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Submission regarding ALL Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy Proposed Action Plans 2013-16

By the Canadian Community Economic Development Network - Manitoba

March 22, 2013

Background

This submission has been prepared by the Canadian CED Network – MB in response to the call for written submissions regarding ALL Aboard: Manitoba's Poverty Reduction and Social Inclusion Strategy Proposed Action Plans 2013-16.

The Canadian CED Network - MB promotes community economic development (CED) as a comprehensive and integrated approach to improving economic, social, and environmental conditions in communities. This approach understands that solutions to complex community challenges will be most successful and sustainable when they are community-led.

Across Manitoba, CED initiatives foster economic revitalization, access to capital, local ownership of resources, labour market development, poverty reduction, social development, and environmental stewardship. Despite the proven impact of the CED approach, communities (urban, rural, northern, newcomer, Aboriginal, etc.) continue to lack the level of support they need from all levels of government to take innovative, sustained, and strategic action through a comprehensive approach. We believe the Province of Manitoba must take an active role in providing that support.

More than one hundred members are represented by the Canadian CED Network - MB including the Aboriginal Council of Winnipeg, Food Matters Manitoba, Manitoba Cooperative Association, Health in Common, Neighbourhood Renewal Corporations throughout the province, CCPA-Manitoba, Assiniboine Credit Union, SEED Winnipeg, and other social enterprise and CED organizations. Our members represent hundreds of community organizations that are working with thousands of community members across the Province. The Canadian CED Network – MB is also an active participant in many coalitions and working groups including Make Poverty History Manitoba, Right to Housing Coalition, Rural Team Manitoba, the Manitoba Co-op Vision Strategy, and the Social Enterprise Council of Canada.

Recommendations

CCEDNet-MB congratulates the Province for developing a poverty reduction and social inclusion strategy and for adopting accompanying legislation. Far too many Manitobans continue to live with inadequate incomes and face multiple barriers that prevent their full participation in community life. Basic needs for individuals, families, and communities including safe and affordable housing, sufficient healthy food, adequate income, access to child care, education, and health services are a pre-requisite for communities to create solutions to local challenges. A comprehensive and integrated approach must be taken to effectively address the multiple and inter-related causes of poverty and social exclusion.

CCEDNet-MB recommends that the Province of Manitoba attach outcome-based targets and timelines to its poverty reduction and social inclusion indicators. Outcome-based targets and timelines will improve accountability and provide an incentive to follow through with actions to reduce poverty and social exclusion. They would also provide a basis from which progress can be measured.

In addition to the specific actions identified in this submission and in Manitoba's proposed action plan 2013-16, the Province of Manitoba could reduce poverty and social exclusion if it made better use of its Community Economic Development (CED) Policy Framework and Lens. By integrating the CED Principles into every government policy and program, the Province can maximize multiple economic, social, and environmental benefits and make a significant impact on reducing poverty. **CCEDNet-MB recommends that the Province of Manitoba strengthen the awareness, understanding, and implementation of the CED Policy Framework and Lens across all government departments.**

While government policy will play an important role when it comes to reducing poverty and social exclusion, support for community-based poverty reduction efforts must be an important component of Manitoba's poverty reduction and social inclusion strategy. Manitobans have a long history of taking innovative and strategic actions within their communities to reduce poverty and social exclusion. Through non-profit organizations, they are providing access to child care services, housing, local food, skill development opportunities, and other much needed services that enable marginalized people to overcome barriers and participate more fully in economic and social life. Despite their impact, these organizations continue to lack the full support they need to take sustained and strategic action through a comprehensive approach.

CCEDNet-MB recommends investing in increased core funding to existing Neighbourhood Renewal Corporations (NRCs) to strengthen their capacity to implement community-led poverty reduction activities.

