



**Manitoba:  
Pre-Budget 2013 Consultation**

December 12<sup>th</sup>, 2012

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**Executive Summary**

REALpac and its member companies believe that the following three legislative initiatives will provide the provincial economy with the boost needed to continue its positive progression:

- 1) Establish Regional Transportation Plans**
- 2) Increase Provincial Funding for Municipal Infrastructure**
- 3) Create a Robust Sustainable Development Strategy**

**About REALpac:**

REALpac is Canada's senior national industry association for owners and managers of investment real estate. Our members include publicly traded real estate companies, real estate investment trusts (REITs), private companies, pension funds, banks and life insurance companies with investment real estate assets of over \$180 billion in Canada. The association is further supported by large owner/occupiers and pension fund advisors as well as individually selected investment dealers and real estate brokerages.

REALpac is an exclusive, executive organization whose vision is to be Canada's most influential voice in the real property investment industry.

The association is stewarded by a board of directors populated by some of the industry's most senior leaders, and is further guided by the strong work of its standing committees. The association staff, charged with implementation of policy and execution of all day-to-day activity, is composed of highly educated, dedicated and experienced staff who strive continuously to increase the "value for membership" afforded each member.

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**Re.: Manitoba 2013 Pre-Budget Consultation**

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REALpac would like to thank the Province of Manitoba for engaging Canadians in this consultation process. We see this as an integral aspect of policy development that will undoubtedly result in the betterment of the Manitoba economy. The 2013 Budget can set the stage for significant business growth, increased environmental awareness, and an overall thriving economy.

As the voice of real property across Canada, REALpac believes our industry is a vital player in stabilizing the economy, creating jobs, and promoting economic growth nation-wide, with Manitoba as a strategic area for our membership. This consultation provides an excellent platform for REALpac to identify cost-neutral, progressive policy changes and initiatives that will benefit the province, maintain government oversight, and support other industries. As an association, REALpac's advocacy efforts are geared towards doing what is best for everyone, and not just the commercial real estate industry. We recognize that provincial economies across Canada rely on many sprockets to operate efficiently, and we diligently examine jurisdictions around the world to develop best practice approaches that we believe will further strengthen it.

The following are recommendations that REALpac believes should be addressed in Budget 2013:

**2013 Budget Recommendations**

**1. Establish Regional Transportations Plans**

Funding new transportation infrastructure has become one of the most pressing issues for regions across Canada. As the senior national industry association for investment real estate, REALpac's members have an inherent interest in a streamlined, reliable, modern, and sustainably financed transit plan.

REALpac maintains a set of guiding principles when engaging government officials in discussions regarding financing of transportation infrastructure. REALpac supports:

- Responsibly financed transit and transportation infrastructure as it is important to the social and economic viability and sustainability of regions;
- Revenue sources that are broadly based and do not put undue pressure on one segment of the economy;
- Revenue sources that are environmentally friendly and have traffic demand management potential;
- Revenue sources that support user pay principles;
- Revenue sources that are transparent, fair, and equitable; and,
- Revenue sources that solve the long-term, transit-related financial challenges of regions across Canada.

The creation of a sound and reliable transportation plan is imperative in order to help regions maximize their economic and social potential.

## **2. Increase Provincial Funding for Municipal Infrastructure**

As cities continue to grow and existing infrastructure is aging at an increasing rate, Canada's largest municipalities are facing significant capital demands to re-invest in transportation and utility systems. Although some municipalities have been able to engage in sustainable financing and reinvestment strategies, their ability to raise revenue is limited, and the financial needs in many cases far exceed any reasonable plan. As the voice of real property across the country, REALpac's members view themselves as city builders, and have an inherent interest in sustainable infrastructure across Canada.

REALpac believes that the federal, provincial, territorial, and municipal governments must work in conjunction with the private sector to help finance the infrastructure demands facing Canada's largest municipalities. The plans established today must:

- Be equally financed by all levels of government;
- Be responsibly financed as it is important to the social and economic viability and sustainability of regions;
- Retain revenues sources that are broadly based and do not put undue pressure on one segment of the economy; and,
- Retain revenue sources that solve the long-term challenges of regions across Canada.

The creation of sustainably financed infrastructure plans are imperative to the long term viability of municipalities across Canada. The success of this plan can be more readily realized with the continued support of the provincial government.

### **3. Create a Robust Sustainable Development Strategy:**

The real property sector is a significant energy and resource consumer. It plays a sizable role in the production of greenhouse gases, consumption of water, and the production of solid waste. As the sector continues to evolve, there are opportunities to help reduce the impact of commercial buildings on the environment. Provincial governments across Canada have made considerable progress towards the advancement of green building policies, and Manitoba has remained at the forefront of these efforts. However, in order to achieve an ambitious, sustainable target, Manitoba must further commit time and effort to set a precedent that not only municipalities within the province can follow, but other Canadian provinces as well. REALpac will actively advocate that the following green initiatives be introduced in Manitoba, as part of a nation-wide, multi-governmental, sustainable development strategy that encompasses major emission producing industries:

#### *Addressing Climate Change and Air Quality*

- Taking into account greenhouse gas production, and materials recycling in provincial planning documents and provincial plans; encouraging green precincts in municipal planning;
- Amending provincial building codes to mandate reduced energy consumption, recycling, indoor
- air quality and materials;
- Conservation in construction and renovation;
- Requiring provincial utilities to disclose usage information on any non-residential customer on an aggregated per square foot/per square meter basis (like labelling, but just en grosse) by municipalities;
- Encouraging on site crushing and re-usage of concrete and cement; and,
- Pre-packing of energy efficient equipment for real properties to streamline approval of incentive program applications.

#### *Maintaining Water Quality and Availability*

- Taking into account water conservation in provincial planning documents and provincial plans;
- Encouraging green precincts in municipal planning; and,
- Amending provincial building codes to mandate water conservation and grey water use in construction and renovation.

#### *Shrinking the Environment Footprint – Beginning with Government*

- Government run recycling depots for building materials; and,
- Encouraging government buildings to seek LEED or an equivalent certification.

As a province, Manitoba has been successful in recognizing the importance of a sustainable future, and should be commended for their efforts. REALpac would be pleased to work with the province on any initiatives that include the involvement of commercial real estate properties. Having discussed at length these types of initiatives with our Members, there is a

general agreement that in order to reach the necessary emission reduction level, there must be an industry-wide commitment to do so. The perspective of the real property sector can provide insight and guidance as your government moves along in this process. The ideas presented in this consultation are ambitious but attainable under a strong strategy that pools together the full reach and resources of the provincial government. By taking the lead in developing a sustainability strategy, REALpac believes that Manitoba will set an important example for provinces nation-wide to follow.

The recommendations made in this consultation represent what REALpac believes to be significant ways for the Province of Manitoba to move forward economically and environmentally. If you have any questions regarding the recommendations outlined in this consultation, please contact Ryan J. Eickmeier at [reickmeier@realpac.ca](mailto:reickmeier@realpac.ca) or (416) 642-2700 ext. 224.

Regards,



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