

MANITOBA BOLD



A Manitoba
Built for Success

“The greatest danger for most of us is not that our aim is too high and we miss it, but that it is too low and we reach it.”

– Michelangelo

MANITOBA BOLD: A MANITOBA BUILT FOR SUCCESS

If success is a journey, deciding the destination at the outset is the first step. Election 2016 offers Manitobans an opportunity to determine, not in the short-term governance of our province, but where we as a community are going, to what purpose and what change is required to put us on a path to success.

Manitoba BOLD, through four years of engagement with community thought leaders and research into best practices, here and abroad, sets out an ambitious vision of our future and the steps we must take today.

Why?

“Where do you see Manitoba 10 years from now? How about 20? These are questions that need to be addressed by all political parties during the next provincial election -- an election that may prove to be one of the most consequential to young voters in Manitoba's history.

By implementing policies that drive sustainable growth, and partnering with others who are invested in this province's future, the next provincial government can help Manitoba stake a claim as the place where careers are made and reclaim its position as the real gateway to the West.

I've watched too many of my friends and classmates move away, often after completing undergraduate degrees here at home. Manitoba did not present a future they felt confident investing in. Make the case for us to stay; we're listening.”

*Joshua Morry, University of Manitoba Faculty of Law Student,
excerpts from Winnipeg Free Press editorial, January 2, 2016*

“Manitoba offers much lower overhead to high revenue technology startups, and there is now a rapidly growing community of successful young entrepreneurs creating jobs and opportunities, who actively mentor new companies. But within five years, many of these companies find they need to leave the province in order to seek continued growth.

The provincial government is in an ideal position to retain these growth industries, but only if they choose to listen to the community and risk acting at the speed of business, rather than the speed of government. Innovation doesn't happen while waiting for an old system to catch up.”

Meghan Athavale, CEO, PO-MO and Lumo Play Inc.

Through Manitoba BOLD's engagement process, in particular with youth and emerging business leaders, a strong and consistent message emerged – Manitobans want a compelling reason to be excited about the future of Manitoba and their place in it.

They want an ambitious vision of Manitoba – as confident in its goals and approaches as Manitobans are in themselves.

The need to see that government, business, labour, academia and other stakeholders have embraced this shared mission, supported by a new era of alignment and collaboration.

They want to see the opportunities available to them here, in particular those areas where they can lead, drive innovation and creativity, and make their mark.

They want more than good jobs; they want exciting careers in leading sectors tied to global pursuits that they either enter or create for themselves.

They want to see investments that achieve meaningful outcomes beyond four-year election cycles.

They want more than a reason to stay in Manitoba, they want to be drawn to their home along with others from around the world.

Manitobans are ready to begin building a successful Manitoba that inspires, excites and attracts. What is needed is a vision and the plan that embraces purposeful change and lays down the necessary foundation.

Manitoba BOLD: The Vision

Manitoba requires a bold vision for the future, however, that vision cannot exist in isolation of our place within the global community.

On September 25, 2015, the United Nations adopted “Transforming Our World: the 2030 Agenda for Sustainable Development.” This agenda is a plan of action for people, planet and prosperity built around 17 sustainable development goals:

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improve nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and quality education for all and promote lifelong learning
5. Achieve gender equality and empower all women and girls
6. Ensure access to water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote inclusive and sustainable economic growth, employment and decent work for all
9. Build resilient infrastructure, promote sustainable industrialization and foster innovation
10. Reduce inequality within and among countries
11. Make cities inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources
15. Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss
16. Promote just, peaceful and inclusive societies
17. Revitalize the global partnership for sustainable development

Manitoba BOLD’s vision represents a grassroots, ‘made-in-Manitoba’ expression of our community’s aspirations for Manitoba, aligned and connected to Manitoba’s role in helping achieve the *Transforming Our World* goals over the next 15 years:

- **An Established Manitoba Economic Brand** – strength in diversification, driven by leadership from Manitoba’s knowledge-based clusters of excellence, focused on the global marketplace
- **The First Choice** – entrepreneurs, youth and thought leaders are drawn to Manitoba, where:
 - risk aversion has given way to a new climate of catalytic leadership that actively nurtures creative solutions
 - a competitive economic framework that forges long-term personal and professional commitment to our province
 - a new alignment of stakeholders has created strategic coordination and investment to maximize success
 - local innovation is embraced first by Manitobans
- **A Pioneer in Inclusion and Equity** – all Manitobans are full engaged in Manitoba’s economic and social renaissance, empowered with the opportunities and resources to fully share in the benefits and enhanced quality of life
- **A Focused Foundation for the Future** – from our physical environment and infrastructure to the regulatory regime, Manitoba’s foundation is more than roads and bridges, but a purposeful platform that creates the conditions to win

Today’s Manitoba features a number of challenges and opportunities that will determine our ability to realize Manitoba BOLD’s vision.

Challenges

Manitobans are more disconnected and disillusioned with political leadership than ever before, hindering efforts to galvanize collective action. Openness and transparency lags behind other jurisdictions, limited by risk aversion and fear. Superficial consultation exists in place of mechanisms for meaningful participation. Manitobans’ voice remains restricted to the ballot box every four years.

Alignment between the various facets – from academia to government to the private sector – exists in pockets, but outside the context of an overall coordinated vision and plan.

Successive budget deficits and a ballooning provincial debt threaten to undermine the Province’s capacity to deliver long-term plans and programs that support our quality of life.

Our economy calling card to the world – economic diversity – provides economic stability at real cost of economic leadership and attraction of new investment, enterprise and people.

From 1982 to 2013, Manitoba's actual annual growth rate was a below-average 2.1 per cent. Figures from Statistics Canada for 2014 reveal Manitoba's real GDP grew at a rate of only 1.1 per cent. Manitoba must decide where it can lead and align the pieces to that end if we are to fuel meaningful growth.

Capital – the lifeblood of business growth and success – continues to be amongst the most challenging obstacles within Manitoba. From 2012-2014, Manitoba finished second to PEI in terms of the least amount of venture capital investment in Canada; in 2014, Manitoba tied PEI in terms of zero venture capital investment.

Full participation in Manitoba's economy remains an elusive goal for far too many Manitobans, in particular our indigenous peoples. Manitoba families' income security is 8th lowest among the 10 provinces and a full \$10,000 below Statistics Canada's 2012 Canadian Income Survey median average of \$71,700. According to the University of Winnipeg's Institute of Urban Studies, from 1980 to 2010, 40% of Winnipeg neighbourhoods experienced a decline in incomes. Manitoba's tax rates and brackets, having failed to keep pace with other provinces and the changing face of our economy, are standing out for all the wrong reasons.

Income disparity and other quality of life indicators suggest many of the current approaches are falling short.

According to Statistics Canada, over the last 30 years, 174,000 Manitobans have left to migrate to other provinces – second only to Quebec in largest net loss. While immigration from other countries has softened the blow, far too many Manitobans are not choosing Manitoba.

Strengths

Manitoba success requires more than concrete measurements to rectify the challenges that currently exist; we require thoughtful examination of and a dedicated plan to leverage our existing and emerging strengths.

Manitoba features a number of industries that are setting the pace both in their sector and in our economic fortunes.

Our value-added food processing industry is the largest manufacturing sector in Manitoba, accounting for approximately \$4 billion in manufacturing shipments in 2010. Manitoba boasts a transportation network – three Class I railways, a 24/7 global air cargo airport and an international trucking hub – featuring North America's largest inland port and a window to the north in the Port of Churchill.

Winnipeg's innovation and creative + design communities feature global pioneers in machine learning and virtual reality to international award winners in architecture and the arts. In the last several years, Innovation Alley in the West Exchange along with Manitoba's ICT ecosystem (Startup Winnipeg, Innovate Manitoba, Futurpreneur, The Eureka Project, New Media Manitoba, Manitoba Technology Accelerator) has arisen as an acclaimed startup hub with the creative density and community to grow, attract and retain tech startups and scale them to world class companies. Education assets, such as the University of Manitoba's cutting edge computer vision program, are delivering the next generation of innovators.

Manitoba Hydro offers a strong base on which to power Manitoba's position as an environmentally responsible community invested in clean technology.

Record investments in Manitoba's physical infrastructure have begun to address a growing infrastructure deficit, added a needed platform to advance our economic pursuits here and abroad.

Manitoba's Provincial Nominee Program (MPNP) saw the arrival of 13,100 new Manitobans in 2013, an almost four fold increase from 14 years earlier. The introduction of the MPNP for Business Program in 2000 has led to 633 businesses established and over \$222 million invested in the province.

Our greatest strength has been, and remains, our people. Manitobans' resourcefulness, creativity and determination, coupled with a recognized leadership in social progressivity, makes a Manitoba that wins possible.

Where to Begin

A Manitoba Built for Success is possible. It requires acknowledgment and concerted effort to both address our challenges and capitalize on our strengths. It requires that we refuse to accept status quo approaches that produce tepid results and to embrace change as a positive influence and driver of growth.

The following pages reflect the aspirations, ideas and recommendations from community leaders on where to begin and how to proceed. Like all plans, it is a living document that invites all Manitobans to share their perspectives and ideas to enhance and strengthen a Manitoba Built for Success.





INVESTING IN OUR PEOPLE

A. Redefining the Province’s Relationship with Citizens and Other Governments

1. Civic-Provincial Relationship

- Undertake comprehensive review of the City of Winnipeg Charter so as to ensure the City operates under a policy-based governance model that affords it the necessary powers and flexibility, aligned with its funding authorities, to promote self-determination and self-sufficiency
- Reinvent the civic-provincial funding relationship, transitioning away from repeated confrontation over shared revenue allocation to one of managed authorities
 - Amend relevant legislation governing municipal taxation authority so as to allow municipal governments to transition to economic growth related taxes, such as a municipal income tax or sales tax, to reduce reliance upon realty taxes and to promote greater self-reliance
- Amend the Manitoba Municipal Board Act to enable cities, as defined and granted status by the province, to borrow without approval of the Municipal Board, as long as they remain within established borrowing guidelines

2. Federal – Provincial Relationship

- Create an “Economic Partnership Agreement” between the province and Western Economic Diversification (WD) to ensure that funding from WD is aligned with provincial priorities
- Create, in collaboration with other provincial governments and the federal government, an independent infrastructure bank to help smaller cities borrow more affordably for urban renewal projects

According to the US Federal Highway Administration, 32 states and Puerto Rico currently have state-run infrastructure banks, including California, Ohio and Florida. Infrastructure banks, referred to as “I-banks”, typically consist of revolving investment funds that can provide fiscal support to different types of infrastructure projects within the state.

