t considered investing into building a school, but suddenly decided to contribute to a P3 project to do so, the money would have to be drawn from other areas, such as the maintenance budget of other schools.

“Under the P3 contract, there would be requirements for how much money would have to be spent on maintaining the school over the life of the school” said Ferguson.

“If you just looked at the two contracts, P3 versus the government doing the building itself, there was some value in that; it made some sense. But then you stood back and said, ‘Wait a minute… for the government to put money into maintaining this school, it has to come from somewhere...’”
Murray Totland has been a Saskatoon city employee for over 28, throughout which he has been deeply involved in the development of the city’s infrastructure. Serving as the General Manager of Infrastructure Services, the General Manager of Utility Services, and now as the Chief Administrative Officer, Totland has been behind many of Saskatoon’s large and small infrastructure projects. Saskatoon is new to P3 projects, and currently has two projects in early stages of development: a civic operations centre, and the first of what will eventually be four snow management facilities.

Totland’s approach to P3 projects is one of incredible deliberation. He constructs a strong business case to determine whether a P3 project is the best option.

“There’s a strong business case that supports these projects being delivered in this way,” said Totland. “Once the proposals close and once we determine what the pricing and the bids are, we’ll have a better sense if that holds true or not, but we think it will.”

These two P3 projects are a first for the City of Saskatoon, so there has been much discussion about the drawbacks and merits of the P3 model in Saskatoon’s media.

“I think generally speaking it [The idea of P3 projects] has been relatively well received. There’s a bit of caution being exercised and I think rightly so. This is a new approach for us as a city,” said Totland. “We’ve been open and very transparent on the process and what’s involved, and what’s going to be included and not included. We tried to help our council, our own staff, the public, the media, we tried to help everybody along and understand what these projects are and how they work a little differently.”

With a history of successful design-build projects, and two large P3 projects on the horizon, Totland says Saskatoon is looking forward to future P3 projects.

“Is there a future of this type of delivery, not only for Saskatoon but for cities? I’d say yes, but again, I don’t think it’s something that you just say ‘We can apply this to each and every project’ because I don’t think that makes sense,” Totland said. “I think there are projects that lend themselves to this type of delivery, so I think if you are thoughtful and careful in your project selection and go through that business case, and select projects that will benefit most from this type of delivery… there certainly is a place for this type of approach in the future of Saskatoon.”

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