

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

E-Book

elcome to the UNSPUN E-book, a compilation of the election commentary produced by Research Associates, community partners and staff at the Canadian Centre for Policy Alternatives Manitoba office.

The 41st provincial election comes at a time of change for many in Manitoba concerned about social, economic and environmental justice. The recent federal change in government means that after a long period of off-loading, there will be more federal resources transferred to the provinces for social housing, childcare and training. These are opportunities that the provincial government needs to be prepared to act upon. Manitoba is in a good position to do so.

Manitoba's economy suffered the least during the 2008 Great Recession and currently has among the top performing GDPs in Canada. Our unemployment rate was either second or third lowest in Canada since 2005 and, as of last week, is now the lowest. Average weekly earnings have risen by 10 per cent since 2011, compared to 9 per cent country-wide.

To keep the economy growing Manitoba needs to reject austerity and all that this implies. This means maintaining a strong labour sector with jobs that pay fair, living wages. It also means challenging inequalities and including those who get left behind due to poverty, social exclusion and colonization. The implementation of the Truth and Reconciliation Commission Report is a large undertaking, and will need public resources to rectify the incredible injustices that the Indigenous peoples of Manitoba have survived.

This election poverty featured prominently in political platforms however the devil is in the details when it comes to how these will translate into public policy, programs and services. Comprehensive poverty-reduction plans are needed to address systemic challenges and eliminate barriers. Manitoba is home to innovative residents and leaders in community-based organizations working hard to provide opportunities and supports to reduce poverty. As we heard when Naomi Klein spoke in Winnipeg on April 8th, these social and economic challenges must be interwoven with environmental priorities so that we may achieve climate justice, as well as justice in the face of inequality. The provincial level of government is responsible for many of the programs we rely on and key to supporting or stalling this work that is key to our collective future.

This E-book is not exhaustive. There is much more that could be and will be written from a progressive social justice perspective about the 2016 provincial election. With less than a week to go, it is our hope that this compilation will provide needed information and stimulate discussion as Manitobans go to the polls on April 19th.

Published by the Canadian Centre for Policy Alternatives Manitoba

Are you a supporter?

The best way to ensure progressive research continues to be published in Manitoba is by supporting the CCPA. To find out more visit www.policyalternatives.ca or call our office 204-927-3200

How this E-Book Works

Download this PDF on to your computer or device. Open up the bookmarks option in Adobe and you will see the list of authors and subjects on the left hand side of your screen. Click on the one you wish to read and it will take you directly to the article.



Table of Contents

Brandon, Josh

Brownlee, Clark & Laura Rempel

Bucklaschuck, Jill & Ray Silvius

Fernandez, Lynne

Fernandez, Lynne

Fernandez, Lynne

Fernandez, Lynne

Goertzen, Brianne & Michael Barkman

Hudson, Mark

Hudson, lan

Hudson, Pete

Keeper, Tina & Shauna MacKinnon

MacKinnon, Shauna

Macpherson, Greg & Molly McCracken

McCracken, Molly

Moist, Paul

Moist, Paul

Penner, Darcy

Prentice, Susan

rientice, Susai

Seed Winnipeg

Silver, Jim

Silver, Jim

Poverty on the Agenda: an Analysis of party platforms - 3

Ask them About Manitoba's Poorly Housed - 7

Supporting Refugee Resettlement Beyond the Syrian Refugee Crisis - 9

Federal Budget 2016: What it means for Manitoba - 11

Keeping public services public: The perils of P3s & SIBs - 13

We need to maintain the momentum on job training - 15

More at Stake than Cold Beer – Let's Keep Liquor Sales in the Public Sphere -17

Student Issues are Election Issues - 19

Accessible and in the Public Interest? Manitoba's University System - 21

Social Balance in Manitoba - 23

Home Care in Manitoba best kept public - 25

Mainstream media, reconciliation & Wab Kinew - 27

Who's doing What about Poverty Reduction - 29

Communities leading the way need provincial support - 31

Fight Food Insecurity with Income - 33

Manitoba's Pension Record - 35

Worker Protection in Canada & Manitoba - 37

Community Benefits in Procurement - 39

Childcare and the Manitoba Election - 41

Regulating Fringe Banking in Manitoba: a work in progress - 43

Poverty Policy Choices & Winnipeg's Inner City - 45

Remembering the Privitization of Home Care 47



April 12, 2016

Poverty on the Agenda: an analysis of party platforms

anitobans rate themselves to be a generous andcaring society. When natural disasters strike, we are the first to respond. Manitobans are Canada's most reliable donors to causes both at home and abroad. So how is it that poverty continues to afflict more than 140,000 Manitobans, including 40,000 children? Quite simply, as dedicated volunteers at Manitoba's many food banks and shelters confirm, poverty cannot be solved by charity. It requires determined collective effort through government policy and leadership.