- In collaboration with the Association of Manitoba Municipalities and the Federation of Canadian Municipalities, pursue a national strategy for continued and enhanced federal role and funding for municipal infrastructure on an ongoing and permanent basis, which would include:
 - Permanently transfer to municipalities on an ongoing basis the current \$2 billion annual federal Gas Tax Fund and index annual increases to a minimum of the annual rate of inflation and population growth
 - Continue tri-level government infrastructure funding agreements on an on-going and permanent basis to address emerging infrastructure needs and shared priority projects.
 - Lobby aggressively the federal government to ensure Manitoba aerospace industry’s position and needs are reflected strongly in any procurement decisions regarding replacement of Canada’s CF-18 fighter aircraft

3. Openness and Transparency

- Replace the current provincial budget consultation process with a meaningful approach, such as participatory budgeting process

In September 2015, New York City Council launched its 2015-2016 Participatory Budgeting Cycle – the largest and fastest growing Participatory Budgeting process in North America. New Yorkers in 27 Council Districts will collaboratively decide how to distribute over \$30 million to local capital projects through a year-long process of neighbourhood assemblies, delegate meetings, project expositions and community voting. At present, greater than 1,500 participatory budget processes have been implemented throughout the world.

- Appoint a minister responsible for public engagement and reorganize existing provincial engagement units into a single Community Engagement Secretariat
 - Adopt provincial standards and guiding principles for provincial government community engagement efforts
 - Use technology, arts and media in new and different ways to decrease costs of engaging larger audiences while providing innovation and inclusivity
- Implement comprehensive open source data platforms to become a North American leader; commit to minimal rules of usage to promote maximum usage of the data for citizens
- Create a meaningful Citizens Dashboard that would provide clear information and progress on priority areas in one, easy to access mechanism

4. Electoral reform

- Pilot the use of online voting to encourage and increase voter participation

Since February 2014, all Swiss citizens living abroad are entitled to vote via internet, regardless of where they live. The only requirement is that individuals are registered in a canton (equivalent to state or province) that offers e-voting. Some people living in Switzerland can also currently vote online – in the cantons of Geneva and Neuchâtel.

- Institute ballot questions during provincial elections on major policy initiatives where a clear voter mandate is desirable and beneficial
- Establish provincial electoral reform commission to study the adoption of proportional representation for provincial elections, and/or other reforms that support greater citizen engagement and connection between their vote and representation

B. Growing Manitoba's Knowledge and Skills Base

1. Primary and Secondary Education

- Engage teachers and education leaders throughout the world in a comprehensive review of Manitoba's current curriculum, and map out a firm action plan to elevate Manitoban student performance in reading, math and science skills to among the top three in Canada by 2021
- Amalgamate all school divisions within the city of Winnipeg into a single school division and board
- Reclaim provincial responsibility for funding Manitoba's K-12 education system by:
 - Shifting authority for setting the property tax mill rates for education from school boards back to the provincial government
 - Increasing provincial education funding to 80% of net operations (as defined in the FRAME Reports) in a staged manner over a six-year period thereby phasing out approximately \$300 million from the current realty education levy; cap education realty tax revenues at 20% of

net operations to allow school divisions to offer unique program and service enhancements and options that reflect local needs and priorities

The proposed changes to provincial responsibility reflect education reforms undertaken in Alberta and Ontario over the last 20 years; in the Conference Board of Canada's most recent "How Canada Performs" education report card, Ontario and Alberta were the top performers among all the provinces.

- Establish entrepreneurial education as required curriculum in grades 7-8, equivalent to the current mandatory practical arts education, and optional curriculum for grades 9-12, to broaden student exposure to a more fulsome range of career opportunities
- Expand the focus on Science, Technology, Engineering, Arts and Mathematics (STEAM) skills – career pathways, and work-based learning experiences

Greater Spokane Inc.: Washington boasts the largest concentration of STEM jobs in the United States. GSI houses Spokane STEM, a community partnership focused on transforming how STEM is taught in the classroom by engaging students, parents and teachers in experiential learning opportunities. Teaching the Teachers connects educators with employers in STEM fields to get hands-on experience with leading industries. Since 2007, 850 educators from 20 school districts have been paired with more than 50 businesses, reaching 21,000 students.

The British Columbia government announced in January 2016 the introduction of computer coding in its school curriculum, addressing a chronic skills shortage in the technology sector. The new coding curriculum will be introduced across all grades over the next three years, featuring new standards in mathematics and sciences and a new and redesigned "applied design, skills and technologies" (ADST) component to improve students' abilities to solve problems and think creatively. British Columbia's announcements follows Nova Scotia's move in October 2015 to introduce coding to the curriculum. Coding was also recently added to school curriculum in Britain and is coming in Australia.

2. Post-Secondary Education

- Work with our post-secondary education community (PSE) to improve opportunities for collaboration between PSE researchers and businesses
- Support increased opportunities for work-integrated learning as part of students' PSE experience
- Focus post-secondary institutions on learning outcomes that are tied to short and long term market demand (multiple careers require us to think about a more flexible learner, critical thinker), and to demonstrate continual improvements in learner engagement and environments
- Transition our publicly-funded post-secondary institutions from the current broad base discipline focus to that of a "Niche Dominator", whereby a post-secondary institution:
 - chooses particular customer segments to focus on — for example, mature age distance learning students, international mass market or industry professionals — enabling the targeted development of course offerings, sales channels, delivery, and related services, such as industry based learning, career placement and outreach, and embedded research programs
 - significantly reduces its range of education disciplines, creating a focused set of areas of genuine domestic and global strength and credibility

- Builds deep alliances with industry in its chosen fields, including partnerships to support R&D, commercialization of research and innovation, professional skill development, and lifelong learning
- Streamlines its back office, including using outsourcing and/or shared services models to drive efficiency and economies of scale

Officially launched in September 2010, **Aalto University** was formed by merging three Helsinki-based universities in technology, art and design, and economics. Aalto’s mission is to contribute to solving global issues through a multi-disciplinary approach to research and teaching and to support the internationalization and competitiveness of the Finnish economy. Even after merging three separate institutions, Aalto has a focused range of programs. Aalto seeks to strengthen and differentiate these programs through its multi-disciplinary approach, partnerships with industry, design hubs and programs that promote innovation and entrepreneurship. Aalto aims to use strengths in its chosen fields to achieve a place among the world’s top universities by 2020 and seed a new generation of innovators.

- Enable nimble and effective methods of introducing accredited new programs/courses at Manitoba’s colleges and universities that are relevant to industry through a stream lined process; the ability to develop and implement new curriculum at present is extremely limited

In the UK, **BPP University College**, a for-profit provider of higher education degrees owned by Apollo Global, focuses on providing profession-focused higher education programs in accounting, banking and finance, law, marketing, and human resources. BPP focuses on students seeking professional qualifications and therefore builds teaching programs and industry partnerships linked to the professions.

- Increase support to programs (loan, bursaries, scholarships) that provide 100% tuition support for individuals where financial barriers of any level are obstacles to higher learning

3. Apprenticeship

- Increase the Red Seal Trade ratio of journeyperson to apprentice, currently set at 1:1, to 1:2 to properly incorporate and create meaningful opportunities for the influx of entrants into the skilled trades
 - 1:2 ratio in effect in Alberta, Saskatchewan and Newfoundland & Labrador
- Review every five years, in consultation with industry, the apprenticeship ratio to ensure it aligns with employers’ and apprentices’ needs

Germany’s apprenticeship system is offered within a dual system that combines three to four days per week of workplace training with one to two days per week of classroom training. This contrasts with the commonly used “block release” system in Canada, where apprentices alternate blocks of up to ten weeks of classroom training with workplace training.

Germany has introduced several important reforms to its apprenticeship system. These include the introduction of “learning fields,” which are based on workplace requirements, but also include interdisciplinary topics such as economics, law, technology, and ecology. Another key reform is the linking of occupational profiles with workplace requirements. This makes it easier to connect training with current workplace requirements. In addition, German apprentices can now complete a portion of their training abroad.

As a result of these reforms, changes in how work is performed are now more accurately reflected in students' training. Apprentices receive broader training, making them more employable and allowing them to adapt more easily to changes within industry sectors. Businesses benefit from a larger pool of skilled workers that are better prepared for the workplace. A more efficient apprenticeship system has also reduced government expenditures.

Harmonization and Responsiveness: Lessons from German Apprenticeship Reforms, The Conference Board of Canada, December 2015

4. Immigration

- Reopen the Employer Direct program of the Manitoba Provincial Nominee Program which allowed employers to directly nominate individuals for permanent residency under the Provincial Nominee Program
- Amend the Worker Recruitment and Protection Act regulations to allow human resource personnel (currently restricted to lawyers and licensed immigration consultants) to recruit foreign workers for positions in Manitoba
- Develop a provincial strategy, in collaboration with the employer community and regulatory bodies, to enhance understanding of new Canadians' qualifications and equivalencies, and to develop mechanisms to assess newcomers proficiency in an effective, clear-to-understand short process
 - Develop bridging programs that are attainable within a reasonable amount of time, providing the required supports to applicants so they can focus on their process, not on working multiple jobs while going to school and supporting their families

5. Labour Market Information

- Invest in tools (including Job banks, a Provincial Labour Market Information unit and a new one-stop national labour market information portal announced in 2015 Federal Budget) to provide better and more accurate Labour Market Information (LMI)
- Expand understanding of the supply side of the labour market and educational attainment relative to employment demand by leveraging the data that already exists within post-secondary institutions. This would be achieved by:
 - Working with other provincial and territorial governments to request additional student survey and employment data from publicly funded post-secondary institutions
 - Investing in timely, careful analysis of this education data, with a particular focus on learning outcomes, pathways, and quantity of students/graduates in high demand occupations
- Improve the dissemination and marketing of all available data and integrate existing data from employers, educators and job banks
 - Establish partnerships between industry, academic institutions and the public sector to share labour market data, avoid duplication and to collaboratively strategize on labour market challenges
 - Ensure that the data be made accessible/available/public to Manitobans, especially Manitoba employers, but also to learners, parents, and guidance counsellors in secondary schools

C. Reconciling with Indigenous Peoples

1. Truth and Reconciliation Commission

- Formulate an action plan, in partnership with Indigenous communities and leaders along with all stakeholders, that demonstrates provincial leadership in response to the Truth and Reconciliation Commission: Calls to Action

2. Economic Reconciliation

- Support the growth of Aboriginal entrepreneurship by:
 - Creating an Aboriginal business incubator where participants are 'mentored' by other like-valued individuals to provide participants with support structures

Darebin Enterprise Centre's (DEC) Indigenous Business Incubator based in Melbourne, Australia helps Indigenous entrepreneurs and Indigenous community organizations start new businesses and strengthen existing enterprises. The program includes identifying business opportunities and conducting pre-feasibility studies on proposed ventures; helping proprietors develop business plans; helping proprietors seek the necessary capital for the roll-out and development of enterprises; providing mentoring support and evaluation; providing advice for future actions in businesses; and, assistance in networking for enterprises.

