News Release

FEDERAL AND PROVINCIAL GOVERNMENTS INVEST \$84 MILLION TO CONTINUE FLOODWAY EXPANSION WORK

Winnipeg, MANITOBA, July 6, 2006 – The new Government of Canada and the Government of Manitoba came to an agreement that will enable work to continue on the expansion of the Red River Floodway. The Honourable Vic Toews, Minister of Justice and Attorney General of Canada, together with Manitoba Premier, the Honourable Gary Doer, today announced a joint contribution of \$84 million for the continued construction of the Manitoba Red River Floodway. Once this project is complete, it will help ensure the safety and security of Manitobans, while contributing to the ongoing economic development of the province.

With this announcement, the Government of Canada continues to deliver on its existing commitment to the expansion of the Red River Floodway and provide Manitobans with additional protection from flooding. This project will continue to provide significant flood protection for the residents of Winnipeg, West St. Paul, and East St. Paul. Before today's announcement, the governments of Canada and Manitoba had already contributed \$240 million toward this project. Today's announcement brings total project funding to \$324 million.

"The construction of the Manitoba Red River Floodway is important to the safety and security of Manitobans," said Minister Toews, on behalf of the Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities. "With the devastation of the 1997 flood still fresh in mind, there is no denying the necessity of flood protection such as the Red River Floodway."

"Today's announcement will ensure that we are one step closer to reaching the 1-in-300 year level of flood protection by next spring as we build to the 1-in-700 year flood protection level, said Premier Doer. "The additional funding will go towards tendering additional channel excavation work and ensure that the project remains on schedule as it moves forward. Again this spring, the floodway prevented over \$2 billion in flood damages when it was operated to reduce flood water levels in Winnipeg."

After the 1997 "Flood of the Century", the International Joint Commission reviewed flood protection in the Red River Valley and concluded that: "the risk of failure of Winnipeg's existing flood protection infrastructure is high under flow conditions similar to or greater than those experienced in 1997." In response, Canada and Manitoba reviewed various flood protection options and determined that an expansion of the floodway provided the maximum benefits for the funds invested. In addition, Canada and Manitoba have invested \$130 million in flood protection for communities in the Red River Valley since 1997.

Construction began in September 2005. To date, work on the project has included excavation of the east embankment gap near Grande Pointe and channel excavation from the Inlet to the PTH 59 South Bridge, along with construction of the Trans-Canada Highway East Bridge, the PTH 59 South Bridge and the Sprague Railway Bridge.

The Government of Canada's contribution comes from the Canada Strategic Infrastructure Fund, which supports large-scale projects of major national and regional significance in areas that are vital to sustaining economic growth and supporting an enhanced quality of life for Canadians.

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