NRCs play a critical role in building the capacity of the most vulnerable people and communities throughout our province. NRC activities help reduce poverty and revitalize communities by taking a long-term, comprehensive, and community-led approach. A

recently completed evaluation of the Neighbourhoods Alive! (NA!) program found that core funding contributed greatly to improved coordination of poverty reduction and neighbourhood revitalization efforts. However, the level of core funding has not increased significantly since NA! was founded in 2000 while the costs of operating have increased due to inflation and the growth of Community Development and Community Economic Development activities in vulnerable communities.

CCEDNet-MB recommends expanding the Provincial Reducing Red Tape for Non-Profit Organizations Strategy to all non-profit organizations that are working to reduce poverty through a CED model by providing multi-year, multi-program funding that reflects annually increasing costs of program delivery and by providing an integrated reporting mechanism.

Many community-based non-profits working toward poverty reduction and community renewal do not have access to adequate multi-year funding to take innovative, long-term, and strategic action through a comprehensive approach. This creates a need to search for multiple funding sources that can create an administrative burden leading to inefficiencies and less time to engage the community in the long-term thinking, planning, and action that is needed to achieve long-term results.

When funding does not reflect the annually increasing costs of program delivery, it can result in insecure, low-paying jobs with inadequate benefits. This in turn makes it difficult to attract and retain qualified staff, leads to turnover, and diminishes organizational capacity and stability. It also means organizations fall further behind each year in their ability to pay the rising market costs of their operations. Multi-year, multi-program funding that reflects the increased costs of program delivery will enable community-based non-profits to plan and act long-term, attract and retain qualified staff, and improve overall organizational capacity, stability and efficiency. Ultimately it will put these organizations in a better position to achieve their goals of poverty reduction and social inclusion.

BUILDING BLOCKS FOR EMPLOYMENT

1. Income Assistance

Manitoba's poverty reduction and social inclusion strategy must ensure that all Manitobans receive an income that is sufficient to meet their basic needs and participate fully in community life. If Manitobans are continuously struggling to meet their basic needs they will not be in a position to pursue other opportunities including those related to education, training, and employment.

- A. Increase basic Employment and Income Assistance rates to the present value of 1992 levels and then index annually to inflation. This includes increasing the rental allowance to 75% of median market rent.**

At current rates, Manitobans on Employment and Income Assistance (EIA) are finding it harder to cover the cost of their rent, never mind the cost of other basic necessities such as food and clothing. EIA participants are provided with a rental allowance that has increased marginally since 1992 when compared to market rents, which have gone up by approximately 60-70% during the same period. A big part of the solution is to increase the supply of social housing and the Province has made some progress in this regard. But it is not nearly enough and the majority of EIA recipients rent in the private market where rates remain unaffordable.

The Province has introduced new programs such as Rent Aid and the Portable Housing Benefit, however they are not available to all EIA recipients and they do not sufficiently address the affordability gap. Depending on family size and the number of bedrooms required, there is currently a gap between what EIA recipients receive and median market rent from at least \$200 to more than \$600.

Increasing the EIA rental allowance to 75% of median market rent will restore the 1992 market rent/rental allowance relationship. This will not close the gap for EIA recipients, but it will give them a more fair opportunity to compete for market rental housing. The Province will also need to index rates to inflation to ensure that rates do not fall behind in the future.

CCEDNet is one of over 145 organizations from across the Province that have endorsed Make Poverty History Manitoba's call for increasing the rental allowance to 75% of median market rent.

B. Extend income supports for all social assistance recipients who wish to pursue education and training beyond the current two-year limit for up to four years or aligned with an individual's learning goals.

The current two-year limit to training and education is not long enough for some social assistance recipients to build the skills and knowledge and receive the certifications they require to access quality jobs that generate a living wage for their household.

Extending the current training and education period limit to four years, or aligned with an individual's learning goals, will allow social assistance recipients to participate in university and other post-secondary programs. This extension is cost-effective in the long-term as recipients who participate in long-term training and education programs will be less likely to require assistance in the future.

Education and training opportunities that lead to quality jobs for marginalized individuals helps to stabilize communities, reduce poverty by creating economic opportunities, and enable greater participation in the local economy and community.