- Increasing the availability of entrepreneurship training programs aimed specifically at indigenous entrepreneurs which support cultural needs, with the support of appropriately qualified indigenous mentors
- Developing an investment seed fund for aboriginal entrepreneurs featuring one part long-term loan and one part grant, to be paid back to the fund for the future
- Facilitating indigenous business connections to foreign indigenous business communities through trade missions specifically focused on indigenous business development, notably in US, Australia, New Zealand, Latin America and other regions with sizable indigenous populations
- Tailor existing provincial programming around promoting organizational capacity of growing businesses to incorporate human resource strategies that accommodate the integration of First Nations, Metis and Inuit (FNMI) populations into their workplace (includes assessing gaps, identifying supports that acknowledge, comparable to strategies used by companies to accommodate new Canadians).
- Working in collaboration with Treaty Land Entitlement (TLE) First Nations, the federal government and relevant municipal governments, support the creation of an urban reserve at Kapyong Barracks and fulfilment of all Treaty Land Entitlements in Manitoba
 - Provide financial support to the City of Winnipeg to implement human resources dedicated to determining the need for human, technical and city planning resources, which would assist TLE First Nations pursuing reserve creation and development within and adjacent to the City of Winnipeg
- Support opportunities for Aboriginal peoples to participate more fully in the economic benefits from resource development projects, such as:
 - Support prospector training initiatives in northern and First Nation communities
 - Support mineral exploration finance initiatives for First Nation companies and for companies operating in remote regions
 - Develop a framework for required and meaningful consultation on Aboriginal and Treaty Rights

D. Empowering Financial Security and Self-Reliance

1. Poverty and Income Security

- Implement the goals and strategies outlined in the Winnipeg Poverty Reduction Council's Plan to End Homelessness in Winnipeg (April 2014)

The Alberta Secretariat for Action on Homelessness (2008) states that to end homelessness, we must move away from the current approach of managing the homeless population to providing housing and increasing self-reliance. The Secretariat argues that a failure to do so will result in an increased number of homeless individuals and associated costs, rather than a reduction.

- Exempt registered Manitoba charities from the provincial payroll tax
- Conduct a new, five-year Mincome pilot (modelled after the 1974-1979 pilot in Dauphin, Manitoba) in a mid-size city most closely reflective of Manitoba's economic and social diversity, with the goal to assess its impact on social outcomes, workforce participation rates, administrative efficiency in terms of reduced assistance programming, and potential applicability province-wide
 - Establish the Mincome levels based on 60% of Statistic Canada's Low Income Cut Off-After Tax (LICO-AT)
 - Low Income Cut Off is relative and based on spending on needs, therefore measures both the ability to purchase basic needs and social inclusion; used since the 1960s so can be used for long-term comparisons; widely available and widely used (Social Planning Council, Poverty Measurements Primer 2014)
 - Statistics Canada recommends using after tax income because spending for necessities is done with after-tax dollars, and it includes differences caused by Canada's progressive tax system (Social Planning Council, Poverty Measurements Primer 2014)

In May 2015, the new Finnish government announced it would proceed with a Basic Income experiment. Other experiments have been performed more recently in Brazil with a Citizens Basic Income, and India, where the federal government has already begun replacing aid programs with direct cash transfers.

2. Social Enterprise

- Implement the February 2015 Manitoba Social Enterprise Strategy, developed in partnership between the Province of Manitoba and the Canadian Community Economic Development Network, in particular:
 - Provide support to existing business development organizations to assist non-profits in navigating existing resources, in particular to provide initial advice and support for non-profits seeking to develop a social enterprise
 - Explore ways to attract business students to the social enterprise sector
 - Assess the effectiveness of the Neighbourhoods Alive tax credit
 - Raise awareness of the social enterprise sector
 - Connect social enterprises with community research partners to help them calculate and promote their social and financial return on investment.

3. Retirement Security

- Encourage, through education and awareness efforts in collaboration with industry, the use of Pooled Registered Pension Plans (PRPPs) as an option for employers, particularly small and medium enterprise, to assist their employees with retirement savings; PRPPs allow members (who can also be self-employed) to benefit from the lower administrative fees permitted by the pooling of their plans
- Commit to working within the existing Canada Pension Plan system, rather than create a costly duplicative provincial pension plan
 - Enhancements to the existing CPP, if undertaken, should be voluntary and funded by employees only



STRENGTHENING OUR PLACE

A. Building the Physical Foundation

1. Planning and Integration

- Establish the objective function of Manitoba's transportation policy to be an identifiable net benefit arising from the operations, connections and business environment that envelopes all modes of transport and any resulting land-use planning and implementation issues
 - Decisions relating to the policy should be supported by quantifiable evidence, driven by independent research, and be fully transparent, with regular reviews designed to minimize provincial and municipal disagreement
- Support, in partnership with interested Capital Region municipalities, the establishment of a Capital Region Transportation Authority (CRTA) to coordinate integrated transportation planning, delivery, operations and financing regarding regional public transit services, land use planning, parking services, street and highway network, and active transportation facilities
 - CRTA shall have strategic policy functions including long-range major transportation infrastructure investment needs assessment and long-range financial analysis and planning

Major regional transportation authorities in Canada are the South Coast British Columbia Transportation Authority (TransLink) in Vancouver, the Agence métropolitaine de transport (AMT) in Montreal and the Greater Toronto Transportation Authority (now Metrolinx).

TransLink is responsible for regional transit, cycling and commuting options as well as Intelligent Transportation System programs. TransLink also shares responsibility for the Major Road Network and regional cycling with municipalities in Metro Vancouver. It is the first North American transportation authority to be responsible for the planning, financing and managing of all public transit in addition to major regional roads and bridges.

- Implement as standard policy the use of roundabouts on provincial trunk highways for intersections requiring greater than two-way traffic control
- In collaboration with a new CRTA, support the development and implementation of a formal commercial goods movement policy and plan for the entire Capital Region

The Greater Toronto-Hamilton Area (GTHA) **Urban Freight Study** was commissioned by Metrolinx to address one of the Regional Transportation Plan's nine key —Big Moves (1), which seeks to identify actions that will improve the efficiency and capacity of urban goods movement within the GTHA, in order to enhance economic competitiveness and reduce emissions.

- Implement a Freight-Related Data Collection Programme (including Commodity Flows)
 - A survey of Manitoba Capital Region businesses to determine delivery patterns (typical delivery hours, delivery frequency, delivery routes, delivery vehicles) and goods carried would be conducted, with the aim to develop a system to house and maintain an ongoing survey programme
- Establish a northern commission to assess Manitoba's transportation infrastructure and its limitations on northern development

- In concert with the federal government, undertake an assessment of Manitoba's current transportation corridor 'rights-of-way' with the goal of ensuring protection against encroachment and supporting unfettered trade and transportation

2. Investment and Financing

- Convene a provincial-municipal government summit in 2016 to develop and build province-wide consensus on a "made-in-Manitoba, built-by-Manitoba" plan and priorities to maximize alignment with and benefit flowing from the new federal government's commitment to \$125 billion infrastructure investment over the next 10 years
- Establish a permanent infrastructure investment plan that commits to minimum annual infrastructure investment of 2.0% of Gross Domestic Product (GDP) to begin eliminating Manitoba's infrastructure deficit while meeting new demands
 - In 2014, Manitoba's GDP was \$57.7 billion, with infrastructure spending at \$1.032 billion, or 1.78% of GDP
 - A comprehensive, multi-year plan must prioritize infrastructure projects across a number of areas of provincial significance, as well as require annual public reporting and five-year public reviews to measure progress against a long-range infrastructure plan
- Adopt the Build-Own-Operate-Transfer (BOOT) model for major infrastructure projects, such as highways, roads and public transit
 - Under a BOOT framework, the province delegates to a private sector entity to design and build infrastructure and to operate and maintain these facilities over a set timeframe. The private entity is responsible for raising project financing, and is entitled to retain ownership and all revenues generated by the project. At the end of the timeframe, ownership and responsibility for the infrastructure/facility is transferred to the province
 - Private sector entities generally derive revenues through a fee charged to the province rather than consumers
 - Benefits of BOOT model include increased private investment, injection of new foreign capital, enhanced knowledge transfer and reduced public finance burden for infrastructure

<p>BOOT models currently employed in the US (California, Florida, Indiana, Texas, Virginia), Australia, New Zealand, Israel, India, Japan, China, Turkey and Saudi Arabia</p>

- Identify and market business sector areas that currently lack infrastructure access which restricts connection to markets and growth
 - Create public awareness for the potential that currently exists within the province both locally and internationally
 - Issue "expressions of interest" globally for private sector innovators to present different models to provide access and exploration of these underserved areas

3. Regulation

- Enhance Manitoba's regulatory harmonization and recognition of standard transportation regulations with the rest of Canada (and throughout North America), particularly in Manitoba's trucking industry
 - Patchwork assembly of environmental regulation across all provinces represents a significant obstacle for the trucking industry which operates coast to coast to coast
- Have Manitoba Public Insurance implement a Pay As You Drive (PAYD) auto insurance as a complement to other rating factors, to encourage more environmental friendly transportation

4. Commercial Routes

- Construct by-passes around Headingly and St. Norbert to enable more rapid, efficient commercial traffic movement in the Capital Region
- Transform the Perimeter Highway into a true freeway, using grade separations at all rail and road intersects, by 2030
- Co-lead, in partnership with the major rail interests operating within Winnipeg and CentrePort Canada, a comprehensive community engagement process to assess rail relocation and rationalization options, notably the economic feasibility, cost/benefit and timelines for each option
- Provide financial incentives to create more reliable access to natural resources in remote areas of the province
 - Incentives could be structured loans based on business plans that have private industry take the lead in the procurement and development using local contractors and resources to fuel it
 - Maintenance and usage of the provided access routes should be a joint effort between the province and private business

5. CentrePort Canada

At 20,000 acres, **CentrePort Canada** is North America's largest inland port and Foreign Trade Zone project. It began in earnest in 2008, following a concerted partnership among business, labour and governments at all levels to identify how Manitoba could capitalize on our central geographic location and strategic trimodal transportation assets. It is designed to give business access to air cargo operations headquartered at the James Armstrong Richardson International Airport; access to three class one railways: CN, CP and BNSF; and, a highly competitive trucking industry all from a single footprint.