Poverty is social disaster that cuts short more lives than all forms of cancer combined. A child growing up in poverty is likely to die eight years younger than a wealthier Manitoban. Diabetes rates among the lowest income groups are 70 per cent higher. Only one in three children who have been in the care of Child and Family Services is likely to graduate high school. More than three quarters of admissions to Manitoba's correctional system identify as Aboriginal, reflecting a long pattern of colonialism and entrenched poverty that plagues many Indigenous communities.

Too often these stark facts slip into the background of debate as we approach election season. Our electoral system discourages politicians from tackling systemic problems, rewarding those who propose superficial but soundbite-ready solutions. For example, in the 2015 federal election, all political parties sought to define themselves as the party of the middle class. Top election issues, like health care and the economy, are rarely addressed from the perspective of how they affect people living in poverty.

In this respect, Manitoba may be turning the page. Citizens are increasingly holding governments to account for how they address deepseated problems like inequality and social exclusion. It is no longer acceptable for our leaders to ignore the racial and class divides that scar our cities. Manitobans are demanding policy solutions that will resolve the root causes of poverty as well as its most immediate effects. Make Poverty History Manitoba launched a campaign last December called K(NO)W Poverty to make sure that poverty remains on the agenda this election.

Party Platforms on Poverty

In 2016, every political party at least has made mention of poverty in its platforms. This is a welcome shift of message from many earlier campaigns. However, the policy proposals announced thus far have varied in their completeness. As Shauna MacKinnon wrote in her UNSPUN piece (Who is Doing What on Poverty Reduction), voters need to ask if the party's plans are comprehensive and include increased income, access to education, decent jobs, housing, child care, health care, recreation etc. As should be expected, each set of policies reflects differing philosophies about poverty and how

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

it can be solved. We ask voters can judge for themselves the effectiveness of each proposed approach.

NDP

Greg Selinger's New Democrats go into this campaign with both the advantages and disadvantages of a record in power. They bear the burden of high rates of poverty. The provincial government points out that federal policy, particularly in regards to poverty rates on First Nations Reserves, must bear part of the blame. Even so, by any measure, the ongoing prevalence of poverty in Manitoba is unacceptable and provides ammunition to other parties.

However, the NDP can also point to a record of responsiveness to many community demands. The full implementation of Rent Assist this year raised shelter benefits to 75 percent of median market rent. Manitoba has been a national leader in the construction of social housing with 2,000 new units over the past seven years. The Premier is supportive of the comprehensive approach as outlined in the *View from Here* and the province has implemented a number of the recommendations. The government has also documented its poverty reduction efforts through its legislated All Aboard report, a useful step in tackling poverty.

So far this election, the NDP have addressed many of the policy priorities our coalition has identified, including promising 12,000 child care spaces, increasing the minimum wage, building new social housing, and a commitment to working with the community to set targets and timelines for poverty reduction. Some of these promises, most notably the NDP's child care plan, match closely proposals put forward by Make Poverty History Manitoba. They have committed to both the 12,000 child care spaces asked for by the community as well as the end of minimum \$2 per day fees for the low income Manitobans needing child care. They have also promised to build 300 units per year of social housing, though their start date for this promise comes one year later than expected. The NDP are the only party that have publicly agreed to increase the minimum

wage increases of 50 cents per year, though it is less than the \$15.53 demanded by MPHM. At proposed rates, it will take a decade or more to bring some low wage worker up above the poverty line. One area of concern – the NDP lacks a solid plan to raise the basic living budget for single people living on Employment and Income Assistance (EIA), an amount that has been frozen since 2004. The NDP have instead proposed some targeted programs that would increase the incomes segmented groups including individuals on EIA and further research on a pension-like program for people with disabilities.