2. Social Enterprise Development

Social enterprises provide much needed training and employment opportunities for people with multiple barriers. In addition to providing training in hard skills, social enterprises offer a comprehensive package of resources that provide soft skills and life skills training so people can overcome barriers that prevent success in the workplace. They are an effective tool for reducing poverty and social exclusion. By investing in the development of the social enterprise sector, the Province of Manitoba can scale up the multiple social, economic, and environmental outcomes these enterprises generate while reducing costs in other areas such as social assistance and crime.

A. Work with the social enterprise sector to develop and implement a strategy for investing in skill development for social enterprises.

A strong social enterprise sector requires skilled individuals who are capable of ensuring the sector can continue to provide training and employment opportunities to people with barriers. Manitoba's proposed action plan for 2013-16 should include a commitment to support organizations and programs (such as Enterprising Non Profits - Manitoba, SEED Winnipeg, and Spark) that are building these skills in the social enterprise sector. The action plan should also include a commitment to support internships in managing and developing social enterprises to help build the skills of new people coming into the sector.

B. Strengthen the capacity of the social enterprise sector to create, grow, and strengthen social enterprises.

The social enterprise sector also requires support so it can strengthen its own capacity to create, grow, and strengthen social enterprises in Manitoba. Manitoba's proposed action plan for 2013-16 indicates that the Province is already supporting Enterprising Non Profits – Manitoba, which brings together leaders in the sector to identify effective strategies for developing new and strengthening existing social enterprises. Additional commitments should include renewed support for Enterprising Non-Profits beyond 2015. They should also include a commitment by the Province to directly provide start-up funds for social enterprises and to take action to ensure the Neighbourhoods Alive! Tax Credit is effective in supporting social enterprises.

C. Implement and enforce a procurement strategy that takes into account the added social and economic value of purchasing from social enterprises. This would include investing in the Social Purchasing Portal as a third party certifier of ethical enterprises that create jobs for people with barriers to employment.

The Province of Manitoba could do more to adequately recognize the social, environmental, and economic value of social enterprises in the valuation systems that are built into its tendering process. Social enterprises use a business model that creates jobs and important community services, builds fairer and stronger local economies, reduces poverty, renews

communities, and creates more sustainable environments. While purchasing from social enterprises may imply an added marginal short-term cost, the investment will scale up these social, economic, and environmental outcomes and allow the Province to achieve a greater return on investment in the long-run.

By investing in the Social Purchasing Portal as a third party certifier of ethical businesses that create jobs for people with barriers to employment, the Province of Manitoba can secure access to a directory of businesses that it can purchase from to maximize its return on investment.

D. Work with Manitoba Hydro and relevant stakeholders to:

- **Ensure Manitoba Hydro’s annual Energy Efficiency Plan sets targets for the number of units to be retrofitted annually by social enterprises.**
- **Ensure funding is available for the establishment of new, and the growth of existing, social enterprises that can assist in the realization of efficiency improvements on a neighbourhood-wide basis.**
- **Ensure funding is available to community-based organizations to work with their communities and with social enterprises to assist in the realization of efficiency improvements on a neighbourhood-wide basis.**

Bill 24, The Energy Savings Act, makes efficiency improvements accessible to all Manitobans through an innovative on-meter financing mechanism and creates potential for poverty reduction, community renewal, and social enterprise development. There is capacity in Manitoba’s social enterprise sector and in community organizations to respond to the Energy Savings Act. There are also many non-profits ready to develop social enterprises if there is a strong enough market to enter into and if they are supported in doing so. However, there is no mechanism to ensure that social enterprises will benefit from the work that is generated by the Energy Savings Act. The establishment of targets for the number of units to be retrofitted by social enterprises will help maximize the economic value of reduced poverty, incarceration rates, and homelessness which is generated by social enterprises that create jobs for individuals with barriers to employment.

TARGETED SUPPORTS FOR THOSE MOST IN NEED

A. Ensure that new accessibility legislation meets the nine principles outlined by Barrier Free Manitoba.

Manitobans with disabilities face a multitude of barriers that prevent their full participation in the economy and in their communities in areas including education, job training, communications, housing, public and private transportation, health care and government services.