- Continue investment in strategic trade corridor development and enhancement
- Work with CentrePort Canada and developers to plan for the next phases of water and wastewater servicing to ensure that the employment lands investment can occur on city lands and the west side of the Winnipeg Airports Authority campus within the inland port
- Consider the role that CentrePort Canada can play in supporting any potential rail relocation and rail rationalization plan for Winnipeg

6. Port of Churchill

- Seek to have the Port of Churchill declared as critical and strategic national infrastructure by the federal government
 - Establishing the Port of Churchill as Canada's northern trade gateway can potentially generate new billions in new trade by which Manitoba and Western Canada would benefit

7. Winnipeg James Armstrong Richardson International Airport

- Conduct, in partnership with the City of Winnipeg, a study of a rapid transportation route from the James Armstrong Richardson International Airport to downtown Winnipeg, for integration into the City of Winnipeg's Long Range Rapid Transit Concept Plan

TransLink's rapid transit line links the Vancouver International Airport directly with downtown Vancouver and Richmond.

- Lobby, in concert with key stakeholders, the federal government to either transfer ownership of airport lands to their respective airport authorities, thereby eliminating airport rents, or apply revenue collected from airport rents to measures that support and empower these critical economic drivers

B. Procuring Made-in-Manitoba Solutions

1. Procurement Policies and Process

- Reinvent provincial government procurement policies and processes so as to enhance the capacity and likelihood of success by Manitoba companies in keeping provincial expenditures in Manitoba, in particular:
 - Implement a greater use of Qualifications Based Selection (QBS) for specific requirements that sets the price and the selection criteria is strictly on the qualifications of the supplier
 - Implement criteria that puts a value on a local presence based on a service advantage, knowledge of local market, or relationships in local market that would have a cost, value, or risk advantage
 - Provide a mandatory review of each Request for Proposal (RFP) or tender to assess changes in the marketplace that would require a different definition of the requirement, different criteria, or new local providers that should be informed of the opportunity
 - Enhance the quality of the follow up to losing bidders so they can learn what they will need to do to become successful on subsequent bids
 - Utilize early Expressions of Interest (EOI) on requirements where potential exists for local companies to work towards a competitive or innovative solution
 - Measure the current local spend as a percentage of overall procurement and develop annual objectives for increases in the local percentage
 - Provide an annual report to the business community that identifies successes and reasons why local companies are not winning more business. This review should also identify the reasons why business is going outside of our province and recommendations to local companies that will lead to greater success
 - Identify the areas of products and services in which there is no competitive local alternative
 - Conduct an annual survey of local companies that were engaged in bids to assess issues
 - Conduct a broader business community survey to understand why more companies do not submit bids
 - Review all requirements to ensure those that are outside the parameters of the AIT or other agreements are only made available to local companies
 - Clearly define the exempted objectives as it pertains to AIT and create greater awareness of the criteria
 - Provide greater promotion of procurement opportunities to local business and simplify the process to be involved in submissions
 - Review the RFP process to find ways to simplify it for submitters
 - Review single sourcing policy to ensure it is not being used in inappropriate ways
 - Establish a Procurement Ombudsman that can work with business organizations to deal with issues brought forward from the local business community and find ways to increase the percentage of local spend
 - Look for more opportunities for successful out-of-province bidders to have to partner with a local provider
 - Provide greater opportunities for locally developed technologies to access local opportunities

C. Promoting a Competitive Climate for Prosperity

1. Public Service

- Establish a provincial commission charged with recommending a reinvention of the Manitoba public service, the hallmarks of which would be:
 - Results-based programming, highlighted by clear service goals and standards
 - An innovation mandate whereby creative approaches are actively sought out, embraced and rewarded
 - Re-designed government departmental structure built around forging multi-disciplinary teams/units/departments to address issues and/or causes
 - Co-designed and co-produced public services
 - Enhanced use of technology and ‘big data’ to inform innovation and solution development
 - Resource flexibility and budgeting agility for more innovation and experimentation
 - Managing risk and complexity through experimental approaches to project management and service design
 - Greater investment in professional development

The development of new sets of organisational forms, governance structures, funding mechanisms, policy approaches, partnerships and accountability structures blur traditional distinctions between public and private to look for novel solutions to address some of the world’s most difficult problems. At the same time, technological progress is advancing at a speed never seen before, opening great opportunities for governments to incorporate new tools and approaches, while placing great pressure on governments to keep pace.

Building Organisational Capacity for Public Sector Innovation Background Paper, Organization for Economic Cooperation and Development, 2014

2. Fiscal Stability and Self-Reliance

- Institute a 3-year budget cycle to promote longer term planning and activities through more stable and predictable funding for departments

In December 2013, the Council of the European Union adopted the **Multiannual Financial Framework (MFF) 2014-2020**. The MFF enables the European Union (EU) to spend up to EUR 959.99 billion in commitments and EUR 908.40 billion in payments over the next seven years. This is 3.5% and 3.7% respectively less than under the MFF 2007-2013, ensuring budgetary discipline for the EU and reflecting the particular budgetary pressure that member states currently face at the national level.

- Legislate that Manitoba’s Fiscal Stabilization Fund (FSF) be maintained at 6% of budgeted expenditures for the year (6% of 2015 budgeted expenditures equals approximately \$900M)
 - Enact rules governing which situations the FSF may be utilized and, when accessed, a timeline for replenishment to required levels
- Enact legislation that permits deficit spending during periods of defined extraordinary circumstances (such as floods or natural disasters) and/or economic recession (defined by a

period of at least two consecutive quarters of negative growth in real gross domestic product), but requires a return to a balanced budget within three years following the recessionary period's end

- Failure to return to balanced budget within the three years shall constitute a confidence measure, thereby triggering a dissolution of the Legislature and a provincial election
- Legislation must require that all budget surplus funds be allocated to debt repayment
- Set a target to reduce Manitoba's reliance on equalization payments by a minimum of five percent per year with a goal to eliminate its dependency on equalization payments from the federal government
- Establish a debt retirement plan, highlighted by a fixed timeline and repayment plan, for the provincial government and all provincial crown agencies

3. Tax Competitiveness

- Establish in 2016 a provincial commission charged with recommending a reinvented, modernized personal income system for Manitoba, with a specific focus on tax rates/brackets, including marginal rates on capital gains and dividends
 - While significant changes have occurred within the provincial, national and international economies, Manitoba's tax system has not been subject to a comprehensive review in over 16 years

In May 1999, the **Manitoba Lower Tax Commission** was constituted and continued its work following a change in government later that year. The Commission's Terms of Reference state: "The task of the Lower Tax Commission is to generate ideas, consult with Manitobans, and then provide options for a tax system for Manitoba that not only reduces the tax burden, but is fairer, simpler, and competitive."

- Modernized system should match Manitoba's basic personal exemption to the federal basic exemption, and index personal income tax brackets annually, using a calculated inflation factor, based on the change in the average federal inflation rate over the 12-month period ending September 30 of the previous year compared to the change in the rate for the same period of the year prior



- Raise the Business Limit for the Small Business Income Tax from the current \$450,000 to \$550,000, placing Manitoba at the forefront of small business tax competitiveness among other Canadian provinces
 - Replace the Manitoba Land Transfer Tax with a fee equal to the cost of providing the administrative service
4. Expenditure Management
- Link provincial collective agreements compensation adjustments to the Average Weekly Earnings and the Consumer Price Index for Manitoba, as per Statistics Canada
 - Establish a Commission on Efficiency and Effectiveness, with the stated purpose of establishing performance indicators and efficiency and effectiveness targets
 - Commission would oversee implementation of 'lean principles' and report to the Manitoba Legislature annually on progress toward targets
 - Consult with the local private sector to assess areas in which the provincial government could invest in and implement technology systems that will provide efficiencies, speed, enhanced service levels, improved communications resulting in better decision making in government
5. Regulation
- Establish an internal cross-departmental regulation body within government to vet all proposed regulations
 - Departments wishing to implement new regulations would need to submit request to body that would assess request against established criteria, notably whether the sponsoring department has:
 - Identified all the key stakeholders affected by the proposed regulation;
 - Consulted in a meaningful way with affected stakeholders;

- Considered alternatives to regulation;
- Undertaken a cost benefit analysis of the proposed regulation;
- Assessed regulation against existing regulations to determine redundancy and/or conflict;
- Assessed best practices pertaining to regulation of the issue
- Create a permanent Joint Advisory Council, reporting to Minister of Jobs and the Economy, comprised of representations from the business community and government, with a mandate to review and recommend modernization, replacement or elimination of business regulation annually
- Institute the use of Deferred Enforcement for all regulatory implementation or change

Deferred enforcement is used widely in Ontario, most recently in the case of changes to the use of longer boat-tails on commercial motor vehicles, trailers and semi-trailers. When a regulatory change is agreed upon, after appropriate and effective stakeholder consultation, the old regulation is simply disregarded and work proceeds as though the new regulation is in place, giving the government time to do the necessary background legislative work.