PCs

The Progressive Conservatives have rightly decried Manitoba's high child poverty rates and the large number of children in care. They also were early to support of our plan to raise EIA shelter benefits in 2013. Under Brian Pallister, the PCs have sought to soften their party's image and distance itself from the austerity policies it implemented in the 1990s. Pallister has emphasized his working class roots calling himself a "blue-collared Manitoban". How far he is able to change Manitoban's perceptions will depend on the policies he puts forward during the campaign.

Unfortunately, their platform is short on details for how they would tackle poverty if elected. The main plank in their poverty plan so far has been a commitment to raise the personal exemption level for provincial income tax. The current level of basic exemption, set at \$9,134, means that many low income people pay provincial income tax. An increase of \$1,000 would lower taxes by \$9 per month for most Manitobans. However, the lowest income Manitobans living on part-time wages or EIA would be excluded from this tax cut. The PCs have also proposed steeper reductions in taxes for higher income groups. For every \$1,000 increase in the basic exemption, the public purse loses \$78 million dollars in revenue, revenue that could be used to fight poverty. Altogether, the proposal is costly and falls well short of what is needed to lift families out of poverty.

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb

Pallister has also made a commitment about raising EIA shelter rates to 75 per cent of median market rent. While any commitment to increase EIA is welcome, this proposal is confusing since Rent Assist rates are already set at 75 percent and extends to the working poor as well. It is possible that the PCs are using different calculations, in which case, it would be helpful for them to release further details of their plan, including who increases would apply to and if benefits for non-EIA recipients would be retained.

Over the course of the campaign the PCs have made some further proposals that will benefit low income Manitobans, such a promise to cut ambulance fees. They have acknowledged a comprehensive approach is needed and suggested a willingness to work with poverty activists if elected. They have also promised to maintain some existing policies, such as Rent Assist, for those on EIA and the working poor and to not sell off social housing to the private sector. While these commitments are welcome, Make Poverty History Manitoba is still waiting for specific commitments regarding the six policy priorities we have identified.

Liberals

The Manitoba Liberals under leader Rana Bohkari have put forward several policies related to poverty. Rent control, housing and food costs in the North, and a proposed basic income pilot program have all been subjects of announcements in recent months. While the attention to poverty concerns is appreciated, the Liberals suite of policies lacks attention to a comprehensive approach that will be required for its elimination.

Some policy proposals, such as a \$25 million increase in funding for Northern food security are based on evidence and community support, others are ill-thought and do not reflect priorities that have been identified in by people living in poverty. For example, Bohkari has proposed a two-year freeze on all rent increases, despite concerns that such a policy could slow down needed rental construction or speed up condo conversion. Other policies such as a proposed pilot on basic income will require

further details to properly assess. Much would depend on the design of the pilot, and if there is commitment to proceed to implementation is results are successful.

Greens

The Green Party have made poverty reduction through minimum income a central plank in their campaign. The Greens have released a detailed proposal for a minimum income program which is worth analysis. The plan to be delivered tax system would see direct transfers from high and mid income households to those with low incomes. Payments would range from under \$80 per month for single adults on EIA to up to \$500 per month for some low income families not on EIA. This would be a substantial transformation of the tax system, costing \$1.4 billion dollars per year according to their calculations. The Greens calculate this would reduce the poverty rates by 45 percent within two years of implementation.

The viability of the program would require further research. Under the Green's proposal, mid to upper income families would pay between \$770 and \$1,100 per year annually on their tax bills. Notably the funding for the Green's minimum income program is generated from personal tax revenue not business or corporate taxes, signaling that it is households, not businesses and the corporate sector who should pay for ending poverty. Given resistance the NDP faced to a sales tax increase in 2013 that was less than one quarter this the size of this proposal, implementation would be challenging. With proper consultation, and a clear explanation of the return to everyone of the benefits from reduced poverty, it is possible that Manitobans could support the substantial investments envisioned.

There are however, concerns that the proposal is not sufficiently progressive, with businesses and upper income households not paying a fair share. Ultimately Federal involvement would be needed, especially since a disproportionate share of the poverty in Manitoba is suffered by First Nations people on reserve communities whose incomes are dependent on fed-

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb

eral agreements. The Greens deserve credit for developing the first concrete proposal for a minimum income plan. This will provide a starting point for more substantive discussion of how and whether minimum income could be implemented at a provincial level in Manitoba.

