

TOWARDS A NEW LONG-TERM INFRASTRUCTURE PLAN



Prepared by
the Canadian Community Economic
Development Network

August 14, 2012

Acknowledgements and Thanks

*This Brief was prepared by the
Canadian Community Economic Development Network
for Infrastructure Canada*

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The Canadian Community Economic Development Network

This brief has been prepared by the Canadian Community Economic Development (CED) Network for Infrastructure Canada as a contribution toward the development of a new long-term infrastructure plan. The Canadian CED Network is a national association of community organizations, co-operatives, credit unions, foundations, municipalities and practitioners working to enhance the social, economic and environmental conditions of Canada's communities. We have several hundred member organizations in every province and territory inclusive of urban, rural, northern and Aboriginal community settings. Our head office is in Victoriaville, Québec, with regional staff and member committees throughout Canada. Community Economic Development is citizen-led action to enhance the social and economic conditions of their communities on an integrated and inclusive basis, reducing poverty, unemployment and social disadvantage by building assets and creating opportunities.

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A focus on social infrastructure

Infrastructure spending can tend to be biased towards traditional infrastructure projects related to roads, sewers, water treatment, etc. But we all know that prosperous economies and communities depend also on access to recreation centres, day care facilities, education and health care facilities, affordable housing, and community resource centres for youth and marginalized populations such as newcomers, persons with disabilities, women, and Aboriginal people. Investment in this community or social infrastructure is an equally critical investment in job creation, a legitimate economic engine in Canada, and a driver of future economic growth.

Future federal infrastructure programs should ensure that this social infrastructure is eligible for funding, including infrastructure projects for community organizations, and that overall, there be a more balanced allocation of funding between projects that build social infrastructure and those that build more traditional infrastructure. Providing the financial leverage for well-established community enterprises and organizations to develop community resource centres, daycares, and other physical assets would create employment while enhancing the wellbeing and productivity of citizens.

These organizations provide much needed social services, and training and employment opportunities in disinvested communities. However, they may not always be in a position to meet matching funding requirements as they tend to have a hard time accessing capital dollars to build or renovate their facilities. Where there are matching funding requirements, there is a need for flexibility for non-profit organizations.

Priorities: housing, childcare, and community benefit clause policies

The community development and community economic development sectors have long been prioritizing the need for affordable/social housing and childcare when it comes to social infrastructure.

The affordable housing crisis in this country needs to be addressed immediately. A strong, stable, and growing economy depends critically on people being able to access affordable, quality housing. Stable housing provides a base that can improve educational outcomes for children and allow individuals and households to fully participate in the economic life of their communities. Meanwhile, the construction of this social infrastructure boosts economic activity through job creation. Furthermore, adequate housing contributes to higher overall health and wellbeing outcomes, which reduces government health and other spending, providing additional fiscal benefits.

Social infrastructure investments in childcare would also stimulate the economy beyond the jobs created through the building of this infrastructure. Quality childcare services promote healthy children and families and a productive, well-performing economy. The economic benefits of childcare include enabling Canadian parents to upgrade their skills and participate in paid employment which generates tax revenue. Furthermore, investing in childcare creates jobs in a traditionally female-dominated employment sector, which enables women to play a larger role in their own economic security and well-being. A broader range

of infrastructure investments can help ensure a more balanced job creation between male and female-dominated professions.

More generally, future federal infrastructure programs can maximize potential benefits for the local community and citizens by incorporating a Community Benefit Clause Policy. These contractual clauses would add a social component to existing evaluation processes for federal infrastructure projects, going beyond the more traditional consideration of price, quality, and environmental impact. These Community Benefit Clauses can be used to boost training and apprenticeship or employment opportunities for designated groups that are under-represented in the workforce.

Here in Manitoba, the Red River Floodway Expansion Project included an initiative to see that 20% of the projects workforce be made up of Aboriginal people, women, persons with disabilities, and/or members of visible minorities. There were also Aboriginal Set Asides where a portion of the project was set aside to provide employment and economic opportunities for Aboriginal people and businesses.

Other prioritized projects could include those that can demonstrate that a certain percentage of the workforce on the project is made up of people with multiple barriers to employment. There are business models emerging across the country called social enterprises that have a specific mandate to hire this clientele. Those hired not only now contribute tax revenue, but save taxpayers money because they are no longer on social assistance, or involved in the criminal justice system, or using other community and social services.

Here in Winnipeg we have the Social Enterprise Centre located at 765 Main Street. It is located in one of our inner-city neighbourhoods which has made significant progress over the years. The building houses several community-based organizations as well as social enterprises who are providing much needed training and employment opportunities for individuals in the community who have barriers to employment. This social infrastructure investment by government created jobs for these individuals and others during the construction phase, and their new employability will live on and continue to stimulate our local economy after the project is complete. More than that, this building will be a centre of community economic development and labour market development for years to come. Therefore, there are additional economic benefits to be generated by prioritizing projects with targeted labour market development strategies.

The federal government should ensure that targeted labour market development strategies, social enterprise procurement and community benefit clause criteria in infrastructure projects are not impeded by current or future trade agreements such as the Comprehensive Economic Trade Agreement with the European Union or the proposed Trans-Pacific Partnership.

Recommendations

In summary, we hope the Government of Canada will consider the following recommendations as it develops its new long-term plan for public infrastructure.

- 1) Future federal infrastructure programs should ensure that social infrastructure (recreation centres, day care facilities, education and health care facilities, affordable

housing, community resource centres, etc.) is eligible for funding, including infrastructure projects for community organizations. Social infrastructure spending should prioritize projects that address needs in the affordable/social housing and childcare sectors.

- 2) The new plan for public infrastructure should be characterized by a more balanced allocation of funding between projects that build social infrastructure and those that build more traditional infrastructure.
- 3) Where matching funding requirements exist, future federal infrastructure programs should build in flexibility for non-profit organizations in recognition of the difficulties they face accessing capital dollars to build or renovate their facilities.
- 4) Future federal infrastructure programs should maximize potential benefits for the local community and citizens by incorporating a Community Benefit Clause Policy. Community Benefit Clauses should be used to boost training and apprenticeship or employment opportunities for designated groups that are under-represented in the workforce and/or that have multiple barriers to employment.

CCEDNet appreciates the Government of Canada's commitment to work with partners and stakeholders toward the development of a new long-term infrastructure plan. Do not hesitate to get in touch if you would like to hear more about our recommendations. We are looking forward to a new infrastructure plan that creates a solid foundation out of which can emerge strong and inclusive local economies and communities across Canada.