

2019 - 10 Restore Business and Enterprise Development Support Services

Moved By: SEED Winnipeg

Whereas: The Department of Growth, Enterprise & Trade's Cooperative Development Services branch, the Entrepreneurship Manitoba Special Operating Agency, and the Crown Corporation Communities Economic Development Fund (CEDF) have restructured, halting some services such as business consulting and self-serve business library research, reducing cooperative development services, and putting others under moratorium such as the CEDF Business Loan program to rural communities and individuals.

Whereas: The Business Services Division of Entrepreneurship Manitoba provided business consulting services to 13,140 clients in 2016-17 but had stopped reporting this service on its performance outcomes for the 2017-18 year (Entrepreneurship Manitoba Annual Report 2016-17, page 25 and Annual Report 2017-18, page 18).

Whereas: The Cooperative Development Branch of Growth, Enterprise & Trade continued a one-third reduction in cooperative developer salary expenditure from the 2016-17 budget to the 2017-18 budget (Growth Enterprise and Trade Annual Report 2016-17, page 46 and Annual Report 2017-18, page 15).

Whereas: Rural individuals and communities need access to a developmental loan fund to leverage funding from commercial lending institutions and other loans. In 2016/2017, CEDF provided \$4.45 million in business loans, which led to 160 jobs created or retained (CEDF Annual Report 2018, page 16). The moratorium of the CEDF business loan program that began in 2017/18 results in significantly less economic development and fewer jobs.

Whereas: Third party non-profit business service providers who deliver business development, cooperative, and social enterprise development services have had funding decreased or cut as a result of the Partnerships for Economic Growth program (a 'consolidation of funding to third party not for profit organizations aligned with the province's economic development priorities') introduced in the Manitoba Government Budget 2017. The reduction of grants as a result of this decision totaled \$2 million in 2017/18 (MB Growth, Enterprise & Trade Annual Report 2017/18, page 51).

Whereas: Community-based agencies continue to deliver small business, cooperative, and enterprise support services; however, some services have ceased, or have been reduced to specific demographic groups. Many community-based agencies are no longer able to reach the general population of low-income and rural Manitobans resulting in inadequate business and enterprise development supports for these Manitobans.

Whereas: Requests to community non-profit organizations for business and enterprise support services have increased since the reduction in services formerly provided by Entrepreneurship Manitoba, even though World Trade Centre Winnipeg does deliver some (but not all) of those services.

Whereas: The Department of Families' Employment and Income Assistance (EIA) program continues to refer low-income individuals to SEED Winnipeg Inc. and Community Futures Development Corporations for EIA recipients who seek self-employment business support services and access to the Enhanced Income Assistance Program.

Whereas: Micro enterprises and small businesses, including cooperatives and social enterprises, increase household incomes, create employment and democratic workplaces, and reduce government expenditure on social services and income assistance programs. Low-income and rural Manitobans, as well as other groups facing barriers to full participation in the local economy, require tailored services to meet their business development needs. Community-based agencies have a history of demonstrated success in supporting these clients and communities to develop businesses, cooperatives, and social enterprises.

Whereas: There is a gap of business and enterprise support services for Manitobans that is most acutely felt by the self-employed and would-be entrepreneurs who live on low incomes and/or in rural Manitoba.

Whereas: The Province of Manitoba has a stated priority to provide economic development services, including cooperative and social enterprise development services to all Manitobans via the Department of Growth, Enterprise & Trade, Entrepreneurship Manitoba, and the Communities Economic Development Fund.

Be It Resolved That: The Province of Manitoba increase the grants provided to third party not-for-profit business and enterprise support services to 2016/17 levels (prior to the 2017/18 cuts of the Partnerships for Economic Growth program) so that low-income and rural Manitobans can receive robust and timely access to accessible business, cooperative, and enterprise development training and consulting supports.

Be It Further Resolved that: The Province of Manitoba fill the vacant co-op developer position of the Cooperative Development Services branch of Growth, Enterprise & Trade.

Be It Further Resolved that: The Province of Manitoba lift the moratorium on the CEDF business loan program for rural communities and individuals.