Increasing income is an important component to alleviating poverty, however it is not a silver bullet. Public investment in services such as accessible child care, public housing, community-based mental health programs are also important. The Greens are not sufficiently looking beyond Mincome, which was piloted in a rural community in the 1970s. Reducing and ultimately eliminating poverty requires access to public services, which require public capital and operating grants to function.

What to look for in party platforms

Make Poverty History Manitoba is focused on the need for a comprehensive approach to ending poverty. Last year, two of our leading partners, the Canadian Centre for Policy Alternatives and Canadian Community Economic Development Network released a plan called the *View from Here* which outlined 49 recommendations for poverty reduction. The plan was based on extensive consultations with community organizations, policy experts and people living in poverty and endorsed by over 100 groups including Make Poverty History Manitoba. Based on this plan, our coalition prioritized six key areas we are looking for progress on in this election.

- 1. Targets and Timelines: Parties should develop a comprehensive poverty reduction plan including targets and timelines to reduce poverty.
- 2. Minimum Wage: Raise the minimum wage to a poverty line wage of \$15.53 per hour. This is based on the level needed to raise a single parent family with one child above the poverty line.
- 3. Social Housing: Build at least 300 new social housing units annually for five years, while maintaining existing stock.

- 4. Welfare Rate: Double the basic needs allowance for Employment and Income Assistance recipients. The current basic needs allowance, which covers everything except rent, provides only \$4 per day for food, far below what is needed for a healthy diet.
- 5. Child Care: Create at least 12,000 subsidized childcare spaces with priority in low-income neighbourhoods and eliminate all fees for the lowest income Manitobans.
- 6. Mental Health: Double the funding allotted to community-based mental health services for low income Manitobans.

These priorities have been identified as the most urgent areas on which progress is needed during the term of the next government. Although these policies will not in themselves end poverty, they are the ones that will make the most difference in reducing both its depth and breadth. Most importantly, they are areas where success can be made immediately. Long-term a comprehensive approach will be needed.

What you can do

Make Poverty History Manitoba is asking all Manitobans to make this election an election about poverty. Get informed about poverty in Manitoba and the proposals we have developed. Ask your candidates about what their plans are. On April 19, vote no to poverty.

Josh Brandon is the Chair of Make Poverty History Manitoba and a Community Animator at the Social Planning Council of Winnipeg.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



April 6, 2016

Ask them about Manitoba's Poorly Housed

hat are provincial politicians going to do about poorly housed Manitobans? One third of Manitoba renters live in core housing need, meaning they spend over 30 per cent of their income on housing and live in overcrowded and/or unsafe housing conditions. Many do not have housing at all, as demonstrated by the 2015 Street Census that counted at least 1,400 homeless people living in Winnipeg.

When governments build housing and provide necessary supports, low income people experience improved health, education, and employment outcomes. Communities experience increased stability and safety. Public sector investment is needed as the market on its own has proven it cannot provide sufficient housing for low income people. If governments do not act, they exacerbate systemic social issues, colonialism, privilege and inequity. This affects us all, whether we acknowledge it or not. To do nothing is unjust and prevents people from escaping the cycle of poverty.

Housing supply and demand must be considered together to make serious gains for the most vulnerable people. The supply of housing available to lower income Manitobans is insufficient, and the housing available to rent is not affordable for those that need it the most. On

the demand side, low income people require income supports to access housing. The Right to Housing Coalition along with Make Poverty History Manitoba worked hard to advance the need for rent supplements set at 75 percent of median market rent. The provincial government responded with the creation of Rent Assist, an income benefit available to those on social assistance and the working poor. Even with gains made by the current NDP Government through the maintenance of existing units, new capital builds and rental support programs, thousands of rental households remain in core housing need.