6. Innovation, Research and Development Climate

- Review methodology to provide provincial investment in research and technology, currently through Research Manitoba, to determine effectiveness and identify improvements, especially in regards to the total funding afforded to this area and the ability for the organization to fairly distribute funding across all sectors
- Create, as part of a permanent provincial infrastructure investment program, a dedicated Knowledge Infrastructure Fund to support investments in knowledge-supporting infrastructure
 - Commit to the establishment of publicly available Wi-Fi locations in every community throughout Manitoba by 2020
 - Require all provincial government buildings provide publicly available Wi-Fi during hours of operation

With household broadband subscription rates five percentage points below the Canadian average, Nova Scotia and Manitoba score “D” grades and are the lowest-ranking provinces.
How Canada Performs: A Report Card on Canada, The Conference Board of Canada, 2015

- Demonstrate leadership in innovative practices by encouraging innovation in the public sector
 - Integrate innovative technology policies into the overall economic development planning for the province
 - Create an internal government Innovation Capital Fund, modelled after the City of Winnipeg approach, to provide investment for the best ideas for improved efficiency, service delivery and responsiveness throughout provincial departments
- Convert the Manitoba Research and Development Tax Credit to a refundable tax credit applied against corporate income tax payable, and expand to a full credit, from the current one-half credit, for in-house research and development
- Develop a tax credit for businesses investing and/or purchasing early stage innovative technologies developed in Manitoba
- Establish, in collaboration with the federal government, a Machine Learning Centre of Excellence in Winnipeg – the first of its kind in Canada – that would help drive Canada’s innovation agenda by leveraging Winnipeg’s emerging leadership and expertise in artificial intelligence

7. Labour Relations Climate

- Legislate a return to the use of secret ballots for union certification, a process by which ensures employees are afforded the basic protection given to citizens in general elections
- Eliminate the use of ‘no lay-off clauses’ in all government collective agreements
- Implement the use of Managed Open Site model in place of monopolistic Project Labour Agreements
 - Under a Managed Open Site model, multiple labour providers may be involved on the project. Each provider has its own Project Labour Agreement with the project owner – which cannot supersede the Collective Agreement from a legal perspective, but sets out common terms and conditions for project lifespan

In Alberta, the Managed Open Site model has been used successfully for a number of large scale projects, notably the Shell Albion Oilsands Expansion, Conoco Phillips Surmont Project, and the Opti Nexen SAGD project.

- Require that any adjustments in Workers Compensation Board (WCB) of Manitoba benefit levels, including the imposition of new benefits, must be approved by a majority vote of WCB employer members, where responsibility for the cost of the system resides

D. Enhancing Environmental Leadership

1. Policy

- In light of Manitoba’s position as a lower Greenhouse Gas (GHG) emitter, work with all provinces and the federal government to adopt a national cap and trade system, which acknowledges the GHG emission disparities across the provinces, to achieve a reduction in GHG by 2050
- Adopt targets for the electrification of provincial and municipal vehicle fleets; create targets and incentives for the appropriate electrification of various transportation sectors by 2025
- Incent more fuel efficient non-commercial vehicle purchases by implementing a feebate system, attached to vehicle registrations, for low-emitting vehicles and a surcharge to high emitting vehicles

Manitoba, with 3.6 per cent of the Canadian population, has only 0.8 per cent of the country's hybrid and electric vehicles

- Develop and implement policies (such as the proposed Sustainable Drainage Regulations) that ensure and promote best management practices which balance economic development with environmental stewardship
 - Enhance the use of a broader mix of regulatory tools: accompanying high standards with training and education; support for transition to greener technologies or processes; and public education on the purpose of regulations, how they work, and the role of all sectors of society in achieving environmental goals
 - Review aged legislation and regulations to remove disincentives limiting new environmentally-friendly innovations
 - Establish specific greenhouse gas (GHG) targets for all environmental regulation (diamond lanes – what is the actual GHG impact relative to alternatives) and these need to be reported

on and reviewed; when found to be ineffective then the regulation needs to change or be removed

- Develop a long-term plan for the promotion of procurement practices, green transportation infrastructure and transport modes that have reduced ecological footprints
- Increase industry engagement on environmental initiatives to ensure actual positive environmental impact without unneeded economic penalty

Saskatchewan has the highest per capita emissions in Canada and is the fourth largest emitter. Saskatchewan's **Climate Change Action Plan** proposes compliance mechanisms such as the Technology Fund, Recognition for Early Action, Pre-Certified Investments, Emission Intensive Trade Exposed credits and carbon offsets will be established to provide flexibility for regulated emitters to meet their greenhouse gas reduction obligations.

- Increase significantly investment in Manitoba's Climate Change Action Plan, in particular the Climate Change Action Fund currently set at \$5M over five years, with additional investment tied to a new Technology Fund to promote development and implementation of clean technologies in Manitoba

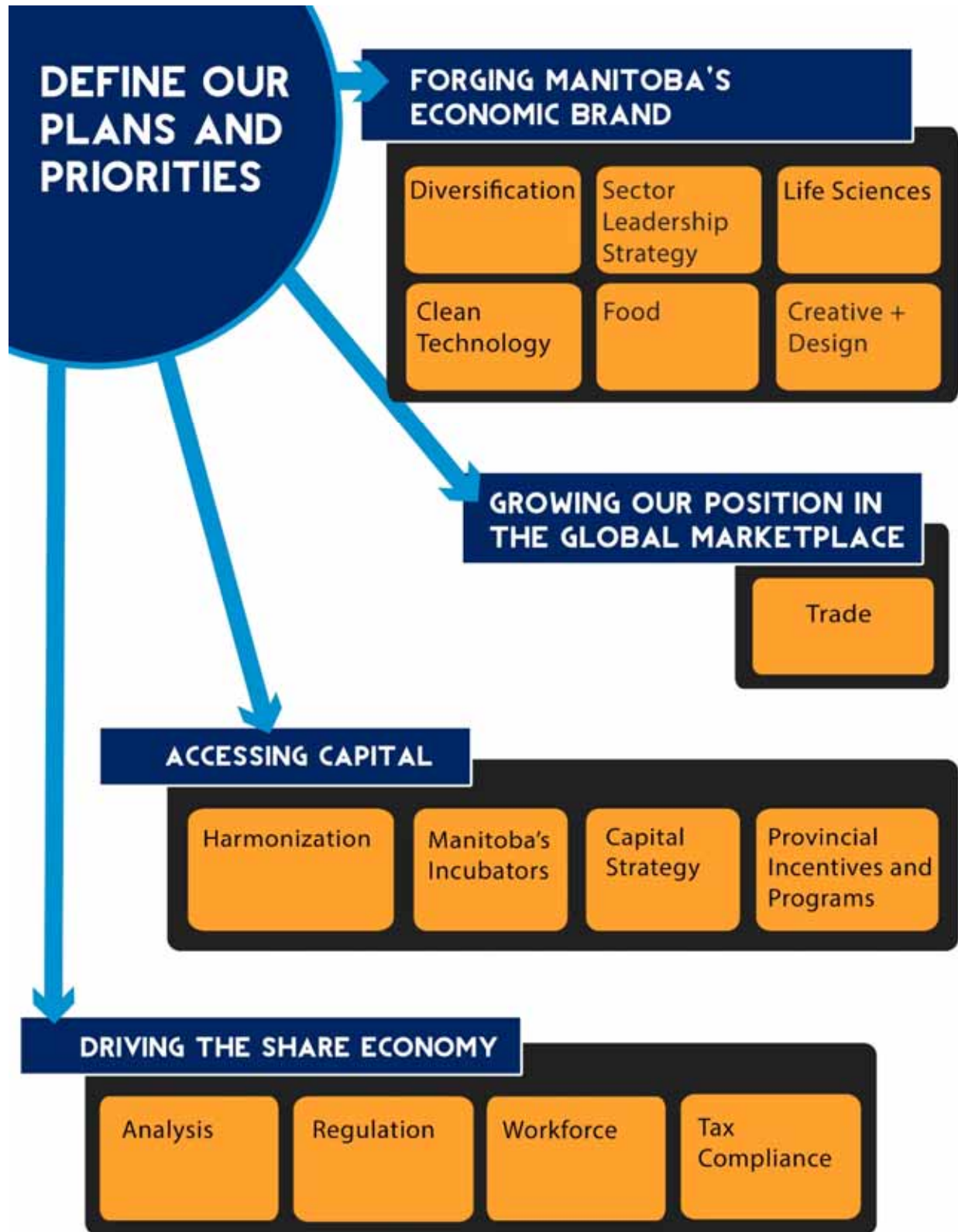
A breakdown of Canada's emissions by economic sector shows the sources of greenhouse gas (GHG) emissions in 2013. The emissions can be attributed to seven key areas of the economy: Oil and gas (25% of total emissions); Transportation (23%); Electricity (12%); Buildings (12%); Emissions-intensive and trade-exposed industries (11%); Agriculture (10%); and Waste and others (7%)

Environment Canada (2015) National Inventory Report 1990–2013: Greenhouse Gas Sources and Sinks in Canada

- In collaboration with industry, develop a strategy to address the lack of sustainable building materials within a radius close to Manitoba to limit fossil fuel use for transportation
- Undertake public review of all provincial stewardship entities, with the goal of ensuring all operate in a lean, transparent and cost-effective manner to ensure public and industry confidence in their continuing efforts
- In conjunction with the creation of a Capital Region Transportation Authority, evaluate the environmental impact of creating separate, more and/or better pathways for commercial vehicles or enabling specific commercial traffic along Rapid Transit routes

2. Water and Land

- Work through the International Joint Commission, Red River Basin Commission and other vehicles to advance sustainable water/land-use policies and enforcement in upstream jurisdictions
- Establish, in partnership with the federal government via the Lake Winnipeg Basin Initiative, phosphorus targets for Lake Winnipeg and Lake Manitoba, to protect our water resources and commercial fisheries for generations to come
- Expand on the current 18 Conservation Districts (CD) throughout Manitoba with the goal of having a CD in all parts of Manitoba
 - Advance climate change goals and Manitoba's Climate Change Action Plan through CDs, including enhanced operational and program support



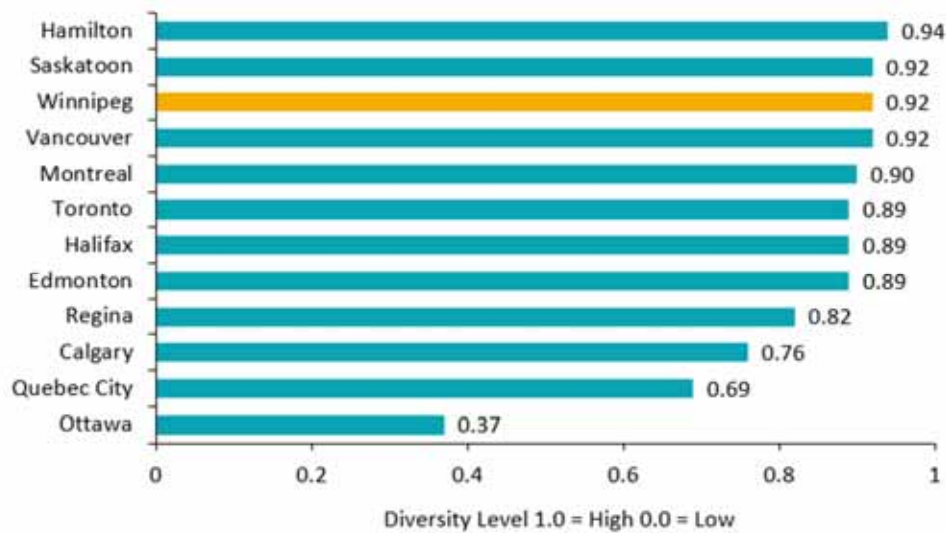
DEFINING OUR PLAN AND PRIORITIES

A. Forging Manitoba’s Economic Brand Globally

1. Diversification

- Establish a YES! Manitoba initiative, incorporating YES! Winnipeg, to promote the value of Manitoba’s diversified economy
 - Market our diversification as an asset and testing ground for international enterprise seeking to diversify their offerings beyond their existing sector or client market

