

LAKE MANITOBA LAKE ST. MARTIN

OUTLET CHANNELS PROJECT

ECONOMY

Includes provincial and regional economy, labour availability, and goods and services

Environmental Impact Statement—Summary by Valued Component (VC)

Why is Economy a VC?

Economy is a valued component (VC) because of its importance to local and provincial residents, businesses, communities and governments. The Project will provide employment and economic activity through the supply of goods and services, which is expected to benefit regional residents and businesses.

What is the current state of the Economy?

The local area includes two rural municipalities, several Indigenous communities, and unorganized Crown Land. Moosehorn, Gypsumville, Ashern, and Eriksdale are the largest communities within the two rural municipalities. These communities, several smaller hamlets, and Indigenous communities serve as local centres of commerce.

The main sectors of the regional economy include agriculture, fishing, mineral extraction, recreation and tourism, as well as traditional use activities by Indigenous People. Agriculture is

the main sector which focuses on ranching and feedlots for cattle. Other resource-based sectors in the region include forest products, aggregate mining, and commercial fishing.

What effects might the Project have on Economy?

Increased economic activity during construction will have a positive effect on both the Provincial and regional economy through increased employment, increased expenditures on goods and services, increased local demand for goods and services, and, increased income taxes. Provincial and Federal funding for the Project reallocates tax dollars towards the region and the various sectors involved in the Project, such as aggregate suppliers.

The Project is estimated to require 575 workers during construction, which will increase demand for labour and goods and services. The local and regional economy may benefit from this higher employment and demand for local goods and services including local accommodations and amenities during construction. Increased demand for goods and services may also result in increased local employment in an indirect way such as restaurants or mechanic shops.

The unemployment rate within the local area is much higher than for the province overall, so Project-related employment opportunities during construction phase will likely be positive.

This increased economic activity has the potential for higher prices on some goods and services and labour shortages in competing sectors.

The Project will require less employment and demand for goods and services during operations than during construction.

Valued components (VCs) are components of the natural and human environment that are considered by the proponent, public, Indigenous Peoples, scientists and other technical specialists and government agencies involved in the assessment process to have scientific, ecological, economic, social, cultural, archaeological, historical, or other importance.



How will effects to Economy be addressed?

- As Project effects are expected to be positive mitigation measures are not necessary
- Adhere to government procurement policies and procedure with respect to labour, and goods and services
- Construct and operate work camps for non-resident construction workforce to reduce demand on local accommodations

FOLLOW-UP AND MONITORING

No follow-up monitoring plans for the economic effects have been identified.

CONCLUSIONS

Increased expenditures required by the Project during construction will benefit the provincial, local and regional economies through increased employment, increased demand for goods and services and income taxes. Local businesses will benefit from increased revenue from direct Project spending and spin-off effects such as gas sales, or accommodations. Local spending may include aggregate suppliers, concrete suppliers, construction companies, vehicle and equipment maintenance companies, construction material suppliers, accommodations providers, fuel companies, and grocery stores.

Potential adverse effects to local businesses during construction could result from competition for employees, and potentially higher costs of labour and some services due to localized inflation and increased demand for goods and services.

During operations the Project is designed to manage the effects of flooding and reduce adverse economic effects of future flood events, such as loss, damage, or degradation of property, buildings and infrastructure.

For more information or if you would like to share your concerns:

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