Provincially, the Right to Housing Coalition has set a minimum public policy goal of 300 net new rent geared to income (RGI) units per year for the next five years. The "net" is important as although new RGI units are being built, other units are being torn down, converted to condos or non-profit providers are forced to raise rents as federal operating grants expire. It is also important to realize that 300 units is not going to come close to meeting the need. Consider that the End Homelessness Winnipeg Project goal is 300 new units just to house Winnipeg's homeless. There is also housing needed for youth coming out of care, people migrating to our cities from rural and northern Manitoba and seniors no longer able to afford

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb

their current housing, be it owned or rented. There are also the large families of refugees for which it is almost impossible to find four and five bedroom housing that is affordable for them. Given these realities 1,000 new units per year would not be too many, however Right to Housing has always maintained that housing is not only a provincial responsibility and we have held and continue to hold the Federal government responsible to fund at least a 2/3 share of the housing we need.

What can our provincial political parties do to solve these problems? Right to Housing is asking the parties to publicly state their housing policy intentions before Manitobans go to the polls. We challenge them to address the growing housing shortage with significant, community-led, comprehensive strategies.

It is promising that political parties are responding to community concerns regarding low income housing. At the March 23rd Make Poverty History Manitoba electoral debate, the Liberals, NDP and PCs all committed to continue Rent Assist. The Greens said they would end Rent Assist and instead provide support through a level of guaranteed income. If elected, the NDP and Greens agreed to create 300 net new RGI units of housing per year. The Liberals and PCs agreed more social housing was needed but did not commit to any specifics. Only the NDP has specified how much they would invest to maintain the public housing stock in good repair. The available details on how each of the parties would implement these commitments vary.

The parties have publicly shared components of housing policies, but aspects remain unclear. Notably the parties have not all stated they will maintain existing public units in good repair. When the question was put to them at the March 23rd debate, all candidates stated their parties would not sell off public housing to the private sector as other jurisdictions have done.

This would make these assets no longer available to benefit the public good.

The Right to Housing Coalition is asking all parties to commit long term to the future of housing in Manitoba. It is important to press all parties for clarity and action now. Ask your politicians what their party plans to do about Manitoba's poorly housed people. Following the election Right to Housing will continue to hold our provincial government responsible for their action or inaction.

Join Right to Housing on April 9, 11am for a rally at the Legislature to amplify our voices in the election!

The Right to Housing Coalition is a volunteer, non-partisan, secular housing advocacy coalition made up of volunteers, sixty supporting organizations and over 275 individual members.

Clark Brownlee is the Coordinator of the Right to Housing Coalition and a CCPA-MB Research Associate.

Laura Rempel is the chair of the Right to Housing Coalition's Provincial Working Group, and a policy coordinator at the Canadian Community Economic Development Network Manitoba.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



April 14, 2016

Supporting Refugee Resettlement Beyond the Syrian Refugeee Crisis

he Syrian refugee crisis has attracted unprecedented political attention and, arguably, corresponding political will in Canada. In November 2015, the Province of Manitoba publicly stated it could welcome 1,500 to 2,000 of the 25,000 Syrian refugees that the federal Liberal government promised to resettle in Canada over a short period of time. According to Welcome Place, the housing arm of the Manitoba Interfaith Immigration Council (MIIC), between November 4, 2015, and March 17, 2016, 928 Syrian refugees arrived in Manitoba. To put matters into perspective, the total number of refugee arrivals to the province in 2014 was 1,495. On March 21, 2016, Welcome Place claimed on its Twitter account that since November 2015 it has provided settlement support to over 630 Syrian refugees.

The recent concentrated arrival of individuals and families fleeing unimaginable tragedy and trauma has required an unprecedented response, including planning efforts and financial resources that are outside ordinary structures of refugee resettlement responses. Since September 2015, the Manitoba government has committed almost \$3.5 million to assist these resettlement efforts. Combined with funds provided by the federal government, such support has enabled new and robust initiatives at the community level as organizations mobilize to meet the needs of many refugees in a short time. Of course, Manitoba has welcomed refugees from diverse countries for many years. The objective now is to render the

goodwill offered towards Syrian refugee resettlement into permanent capacities for the refugee serving community as a whole.

On the surface, refugee resettlement seems to be a federal matter. Via Immigration, Refugees and Citizenship Canada's Resettlement Assistance Program (RAP), government-assisted refugees (GARs), which comprise the majority of resettled Syrian refugees, receive income support for up to a year at a social assistance level corresponding to provincial rates. RAP clients are eligible for a 'shelter allowance', which is a monthly amount for rent and utilities corresponding to provincial shelter allowances and policies, and a 'basic allowance,' which is determined by family size and age corresponding to provincial Employment and Income Assistance (EIA) rates.