Economic Structure by Major Metropolitan Areas (2014)



Source: Economic Development Winnipeg

2. Sector Leadership Strategy

- Work with industry, academia and other stakeholders to craft a comprehensive sector leadership strategy that identifies, coordinates and empowers existing component pieces, complemented by targeted efforts to address gaps, around the goal of establishing Manitoba’s global leadership in:
 - Life Sciences
 - Clean Technology
 - Food
 - Creative + Design
- To support global leadership in each of the four noted areas, partner with community leaders in a comprehensive examination of existing and future community (government, industry and other stakeholders) capacity, assets, challenges and needs, notably:
 - Alignment and leveraging potential with current and planned federal government economic investment and programming
 - Access to capital to support innovation and growth in the four areas at all stages of entrepreneurial development

- Tax and program support systems that recognize the role of these clusters in driving the jobs and opportunities of the future
- Regulatory burden and potential enhancements
- Procurement policies and approaches that demonstrate provincial leadership in support of promoting our global leadership
- Labour environment
- Intersection with environmental and climate change goals, plans and initiatives
- Corporate expansion and attraction efforts, utilizing a new YES! Manitoba model, to approach global companies and organizations to complement the cluster of activity in the four areas
- Opportunities to leverage the strength of Manitoba’s indigenous communities, from Traditional Knowledge to creative+design activities
- Integration of social enterprise model
- Immigration, labour market information and the attraction of entrepreneurs and skilled workforce
- Alignment of post-secondary education and industry needs
- Physical infrastructure needs – from the Creative Campus in the West Exchange to Centers of Excellence housed at our post-secondary

3. Life Sciences

“It’s time to see our health system not simply as a provider of health for Canadians, but as a generator of wealth for Canada. The Health and Health Care sectors should be viewed not as a cost to be borne, but as an opportunity to be explored.”

Dr. Henry Friesen

- Review current health care procurement policies and processes to advance uptake of ‘made-in-Manitoba’ innovation for ‘made-in-Manitoba’ healthcare
 - Establish program to facilitate greater use of Manitoba-based innovation on a pilot/prototype basis, thereby enhancing health care system access to new technology developed in Manitoba
- Create greater intersection points between the life sciences industry, the health care system and health care providers to leverage information and insight into the future of health care industry innovators
 - Implement an industry shadowing program whereby life sciences industry members are paired with health care providers for a period of time
 - Industry gains valuable insight into the inner workings, needs and challenges of health care providers and the health care system, serving to enhance industry’s ability to develop technology and other advancements to address needs and challenges
 - Establish industry satellite offices within Health Sciences Centre and St. Boniface General Hospital wherein industry can work on pilots / prototypes collaboratively with health care providers
 - Industry benefits from receiving immediate feedback and insight from end users in the development stage while health care providers gain greater awareness and understanding of industry innovation to assist the health care system and providers in advancing patient outcomes and efficiency

CancerCare Manitoba announced it had purchased the first IHS (Manitoba-based Intelligent Hospital Systems) Robotic IV Automation (RIVA) machine in the province. RIVA is considered to be the most comprehensive solution for automated preparation of IV medications (syringes and IV bags) for the general hospital, chemotherapy and pediatric markets in the global market today. The CancerCare unit will be the 32nd one the company has installed and the third in Canada.

Dr. Dhali Dhaliwal, CEO of CancerCare Manitoba, said CancerCare and IHS will collaborate on reviewing the efficiencies of the way the system is used and both he and Hansen said the close proximity between manufacturer and customer will be mutually beneficial.

June 14, 2013, Winnipeg Free Press

HealthForce Minnesota is a collaborative partnership of education, industry and community created to increase the number and expand the diversity of healthcare workers; to integrate health science education practice and research; and, to build capacity for education and industry to collaborate to enhance patient care. Its goals are to:

- Create a collaborative model of engagement for health sciences education and practice;
- Enhance economic development through increased quality; and, sustainability of healthcare education, practice and innovation.
- Position Minnesota as a leader in healthcare education, practice and innovation.

<http://www.healthforceminnesota.org/>

- Enable greater industry access to the University of Manitoba Centre for Health Policy (MCHP) data repository to support industry efforts to identify potential innovation opportunities and market solutions
 - **The Population Health Research Data Repository** housed at MCHP is a comprehensive collection of administrative, registry, survey, and other data primarily relating to residents of Manitoba. It was developed to describe and explain patterns of health care and profiles of health and illness, facilitating inter-sectoral research in areas such as health care, education, and social services. Administrative health data, for example, hold records for virtually all contacts with the provincial health care system, the *Manitoba Health Services Insurance Plan* (including physicians, hospitals, personal care homes, home care, and pharmaceutical prescriptions) of all registered individuals. MCHP acts as a steward of the information in the Repository for agencies such as Manitoba Health.
 - Access to the information must and can be provided in a manner that maintains confidentiality of personal information

4. Clean Technology



University of Calgary researchers, led by organic chemistry assistant professor Gregory Welch, are developing a new generation of lightweight, portable organic solar cells that could be stuck on a window to power a light bulb. The flexible solar cells are form-fitting, allowing users to mend

them to various surfaces and various structures, adding an architectural flare to solar cell technology and opening up new avenues and markets for power production.

Source: CBC News, January 12, 2016

- Reinvent Manitoba Hydro as Manitoba Energy
 - Expand the mandate of Manitoba Hydro, through legislative amendment, from a hydro-electric company to an international leader in all forms of clean energy
 - Establish, through legislative amendment, an annual dividend from revenues, the amount of which to be set through public consultation
 - The rate of the annual dividend should be reviewed every three years to ensure both predictability and flexibility to adjust for changes in economic conditions

Swedish company **Ripasso** has designed and is currently testing a new system that can convert 34% of sunlight into solar energy, approximately double that of current solar panels, potentially changing the future of solar power. Independent tests by IT Power in the UK confirm that a single Ripasso dish can generate 75 to 85 megawatt hours of electricity a year - enough to power 24 typical UK homes. To make the same amount of electricity by burning coal would mean releasing roughly 81 metric tonnes of CO₂ into the atmosphere.

- Attract investment and human resources around the development of wind, solar, geo-thermal, hydro, bio-mass and composites
 - Focus should be on overcoming three main challenges – developing new technologies, integrating alternative energy generation at a large scale into existing electric systems, and designing efficient policies to support alternative technology development
- Target Manitoba manufacturing expertise to enhance production of clean energy products
- Create ‘clean tech’ development zones’ at CentrePort Canada and SmartPark that provide incentives and cluster of companies
- Align post-secondary institutions behind the objective for both research and development and human resources development
 - Develop clean technology specific government programs that increase investment in the areas and help to attract international companies – financial and regulatory programs that are specific to the energy sector to help attract investment required
- Create the Manitoba Clean Innovation Fund - an investment capital pool for clean technology enterprise
 - Manitoba Clean Innovation Fund would encourage the development of new sources of clean energy and technologies to help support local economics and livelihoods in Manitoba communities

Massive expansion of solar generation worldwide by mid-century is likely a necessary component of any serious strategy to mitigate climate change. The main goal of U.S. solar policy should be to build the foundation for a massive scale-up of solar generation over the next few decades.

Nevertheless, while costs have declined substantially in recent years and market penetration has grown, major scale-up in the decades ahead will depend on the solar industry’s ability to overcome several major hurdles with respect to cost, the availability of technology and materials to support very large-scale expansion, and successful integration at large scale into existing electric systems. Without government policies to help overcome these challenges, it is likely that solar energy will continue to supply only a small percentage of world electricity needs and that the cost of reducing carbon emissions will be higher than it could be.

The Future of Solar Energy, Massachusetts Institute of Technology (2015)

- Seek to develop and adopt multi-faceted (environment-economy-society) value chains that positions our diversified sectors as world leaders in sustainability
- Establish a Center of Excellence in Renewable Energy and Green Technology, driven to:
 - Promote Manitoba as the wind tunnel and solar hub of North America
 - Support, through incentives, strategic programs and alignment with Manitoba Hydro, industry efforts to develop, test and manufacture wind turbines and solar technology and the associated technology design, develop, test and manufacture solar technology.
 - Promote bioenergy development in the energy mix and engage business experts across sectors to better understand economic, technological, energy, land use, water use, environmental, labour and market realities
 - Leverage the University of Manitoba’s Alternative Village, which tests different types of technology, and create a center to develop and house organizations, researchers and companies, including an incubator for start-ups and non-profits, and venture capital funds for green technology
 - Leverage the Composites Innovation Centre, an organization that is engaged in identifying and developing several clean technologies in the areas of biomaterials, recycling and vehicle light weighting, with the end goal of creating new industry to capitalize on these opportunities

Launched in May 2010, the massive European initiative **InnoEnergy** brings together industry, research centres, universities and business schools — a total of 29 partners — to:

- a) Deliver post graduate education in the area of sustainable energy, with each program including training in innovation and entrepreneurship
- b) Develop and launch innovative sustainable energy technologies
- c) Spin off new enterprises to commercialise InnoEnergy’s new technologies

The intent is to spur innovation and commercial activity in Europe, while at the same time helping to solve global energy problems. InnoEnergy is one of three large-scale, cross-border Knowledge and Innovation Communities established by the EU’s European Institute of Innovation and Technology

5. Food

- Increase support for strategies and research regarding new applications for all agricultural outputs, building on the existing strength of community assets such as medicinal opportunities for food via the Richardson Centre for Functional Foods and Nutraceuticals
- Transition to greater ecosystem view of agriculture, one that pulls together the various elements of the agri-food industry, including academia and indigenous peoples, to explore new products and markets and opportunities arising from indigenous land management and Traditional Knowledge
 - Build upon Manitoba’s ethno-cultural diversity and the local food movement to explore enhanced production of cultural/ethnic food production for local and export markets
 - Leverage Manitoba’s geography, indigenous communities and agricultural research and industry expertise to become a world leader in northern climate agricultural innovation, seeking solutions for food production in non-traditional agricultural regions
 - Establish a focused venture capital fund to support existing and emerging food industry innovation here in Manitoba (**see Access to Capital section for details**)

One project under the **Northern Healthy Foods Initiative** (NHFI) has worked to incorporate traditional knowledge from Aboriginal people and has encouraged people to learn how to prepare traditional foods such as smoked fish, moose, and pemmican and harvest healing plants.

