



ECONOMIC GROWTH AND PRODUCTIVITY POLICY POSITION

Introduction

At The Winnipeg Chamber of Commerce, we know that increased productivity is essential for the future of Winnipeg's economy. Productivity is "a measure of efficiency—how much value an economy produces for each hour worked" and is a key tool to combat rising inflation.¹ With rapid technological advancements, shifting global trade dynamics, and the growing impacts of climate change, investing in smarter ways to work is no longer optional—it's essential for long-term prosperity.

In 2023, Manitoba's productivity stood at \$54.30 per hour, below the Canadian average of \$59.10 per hour across all sectors, but Canada ranked sixth among the seven G7 countries.² Closing this gap will require a strong commitment to innovation and investment in skills and technology to foster a resilient Winnipeg economy. By prioritizing productivity, we can enhance business competitiveness, create high-quality jobs, and improve the standard of living for all.

Our Vision

Our vision is to position Winnipeg as a leader in productivity-driven economic growth by leveraging AI, education, and innovation to build a resilient, globally competitive economy that raises the standard of living for all Winnipeggers.

To achieve this vision, we should view our economy through an investment mindset, considering the cost of inaction alongside the price of action, and key factors include:

¹ Bank of Canada. "[How High Productivity Helps Fight Inflation](#)." August 2024.

² University of Calgary. "Productivity Growth in Canada: What is Going On?". The School of Public Policy, October 2024, pp. 8, 14



- Capital investment
- Workforce development
- Market Access
- Innovation

The Winnipeg Chamber of Commerce Recommends

The City of Winnipeg

1. Streamline Processes with a Digital-First Mindset
 - **Create AI Policy:** Develop and implement AI policies to enhance government productivity, integrating the RFP process to support innovation across all public sector projects.
 - **Digitize Services:** Prioritize complete digitization of permits, licensing, and related forms, including online payment systems for all transactions.
2. Enhance Winnipeg's Investment Appeal
 - **Build Capacity:** Invest in essential infrastructure for prosperity, including roads, water, and sewer systems, with a focus on key economic hubs like CentrePort Canada—one of North America's largest trimodal inland ports—and the Port of Churchill.
 - **Streamline Regulation:** Continue updating Winnipeg bylaws to keep pace with innovation and optimize the permitting process to support the growth of healthy communities.
 - **Improve Connectivity:** Extend transit networks to reach major manufacturing and industrial areas.

Province of Manitoba

3. Empower Business Innovation

- **Support Technology Adoption:** Develop a fund or tax credit to reduce financial barriers for SMEs adopting AI and digitizing their processes.
- **Develop an Access to Capital Strategy:** Create a comprehensive Access to Capital Strategy that identifies all stages of capital financing, current capital availability, local gaps along the entire capital continuum and provincial initiatives to address gaps.
- **Evaluate Our Economic Competitiveness:** Review current incentives with a growth mindset. Additionally, assess the impact of the Provincial Sales Tax and Payroll Tax and explore expanding the Manitoba Manufacturing Investment Tax Credit by expanding it to all sectors (thereby making it a Manitoba Investment Tax Credit).

4. Remove Interprovincial Trade Barriers

- **Expand Mutual Recognition Agreements:** Advocate for a nationwide system of automatic recognition for professional certifications, credential recognition, and business registrations.
- **Take on a Leadership Role:** Champion the removal of interprovincial trade barriers. This effort could take many forms, but the forthcoming Economic Growth Strategy presents a key opportunity to drive Manitoba's economic growth and establish the province as a leader within Canada.

5. Investments in Manitoba's Strengths

- **Ensure Manitoba Supports Growth:** Invest in hydro, wind, and solar energy to meet the technology needs of our future economy while ensuring partnerships with Indigenous communities for equitable development.



In addition, the Province of Manitoba plays a key role in enhancing Winnipeg's investment appeal and streamlining processes with a digital-first mindset.

Government of Canada

6. Streamline Immigration Pathways for Skilled Workers

- **Expedite Skilled Worker Programs:** Enhance and align immigration programs with industry needs and work with the province to simplify the process for recognizing international qualifications and certifications so workers can start filling gaps immediately.

In addition, the Government of Canada plays a key role in enhancing Winnipeg's investment appeal, empowering business innovation, and removing interprovincial trade barriers.

Business Community

7. Encourage Knowledge Sharing

- **Enhance Education:** Leverage business expertise by partnering with post-secondary institutions to enhance training, workshops, and mentorship programs, ensuring Winnipeg develops the talent needed for the future economy.
- **Encourage Micro-Credentialing:** Encourage employees to pursue micro-credentials and courses to keep Manitoba's workforce competitive. The World Economic Forum's *Future of Jobs Report 2023* forecasts that 61% of workers will require retraining by 2027.
- **Connect with Businesses:** Build a culture of knowledge-sharing by connecting businesses, sharing expertise, and leveraging resources to drive collective prosperity.

In addition, the business community plays a key role in investing in Manitoba's strengths.

Appendix A

| Recommendation | City of Winnipeg | Province of Manitoba | Government of Canada | Business Community |
|--|-------------------------|-----------------------------|-----------------------------|---------------------------|
| 1. Streamline Processes with a Digital-First Mindset | Lead | Co-Lead | Support | Support |
| 2. Enhance Winnipeg's Investment Appeal | Lead | Co-lead | Co-Lead | Support |
| 3. Empower Business Innovation | Support | Lead | Co-Lead | Support |
| 4. Remove Interprovincial Trade Barriers | Support | Lead | Co-Lead | Support |
| 5. Investments in Manitoba's Strengths | Support | Lead | Support | Co-lead |

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| 6. Streamline Immigration Pathways for Skilled Workers | Support | Co-Lead | Lead | Support |
| 7. Encourage Knowledge Sharing | Support | Co-lead | Support | Lead |

Appendix B

| Recommendation | Title | Timing |
|----------------|---------------------------------------|-------------------------|
| Rec 1 | Create AI Policy | Immediate (0-12 months) |
| | Digitize Services | Short Term (1-3 years) |
| Rec 2 | Build Capacity | Mid-Range (3-5 years) |
| | Streamline Regulation | Short Term (1-3 years) |
| | Improve Connectivity | Mid-Range (3-5 years) |
| Rec 3 | Support Technology Adoption | Immediate (0-12 months) |
| | Develop an Access to Capital Strategy | Short Term (1-3 years) |
| | Evaluate Our Economic Competitiveness | Immediate (0-12 months) |



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|--------------|--------------------------------------|-------------------------|
| Rec 4 | Expand Mutual Recognition Agreements | Short Term (1-3 years) |
| | Take on a Leadership Role | Mid-Range (3-5 years) |
| Rec 5 | Ensure Manitoba Supports Growth | Mid-Range (3-5 years) |
| Rec 6 | Expedite Skilled Worker Programs | Short Term (1-3 years) |
| Rec 7 | Enhance Education | Short Term (1-3 years) |
| | Encourage Micro-Credentialing | Immediate (0-12 months) |
| | Connect with Businesses | Immediate (0-12 months) |