Syrian GARs have been able to access Rent Supplements via Manitoba Housing and Community Development, by which the province pays the difference between market rental rates and rent-geared to income paid by the tenant for approved units. The Province of Manitoba also ensured that 400 rent subsidies were available through the Rent Assist program to support permanent housing solutions for Syrian refugees. Rent Supplements and Rent Assist are available to low-income renters, including refugees, who do not receive other provincial housing subsidies.

As the initial point of contact for many GARs

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

in Manitoba, Welcome Place offers refugees temporary residence while assisting them to find longer-term housing. The organization opened two overflow locations in order to immediately house Syrian refugees. One of the locations is a repurposed provincial government building, which was opened with support from the provincial and federal governments.

As a result of Rent Assist, the Rent Supplement and infrastructural capacity, Manitoba's incoming Syrians were able to avoid relying on hotels as temporary 'homes,' a scenario that occurred in Toronto. This is a more dignified and promising step towards successful resettlement than staying in hotels. In short, Manitoba's Syrian refugees have fared better in their initial housing outcomes because of the province's commitment to improve the housing outcomes for all low income Manitobans.

Community-based organizations (CBOs) serve as the lynchpin between government funding - such as that provided for rent subsidies - and a successful resettlement experience for refugees. Resettlement takes place in a context of limited local housing stock, high rental costs, language barriers, legacies of trauma, and financial constraints. CBOs are needed to assist refugees in securing housing as it is a matter that goes beyond bricks and mortar. For example, Welcome Place successfully placed a number of arriving refugees, Syrian and otherwise, into supplemented units only after time-consuming searches for suitable units and engagements with landlords. In order to successfully resettle refugees, supporting the indispensable work of CBOs is as necessary as infrastructural support and rent subsidies.

Despite the commendable efforts, resources, and public concern to assist the resettlement of Syrian refugees, let us not, forget about the thousands of refugees who have arrived in Manitoba in previous years and about those who will continue to arrive from countries other than Syria. Of course we can derive many lessons from the Syrian refugee resettlement efforts, but there are also lessons to be learned from the cumulative experiences of welcoming and resettling refugees in the province over many years. Unfortunately, until recently, matters of refugee resettlement have existed in

the periphery of public consciousness and attention. Let us use the recent concern to continue to ensure that people fleeing their country have a welcoming home. Let us ensure that organizations who assist in all aspects of the resettlement process receive the funding they require to do their jobs now and into the future. Let us continue to draw on and be inspired by the compassion shown by many community groups who have sponsored refugees and never forget that there are, and will continue to be, individuals and families in need of humanitarian efforts.

Settlement and integration are long-term processes that involve efforts from both newcomers and the welcoming society. It is not enough to merely welcome refugees - plans must be in place to ensure they successfully settle over a long period of time. Housing is one of their most immediate needs, but a range of employment services, language learning opportunities and other social supports will be reguired in the very near future. Individuals and their families still have a long road ahead of them; their resettlement process has just begun. Moreover, the positive moves made to support the resettlement of Syrian refugees, such as the federal government beginning to forgive transportation loans, must be scaled up and made available to all incoming refugees.

The war in Syria has meant that millions of people are in immediate need of refuge and the seriousness of this mass migration cannot be underestimated. However, this will not be the last humanitarian crisis. There will continue to be people who fear for their lives and are given no other choice than to flee their home. Collaborative, proactive, and well-funded efforts will always be needed to ensure people may be able to find a safe and welcoming place to resettle. The groundswell of support that the Manitoba government and public have offered Syrian refugees must be conveyed into long-term, durable support for refugees and the sector that serves them.

Jill Bucklaschuk is a Postdoctoral Fellow in the Department of Sociology and Anthropology, University of Guelph and Ray Silvius is Assistant Professor in the Department of Political Science, University of Winnipeg. Both are CCPA MB Research Associates.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 24, 2016

Federal Budget 2016: What it means for Manitoba

n March 22 the federal Liberals delivered a budget that signals the end of a long period of austerity. Past Liberal and Conservative federal governments dramatically decreased their support in key areas such as healthcare, housing, First Nations, education and environmental stewardship. With the exception of healthcare, where this budget disappoints, there is reason to be optimistic that this government is ready to get back to the job of managing economic and social issues.