Strong and effective provincial accessibility-rights legislation would meet the following nine principles:

1. Cover all disabilities;
2. Reflect a principled approach to equality;
3. Move beyond the complaints-driven system to comprehensively address discrimination and barriers;
4. Establish a definite target date to achieve a barrier-free Manitoba;
5. Require the development of clear, progressive, mandatory and date-specific standard in all major areas related to accessibility that will apply to public and private sectors;
6. Establish a timely and effective process for monitoring and enforcement of the standards;
7. Incorporate ongoing leadership roles for the disability community;
8. Supersede all other provincial legislation, regulations or policies which provide lesser protections; and
9. Not diminish other legal and human rights protections.

HOUSING

Manitoba cannot significantly reduce poverty and social exclusion without ensuring all people can access safe and affordable housing. However, Manitoba is experiencing an affordable housing crisis. Nearly one third of renters spend more than one third of their income on rent, and/or are living in inadequate or overcrowded homes.

1. Affordable and Social Housing

- A. Work with provincial counterparts and the Federal Government to create and fund a national housing strategy.**
- B. Create more social housing based on need and explore ways to increase the supply of affordable rental housing province-wide.**

The Province has made efforts to increase the supply of social and affordable housing through construction and rent supplements. However, this has not been enough to meet the need. Our existing social and affordable rental housing stock is aging and is not being replaced. At the same time, affordable rental stock is being eroded through conversion to condominium. These factors have escalated rents to make them unaffordable to a growing number of people, especially the most vulnerable (fixed income, disabled, newcomers, seniors, and Aboriginal people). As housing costs increase, people are forced to spend food money on rent, making food banks sad necessities for survival. Manitobans who depend on Employment and Income Assistance are most vulnerable because rental allowances have fallen far behind rental market rates.

The development of affordable and social housing not only meets an important social need, but also makes economic sense in two ways. First, it can be used to create local employment. These jobs, including the training for these jobs, should be linked to low-income Manitobans, including social housing tenants, who need these jobs the most. In this

way, the creation and maintenance of Manitoba’s social and affordable housing can help to provide a pathway out of poverty. Second, providing housing is cost effective when compared to the cost of addressing the issues created by a housing shortage such as homelessness. It costs \$48,000 a year on average to leave someone on the street versus \$28,000 a year to house them. Long-term social housing is one of the most cost-efficient ways to house someone.

- C. Establish an “Affordable Housing First” land use policy for all provincial surplus land disposal to ensure non-profit and co-operative housing providers are prioritized for receiving surplus land for the purpose of creating affordable housing.**

A significant constraint for the development of new affordable housing is the availability of reasonably priced residential land. Current efforts to access surplus government land for affordable housing development are resolved through labour-intensive, time-consuming, and unpredictable “case-by-case” determinations. An “Affordable Housing First” land use policy would ensure that any time government land was determined to be surplus and considered for disposal, full priority would be given to mobilizing potential partners for the creation of affordable housing on that property. Only when all possible avenues for affordable housing were exhausted without resolve would the property be disposed of through traditional market means. It makes sense to prioritize non-profit and co-operative housing providers for receiving surplus land because their housing is more cost-effective than public housing and retains affordability longer than affordable housing initiatives in the private sector.

2. Housing Co-operative Development

- A. Fund the housing co-operative sector to provide advice, guidance, and direct technical assistance to existing and emerging housing co-operatives, including in the areas of co-operative governance, management and development.**
- B. Implement financing and capacity-building measures that support the creation and maintenance of housing co-operative units in Manitoba, including by:**
 - Working with the co-op housing community to develop financing mechanisms for new and existing housing cooperatives so they can preserve their affordability for low-income Manitobans when operating agreements expire.**
 - Working with the co-op housing community to ascertain the feasibility of a co-operative-based central land trust as a mechanism to finance the growth of sustainable mixed income housing in Manitoba.**

Housing co-operatives can play a key role in Manitoba’s poverty reduction and social inclusion strategy. Non-profit housing co-operatives are mixed-income communities offering safe and secure housing to their members at rates based on cost, making them much more

affordable than average private sector rental costs. Demand for more affordable housing is evidenced by the ever increasing waiting lists to become residents in existing housing co-operatives.

