

The Canadian CED Network



Dollars, Sense & CED: Manitoba Budget 2013

Slow progress on building stronger communities in Manitoba

CCEDNet Responds to Manitoba Budget 2013

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 continue to lack the level of support they need from all levels of government. The Province of Manitoba must take an active role in providing that support. The latest provincial budget, tabled on April 16th, brought surprising new investments in some areas and underwhelming progress in others. The following is an analysis of how Budget 2013 responded to CCEDNet - Manitoba's pre-budget submission that called on the Province to implement our member-endorsed policy resolutions.



Housing:

CCEDNet - Manitoba called upon the Province to:

1. Invest in financing and capacity-building measures that support the creation and maintenance of housing co-operative units.
2. Invest in creating at least 833 new social housing units that target those with the lowest income within the highest need populations (e.g. Aboriginal, homeless, disabled, newcomers, and seniors).
3. Rebate PST on selected building costs for eligible affordable and social housing construction and extend the areas of Tax Increment Financing to incent these constructions.

Budget 2013:

- Invests in building 500 new social housing units and 500 affordable housing units over the next three years, on top of existing housing commitments.
- Creates a Residential Housing Construction Tax Credit that provides an 8% tax credit when at least 10% of units in a new rental construction are offered at or below affordable (median market) rates.
- Budget 2013 did not make any announcements specific to housing co-operatives, however it is possible that some of the new affordable units will be co-operative units. While these budget measures will add much needed new housing supply, it still falls short of meeting the current demand. One limitation of the Tax Credit is that the newly created units are only required to remain affordable for five years. CCEDNet - Manitoba will continue to work with Right to Housing to push for the creation of additional new social and affordable housing units to meet the needs of all Manitobans.

Community-Led Development:

CCEDNet - Manitoba called upon the Province to

1. Invest in increased core funding to existing Neighbourhood Renewal Corporations.
2. Invest in ensuring that the multi-year, multi-program funding provided through the Province's four-point strategy to cut red tape reflects the annually increasing costs of program delivery for all current and future participants.

Budget 2013:

- Neighbourhood Renewal Corporations did not receive an increase to core funding. While over 100 non-profit organizations have signed multi-year funding agreements that will carry through 2013, Budget 2013 did not indicate whether the funding would be sufficient to reflect annually increasing costs of program delivery.

Poverty Reduction:

CCEDNet - Manitoba called upon the Province to:

1. Invest in increasing the Rental Allowance for people on Employment and Income Assistance (EIA) to 75% of median market rent.
2. Invest in extending 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.

Budget 2013:

- Provides all Rent Aid recipients with \$20 additional dollars per month and makes investments that will allow more people to qualify for this benefit.
- Provides EIA recipients, who are ineligible for Rent Aid and transitioning into training or employment, with \$60 additional dollars per month for up to two years.
- Commits the Province to a long-term objective of improving and streamlining portable shelter benefits.
- Budget 2013 also indicated that there would be changes to rent regulations to help address the burden tenants face when renovations lead to large rent increases. For some, this may help to control the widening gap between EIA incomes and housing costs. When combined, these budget measures are a step in the right direction, but they will not reach everyone on EIA and will not sufficiently close the housing affordability gap. CCEDNet - Manitoba will continue to work with Make Poverty History Manitoba to ensure Manitoba's most vulnerable citizens have a sufficient income to meet their basic needs so they can participate fully in economic and social life.

Ethical Procurement:

CCEDNet - Manitoba called upon the Province to:

1. Invest in the Social Purchasing Portal as a third party certifier of ethical enterprises that create jobs for people with barriers to employment.

Budget 2013:

- The Province of Manitoba did not invest directly in the Social Purchasing Portal in Budget 2013. CCEDNet – Manitoba will continue to work with the Social Purchasing Portal to solicit provincial support for their work in enabling and promoting ethical procurement.

Local and Development Food Procurement:

CCEDNet-Manitoba called upon the Province to:

1. Invest in Food Matters Manitoba to coordinate third party certification of local and sustainable food as part of a local and sustainable food procurement strategy inclusive of targets and timelines.

Budget 2013:

- Invests in Food Matters Manitoba to coordinate third party certification of local and sustainable food as part of a new local sustainable food initiative that will increase purchasing from local agricultural producers

and ensure local farmers bring more fresh healthy foods into public institutions and facilities.

- CCEDNet - Manitoba will work with the Province to ensure that this initiative will lead to a more comprehensive local and sustainable food procurements strategy inclusive of targets and timelines.

Social Enterprise:

CCEDNet - Manitoba called upon the Province to:

1. Invest in skill development in social enterprises and in strengthening the capacity of the social enterprise sector to create, grow, and strengthen social enterprise.
2. Ensure sufficient funds are available to account for the added marginal short-term costs associated with purchasing from social enterprises that generate long-term social and economic returns.

Budget 2013:

- Invests in CCEDNet - Manitoba to implement the Enterprising Non-Profits Manitoba program, which offers skill development workshops and business development grants to non-profits in Manitoba who are looking to start or grow social enterprise.
- Continues to invest in organizations that build skills and capacity for social enterprise development.
- Manitoba Housing has been contracting with social enterprises to renovate its housing stock. Budget 2013 commits \$134 million annually over the next three years for repairs and maintenance on Manitoba Housing units. CCEDNet - Manitoba will work with the Province to ensure this investment provides increased opportunities for social enterprises to create local jobs for people with barriers to employment.

Child Care:

CCEDNet - Manitoba called upon the Province to:

1. 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.
2. Fund a provincial salary scale that is at current market competitive rates and that applies to all child care professionals.
3. Invest in resources and training supports to recruit, train and retain Aboriginal, Francophone and Visible Minority communities to the childcare profession.

Budget 2013:

- Invests \$25 million to build new or expand existing child care facilities and is providing funding for 2,000 child care spaces by 2015.
- Despite this much needed investment to fund new child care spaces, the Province still has a long way to go to meet the demand as determined by the Online Child Care Registry, which is for upwards of 9,000 spaces at any given time. No announcements were made regarding funding for the salaries of child care professionals.

Other CED-Relevant Measures:

Clean Energy: Budget 2013 committed \$3.2 million for emerging clean energy production and technologies. CCEDNet - Manitoba will urge the Province to ensure that these investments support community-owned renewable energy projects.

Sustainable Employment: Budget 2013 announces the creation of a sustainable employment strategy that will focus on people who have faced challenges finding and retaining jobs. The strategy will include a comprehensive approach to employment development, which CCEDNet - Manitoba has long been supporting.