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"Institutions, planning and development of the transport infrastructures: the case of Centreport Canada Way project"

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Note: Centreport Canada is an inland port, and Centreport Canada way – CCW, is a road.

CCW is a new project completed and opened in 2013. It introduce a number of paradigm shifts in the planning process that explain the choice of Winnipeg as the location of the inland port.

Introduction

A semi-landlocked region context: Winnipeg is the longitudinal centre of Canada and a strategic location in the middle of North America. A kind of multi-direction gateway, mainly towards the East and the West along the trans canada highway (TCH). Each town along the THC and railroad, such as Calgary for example, has the opportunity to develop a main inland port. Nevertheless, Winnipeg, at the crossroad of 2 main highways towards the eastern ports (Prince Rupert and Vancouver ports) has a competitive advantage.

Origin and evolution of the project

The industrial area is located in the north east of the town of Winnipeg, just north of the highway 1 crossing the town. Manitoba exports rely heavily on manufacturing sector, notably agribusiness and on agriculture sector. The containerisation of agricultural products generates an increasing competition between rail and truck transportation system. Rail and road issues become more complex. In this context, the original idea was to improve an existing road, the 221 for a better access to the industrial area. This first project was to ease mobility and decrease congestion in the urban area. It gradually shifts from urban issues to economic development, when it upgrades from an Asia-Pacific gateway and corridor initiative (Martin and Harper government, 2006 and more) at a regional scale (mainly British Columbia and Alberta) to a national initiative. It offers a new opportunity for Manitoba within the inter-provincial competition. The Manitoba provincial government (MPG) then decided to develop a new road infrastructure, named Centreport Canada way (CCW), to connect a new inland port, named Centreport Canada, (located in the south of the industrial area), to the Trans-Canadian Highway and Canada-US border.





This project generates 3 paradigm shifts

The first paradigm shift: It was one of the first infrastructure projects in Manitoba that have been built upon economic appraisal (GDP, etc.) rather than engineering indicators (traffic flows, etc.) so as to make it more appealing to the Federal government and convince it to fund it (the Federal government funds nearly 50 % of the project).

The second paradigm shift: Manitoba gradually moved up towards national objective projects to attract Federal government funding, like the preparation of 'shovel-ready' project proposals.

The third paradigm shift: Traditionally, all infrastructure projects in Manitoba were planned via the DBB, the Design-Bid-Build concept that takes 6 to 7 years: Design the project (3 years of studies), bid the project (1-1.5 years of contracting the works), build it (2-3 year of construction works). It was decided to spread the risk and reduce the commitment of the institutional parties in a DB approach (Design and bid): The Federal and provincial governments approve the design proposed by the contractors and pay for the construction stage for a defined period, in this example 2009-2013, and no more. The contractors are responsible for designing and building the infrastructure. At the end of the project calendar, the risk is shift from the Federal and provincial governments to the contractors that must support the financial burden at the end of the work if the infrastructure is not finished. By doing so the government obliged the contractors to accurately evaluate their requirements to achieve the construction in time and in the budget. For the institutional parties, it is a way of reducing the potential extra cost of the project in the final stage of work. But this approach could drive to quality problems when contractors just want to finish a soon as possible some costly works that burden their financial capacities. And if design problems appear during the construction works, delaying the planning, contractors can claim the Manitoban provincial government for financial compensations. So the new regulations create institutional uncertainties. The process mitigates the financial risk for the Federal and regional governments but it generates other risks regarding administrative and operational fields.

Conclusion

Inter-institutional dynamics had created institutional uncertainties wich caused a number of paradigm shifts in infrastructure planning in Manitoba. There were signs that the Manitoba provincial government retracted from the traditional role as the focal point of the project, and became more single-target-oriented in the planning approach.

Questions

What about the institution responsible for evaluating project? There is no independant body in Canada for the assessing tasks.

How do seaport managers consider the Centreport project? It is not really related to them because they have strong and efficient rail connections. It is more a priority from an inland point of view.





What are the expecting effects of Centreport? Could it really become a hub? The most important expectation for Manitoba: an opportunity to be connected to the world.