Access to capital is needed to finance the development of new housing co-operatives. Existing housing co-operatives require access to capital to finance major repairs, renovations and expansion so they can continue to provide safe and affordable homes to low and moderate income Manitobans, particularly as they approach the end of operating agreements.

Land acquisition and ownership are critical components of financing the development of new affordable housing co-operative units. Without owning the land, housing co-operatives lack access to an asset that could be used to leverage the financing required to create new units. A co-operative-based central land trust would transfer ownership of the land that housing co-operatives are situated on to the housing co-operative sector, providing it with a mechanism to finance the building of new units.

EARLY CHILDHOOD DEVELOPMENT AND PARENTING SUPPORTS

Investments in high quality early learning and child care services are among the most cost effective ways to reduce poverty and promote economic growth¹. These services represent the first critical step along an individual's path toward developing the skills and knowledge required to gain meaningful employment and participate fully in society. High quality early learning and child care services promote healthy child development, identify children with additional support needs to provide enhanced early intervention programs, and assist parents in their important role as their child's first teacher. Accessible and affordable child care is also a major factor in helping women, in particular, to access education, training and paid work and therefore helps to reduce poverty among women and children.

- A. Create enough new licensed early learning and child care spaces to meet the demand for child care services as determined by the Online Child Care Registry, with priority given to creating child care spaces in lower-income neighbourhoods including in rural and Northern communities.**

The Online Child Care Registry indicates demand for child care services by age and by community. According to the Registry, there are at least 9,700 children on the wait list for a child care space in Manitoba. Wait times range from months to years across all age groups. Manitoba's proposed action plan for 2013-2016 highlights an existing commitment to fund 2,000 new child care spaces by 2015. While this is a step in the right direction, it is clearly not

¹ Every \$1 invested in child care in Manitoba returns \$1.58 to rural and northern economies and \$1.38 to the Winnipeg economy. For every child care job created, 2.15 other jobs are created or sustained. Child care allows mothers and fathers to work or study, and to earn an estimated \$715 million per year.

sufficient to meet existing demand. Key actions in 2013 and beyond must include a commitment toward further funding for new spaces if the Province wants to continue to make progress toward closing the gap between demand and supply. The distribution of child care services tends to advantage higher-income neighbourhoods with greater social capital and disadvantage lower-income neighbourhoods. It is recommended that new spaces be prioritized in lower-income neighbourhoods with high demand.

B. Fund a provincial salary scale that is at current market competitive rates and that applies to all child care professionals.

Wages for child care assistants and Early Childhood Educators brings money to families and the local economy. However, the majority of child care centre employees are 3 to 5 years behind in competitive wages. This makes it difficult to attract and retain a diverse and qualified child care workforce. Around 30% of licensed child care centres still cannot recruit employees with the qualifications required by the Community Child Care Standards Act. This creates an imbalance between the number of new spaces and the availability of the childcare workforce.

C. Invest in resources and training supports to recruit, train and retain Aboriginal, Francophone and Visible Minority communities to the childcare profession.

There is a pressing need for culturally and linguistically appropriate resources and training supports for Aboriginal, Francophone and other minority communities to get into the childcare profession. ALL Aboard highlights the existing Rewarding Work in Education community internship program which supports people in culturally appropriate, community-based training to become certified Education Assistants or Child Care Assistants. This program helps more low-income, newcomer, and Aboriginal people get the training they need to work in important jobs in schools and child care centres. These community-based programs can be more accessible than some of the more mainstream institutional programs which don't often offer child care. It is recommended that Manitoba's proposed action plan for 2013-16 include investments to continue and expand the Rewarding Work in Education community internship program.