Manitoba's Local Food System: Growing Healthy Communities, Food Matters Manitoba

- Work with existing agriculture producers and industry to forge greater connection between current and future industry needs with agricultural planning and production
 - PEG Beer Co. is an independent brew pub located in the historic Exchange District of Winnipeg. Its growth requires increased production of Two Row Barley rather than Six Row Barley which is the predominant variety grown in Manitoba. Proper alignment of production with need is critical to the growth of the craft brew industry, which would support better leveraging of the Brewing and Malting Barley Research Institute located in Winnipeg

Manitoba Biomass Energy Support Program: Biomass refers to biological or renewable materials from agriculture, marine or forestry resources. Common biomass fuel sources in Manitoba are flax shives, sunflower hulls and waste wood. The Manitoba Biomass Energy Support Program (MBESP) was established in 2011 to support current coal users transitioning to renewable biomass fuels. In 2014, the program was expanded to also provide support for research and development activities targeted at advancing use and processing of biomass fuels. MBESP also supports processors looking to sell biomass in new markets.

- Support, in partnership with industry, the growth of Manitoba's dairy sector with the establishment of a new, innovative dairy processing facility that will see increased value-add production for Manitoba's dairy farmers
 - In collaboration with the federal government and as part of Manitoba's trade strategies following the Comprehensive Economic and Trade Agreement, identify opportunities to bolster Manitoba dairy's presence beyond Manitoba
- In anticipation of the federal government's commitment to legalize marijuana, initiate a strategy with producers and industry to establish production targets and opportunities to leverage associated material production for industrial application

Since industrial hemp was legalized in Canada in 1998, **Manitoba Harvest Hemp Foods** has been at the forefront in promoting the industry and its potential value to Manitoba's economy

- Take the lead in promoting local foods by developing institutional purchasing policies that support the purchase of Manitoba foods by government and government-supported agencies
 - Work with schools and school boards to investigate possibilities for schools to purchase food from local producers and processors
 - Establish domestic marketing supports that would enable farmers and harvesters to develop their capacity for selling to the Manitoban market, so as to increase the consumption of foods produced in Manitoba by Manitobans

New Brunswick's **Agri-Food Market Development Program** seeks to build domestic New Brunswick market channels to increase the sale and consumption of New Brunswick produced agri-food products within the province. Grants of up to \$10,000 are provided to individuals, businesses, or organizations to fund marketing and internal capacity building efforts.

- Set as a provincial goal the establishment of Manitoba as a national leader in food security and the sustainability of our food systems
 - Capitalize on the local food movement by establishing a Food Security Action Fund to provide grants that support a wide variety of grassroots food security projects that meet the needs and interests of local communities
 - Establish a Compost Infrastructure Fund to assist municipalities to develop composting facilities or conduct feasibility studies into the potential for local composting programs
 - Develop the Manitoba Nutrition Strategy designed entirely around the local food movement

With over 250 companies in the value-added food processing industry, it is the largest manufacturing sector in Manitoba, representing 25% of total provincial manufacturing shipments and accounting for manufacturing shipments of approximately \$4.0 billion in 2010.

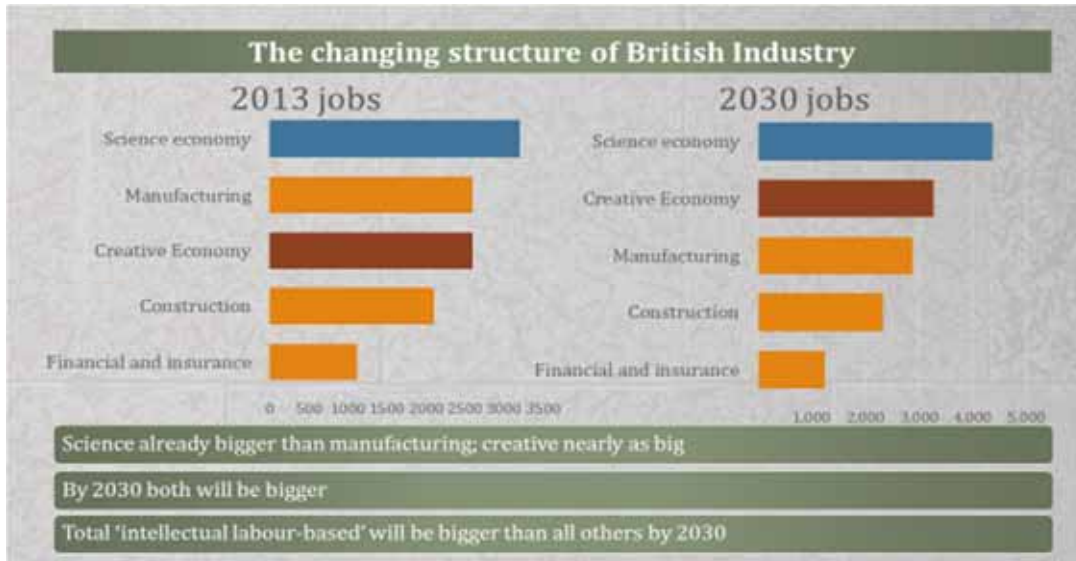
Source: Manitoba Jobs and the Economy

6. Creative + Design

- Creative + Design economy is defined by the following sectors and industries, consistent with the world standard developed by the United Kingdom (UK) Department of Culture, Media and Sport (NESTA 2014):
 - Advertising and marketing
 - Architecture
 - Crafts
 - Product, graphic and fashion design
 - Film
 - Information technology (IT), software and computer services
 - Museums, galleries and libraries
 - Music, performing and visual arts
 - Publishing
 - Television, video, radio and photography

Creative industries in Winnipeg employ about 18,300 workers at about 2,400 creative business establishments.

Source: Economic Development Winnipeg, 2011



- Forge a 25 year creative + design strategy to promote and support, highlighted by:
 - Design tax credits for business that incorporates Manitoba-based creative + design value
 - Local design referral programs
 - Investments in creative and design-related higher education
 - Incorporation of creativity and design into public procurement processes
 - A comprehensive review and modernization of provincial arts and cultural policies, last reviewed 25 years ago
 - Strengthen financial capacity and sustainability of arts and cultural organizations
 - Designation of the west Exchange District creative cluster as a tax increment finance zone to attract developer investment in residential and commercial property in the creative industries
 - Renovated and expanded arts and cultural infrastructure, supported through a new, dedicated cultural capital fund to address the infrastructure deficit, a new tri-level agreement modelled after the Core Area Development Initiative, and incentives for communities to promote the use of existing buildings and spaces for creative purposes
 - Support community efforts designed to market and expand local creative exports to the world, such as international trade missions and Culturallia
 - Leverage YES! Winnipeg to target creative entrepreneurs and enterprise to move operations to the creative cluster in the West Exchange District
 - Link creative + design strategy objectives with Manitoba’s environmental and climate change initiatives to leverage this expertise into green-focused creative output
 - Manitoba’s creative assets, from the Manitoba Museum to indigenous arts community and Manitoba’s announced Centre for Climate Risk Reduction on the Prairies, should be engaged to promote climate and environmental education

The Detroit Creative Corridor Center (DC3), a joint initiative between Business Leaders for Michigan and the College for Creative Studies, delivers programming to help creative entrepreneurs and enterprises grow revenues, acquire clients and build organization capacity – ensuring Detroit’s creative sector remains a top provider of good jobs and sustainable wages. Its vision is to grow creative sector jobs in the Detroit region and to establish Detroit as a recognized global center for design, creativity and innovation. Since DC3’s launch in 2010, 55 creative sector firms have moved operations to the Creative Corridor, employing more than 2,345 people. Detroit’s creative sector is expected to grow by 11.9% per year through 2018.

B. Growing Our Position in the Global Marketplace

1. Trade

- Redesign Manitoba's trade strategies and programming, in light of recent international agreements such as the Comprehensive Economic and Trade Agreement (CETA) and Trans-Pacific Partnership (TPP), in consultation with key stakeholders to ensure current programming is being undertaken with maximum value and impact
- Tailor programming support to assist local companies in identifying, developing and competing for procurement opportunities in other jurisdictions
- Establish a Buyers Program, whereby incentives are provided to targeted buyers to come to Manitoba to connect with aligned local suppliers

Trade Team PEI Incoming Buyers Program provides a non-repayable contribution of up to 75% or \$2,250 of maximum allowable costs of \$3,000 associated with bringing a qualified buyer/partner to the province. The client is responsible for paying the remaining 25% of total budgeted costs.

- Invest in a comprehensive trade data and market analysis program to better equip exporters with vital information on market opportunities worldwide
- Support the creation of voluntary export consortiums for small to mid-sized companies to combine their strengths in order to take advantage of market opportunities and to solve common problems through a joint effort.
- Commit to a long-term, stable funding arrangement with World Trade Centre-Winnipeg, seeking greater opportunities to leverage this community asset in the design and delivery of trade strategies and activities

C. Accessing Capital

1. Harmonization

- Support the creation of a single national securities regulatory by joining the Cooperative Capital Markets Regulator recently initiated by Finance Canada and supported by five provinces and one territory (Alberta has signaled that it is considering joining)

2. Manitoba's Incubators

- Increase funding to Manitoba's existing incubators to \$500,000 per incubator, from the current combined allocation of \$300,000, for prototyping/proof of concept/Beta testing

3. Capital Strategy

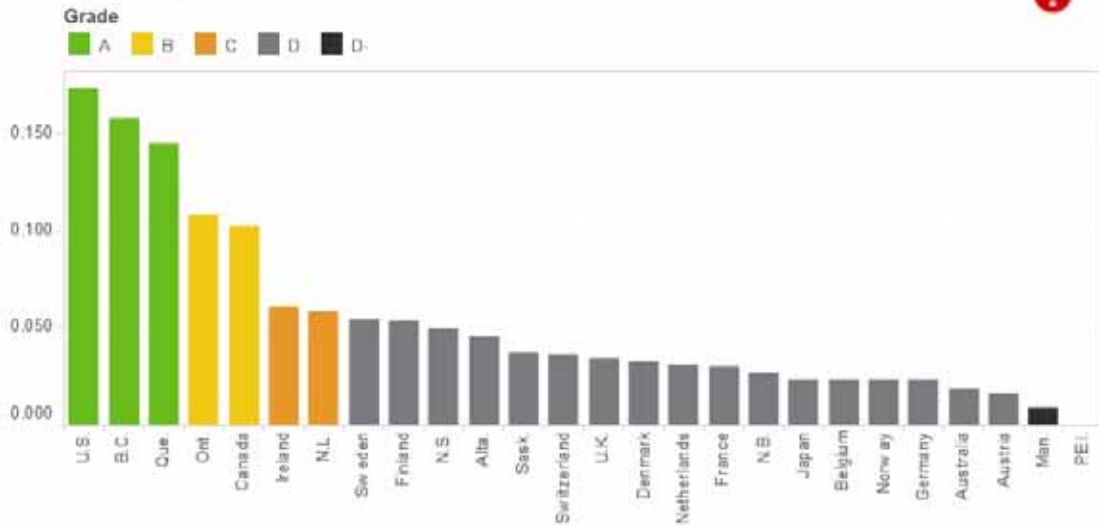
- Review and establish a comprehensive Access to Capital Strategy that identifies all stages of capital financing, current capital availability, local gaps along the entire capital continuum (Idea – Incubator – Angels – Venture Capital Funds – Series A, B, C) and provincial initiatives to address gaps
 - a. SEED Fund (\$50 Million)
 - SEED Fund capitalized by the Province using revenue derived from the payroll tax (Health and Education Support Levy)

- Funding of up to \$250,000 per enterprise, per tranch (maximum of three tranches) along with a \$100,000 investment by the entrepreneur
 - Funding should be made available right through to the commercialization stage and a clear definition of the difference between commercialization and innovation (e.g research) be developed to ensure that investment made to commercialize can be properly assessed
- b. Manitoba Venture Capital Funds
- Establish three (3) Venture Capital Funds, each valued at \$50-100 Million and dedicated to one of the following – Agri-Food; Creative + Design; Clean Technology
 - Fund investments of \$2-5 Million per enterprise
 - Capitalization of the funds would be as follows: Manitoba public sector pension funds (25%), provincial government reallocation of revenue derived from the payroll tax (25%), private capital (50%)
 - While pension funds cannot be compelled to participate in a fund, the Province could produce incentives that make it attractive for them to participate – including a loss reserve to mitigate some of the losses/risk and subsidizing a portion of the overhead costs associated with investing in a small market with poor deal flow
 - Administration costs, in particular the start-up costs estimated at \$2.5 million, for the funds to be offset by the Province in the initial years
 - Recruit an established, independent professional fund manager to run each individual fund; fund managers are to be responsible for non-administrative fund start-up costs (\$400-800,000)

In December 2015, the Province of British Columbia announced the creation of **BC Tech Fund** - a new \$100-million investment fund to expand the availability of venture capital in BC and address the early stage (A-round) funding gap.

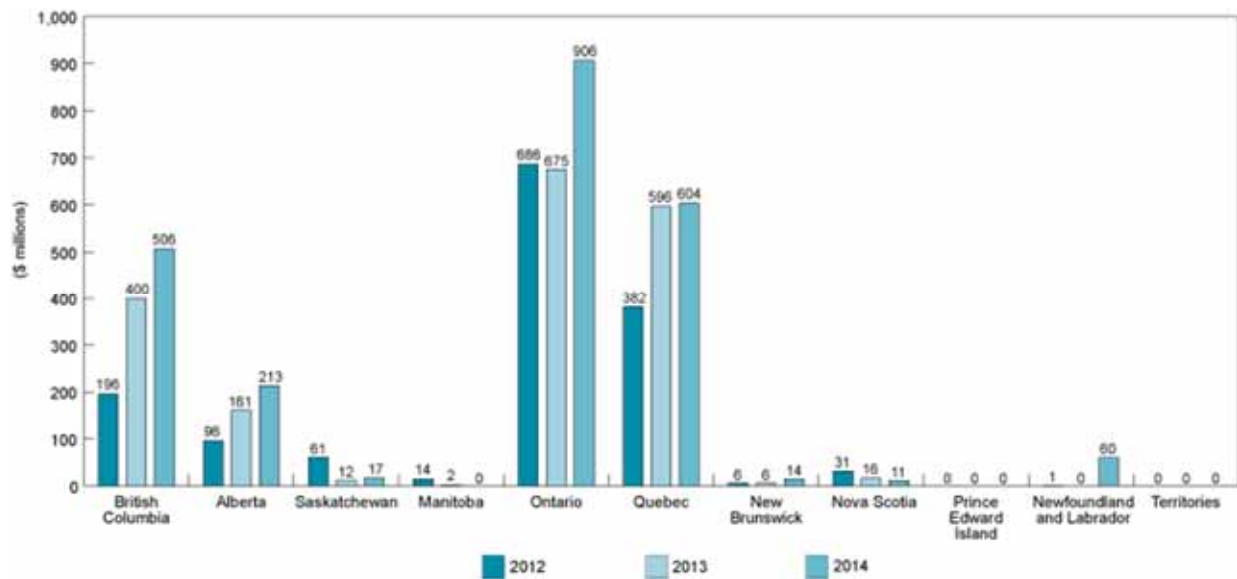
- Utilize creative financial incentives to promote the establishment of a strong venture capital industry in Manitoba
 - Exempt venture capital funds from Manitoba's payroll tax
 - Allow for venture capital returns, if reinvested in a Manitoba-based company, to be 100% tax-free, for a period of up to 10 years
4. Provincial Incentives and Programs
- Extend eligibility for the credit to foreign investment via the Business Nominee Program
 - Extend the existing Small Business Venture Capital Tax Credit so that it can be invested in a Venture Capital pool or multiple pools (or Special Funds)
 - Pursue the involvement of the Federal Government in the SBVCTC program through a further enhancement
 - Apply the Oil & Gas and mining LP approach to raising venture capital with a 30% one-time only tax credit. Any qualified group upon approval by the Province would raise their funds through the brokerage channel
 - Review the Manitoba Innovation Growth Side Car Fund adjudication process with the goal to shorten the time involved
 - Modify the Commercialization Support for Business program to enable all businesses and not for profit organizations to apply, to streamline and simplify the process and to modify funding limitations to match reasonable business requirements
 - Provide grants for startups to cover off initial costs such as business plan development

Venture Capital Investment, 2012–14 (provinces and Canada), 2012–13 (international)
(percentage of GDP)



Sources: Industry Canada; OECD; The Conference Board of Canada.

Regional distribution of VC investment in Canada, 2012–2014



Source: Thomson Reuters Canada 2015

D. Driving the Share Economy

1. Analysis

- Establish a cross-jurisdictional taskforce with representation from government, thought leaders, and industry (including existing operators and new market entrants) with a mandate to analyze the opportunities and impacts of the sharing economy and make comprehensive recommendations.
- The goal of the taskforce should be to identify both how best to harness the opportunity of the sharing economy and the appropriate role of government in addressing some of the challenges in this report.
- Employing a principle-based framework, the taskforce should identify those areas where government intervention is needed to remove barriers to innovation or protect the public interest, based on factors including existing market-driven, self-regulatory solutions.
- Given this mandate, the taskforce should make recommendations to the three levels of government based on an improved understanding of:
 - The real and the perceived regulatory and consumer protection risks posed by the sharing economy;
 - The self-regulatory models employed by sharing economy companies and/or business models that effectively address issues of safety or security;
 - The factors that are driving more consumers to choose sharing economy goods and services over existing ones;
 - How consumers perceive the risks associated with sharing services;
 - The perspective of existing operators and new market entrants
 - The economic implications of the growth of the sharing economy.

2. Regulation

- Use the advent of the sharing economy as an opportunity to develop a new, “empty the box” approach to regulation, building on the taskforce’s research, analysis, and recommendations. This approach to regulatory reform keeps intact only those provisions that are necessary and relevant today, as many of the current laws and regulations affecting industry were drafted before the rise of digital technology and as such, have become outdated.
 - In the immediate term, the Province should prioritize a regulatory audit, in partnership with the City of Winnipeg and other municipalities. The goal of the audit should be to identify and roadmap unnecessary and outdated regulations and harmonize standards. The results of this audit should serve as a framework for action.
- Engage responsible government agencies and the insurance industry to address issues related to insurance coverage.

3. Workforce

- Consider the impacts of the growth of the sharing economy as it undertakes reviews of workplace legislation, such as the Workers Compensation Act, to given consideration to the growth of non-traditional work

4. Tax Compliance

- Work with the federal government to develop a ‘how-to’ guide on tax compliance in the sharing economy

- Governments at both the federal and provincial levels can create greater clarity for workers and users of the sharing economy by providing a how-to guide on tax compliance for sharing economy companies, such as an online calculator to help users of sharing economy services more easily work out how much tax they are liable to pay, as well as materials that sharing economy companies can share with their users and suppliers.
- The United Kingdom and Australian tax authorities have been taking steps in this direction.
- Work with the Canada Revenue Agency (CRA) to analyze income reporting levels in the sharing economy and develop a clear understanding of the motivating factors behind providers' decisions to report or not report income, and establish and clarify appropriate rules moving forward (e.g. minimum income thresholds)

Peg City Car Co-op: Co-op members are currently driving 18 efficient cars located in and around Winnipeg's downtown. According to the CAA's Annual Driving Costs Report, the average cost of owning and operating a vehicle in Canada is \$8,000 each year. Peg City Car Co-op membership costs a refundable share-price of \$500, in addition to paying for service. On average, members spend about **\$1,200 a year** on car sharing. Benefits include reductions in levels of car ownership by members, GHG emissions, total kilometers driven, parking spaces needed and traffic congestion.

The North American Shared-Use Vehicle Survey suggests that car sharing has taken between 90,000 and 130,000 vehicles off the road. This equates to 9 to 13 vehicles (including shed vehicles and postponed vehicle purchases) taken off the road for each car sharing vehicle. Single-occupant vehicles are by far the dominant mode of transportation to work, accounting for 72% of commuter trips in Manitoba, only slightly below the national average.