This re-engagement is none too soon. Federal government spending as a portion of GDP is lower than it's been for more than 60 years. Last time it was this low Canada did not have a public healthcare system, Employment Insurance system or Old Age Security. And rather than doing its part to support Canadians during and after the Great Recession, the past Conservative government 's share of combined federal and provincial deficits was significantly less than what federal governments shouldered in the previous two recessions. Provinces have paid a heavy price for that lack of commitment.

With the notable exception of a lack of commitment to healthcare, this budget will have mostly a positive impact on Manitobans; how big of an impact will depend on how Manitoba's new government responds in kind.

The Good News

Clark Brownlee from Manitoba's Right to

Housing is cautiously optimistic. There is money for affordable rental housing construction in the budget, but it isn't known if it's for rentals at median-market-rent, or lower. The answer may come later when "social housing" is clearly identified for renovation and retrofitting and for the continuation of operating grants. Although 4000 more affordable rental units across the country is not a lot, a smart provincial government will leverage this new supply by increasing the supply of rental units that can be accessed by lower income families through rent supplement programs such as Manitoba's Rent Assist.

Finally after years of calling for the Feds to bring back our once internationally acclaimed housing program, the Liberals have agreed to meet with the Provinces, Territories and First Nations to craft a long term national housing strategy. It appears that the days of top-down Federal dictates are over. Whichever party wins in April now has a golden opportunity to build on Manitoba government housing investments made over the recent years.

Another commitment that the new provincial government should take full advantage of is the \$128.8 million for energy efficiency programs, including incentives for home retrofitting. Through the Energy Savings Act, Manitoba has an existing framework that connects Manitoba Housing and Manitoba Hydro with local social enterprises like MGR,

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb



BUILD and Aki Energy that train and employ previously unemployed inner-city workers and First Nations workers to do this sort of work. Such a strategy reduces greenhouse gases and poverty at the same time.

Manitoba is very well placed to exploit the Liberal's commitment to clean technology innovation. There are opportunities for investment and tax incentives in areas where Manitoba Hydro holds great potential: alternative energy infrastructure and electric transportation. And there's over \$100 million/year to reduce air pollution, improve water quality and protect marine and coastal areas. The new government needs to make the most of this offering and think of how to best address pressing issues like cleaning up Lake Winnipeg and protecting the fragile Hudson Bay coast.

There is significant new spending for First Nations, including funding for on-reserve water systems and housing. Although it will take time, when these fundamental living conditions are improved, people's lives overall get better. These investments represent tentative first steps, but they hold hope that Manitoba's First Nations will soon see improvements in educational outcomes and health. But according to scholar Pam Palmater, the healthcare spending for First Nations is not nearly enough to address the suicide crisis.

When in power the Conservatives cut some important agricultural programs that not only helped Manitoba farmers and ranchers, but played an important role in protecting the environment across the prairies. The Liberals promised to restore the Community Pastures and Shelter Belt programs; the Province should have them top of mind when they interact with the Feds about their commitment to invest in climate change mitigation and adaptation projects.

Still on the Wish List

Unfortunately we can't tick everything off our wish list. Home Care and Health Care

spending is, in the words of CCPA economist David Macdonald "extraordinarily limited compared to the scale of the problem the provinces are facing." The best we can hope for at this point is that they will re-engage on this issue in future budgets. Whoever takes power in April will find they have little help dealing with this most difficult budgeting challenge.

Although the new spending on childcare is significant, it is far from the national childcare strategy experts are calling for. There seems to be commitment to hammering out framework, but in the meantime the Province will have to do what it can to help Manitoba families.

The other area of concern is the Fed's failure to address its revenue problem. Although the willingness to use deficit spending to boost our weak economy is welcome, part of the reason we need to use deficit spending in the first place is because our revenues have been so depleted over the past 20 years. Modest tax increases on the rich will help as will the promised crackdown on personal and corporate tax evasion. But there's no mention of other measures, such as restoring the corporate tax rate to more reasonable levels. Without such reforms, the ability of the Feds to provide ongoing support is very much in question.

Despite the above concerns, there is much in the Liberal's budget to celebrate. But the next provincial government needs to be strategic in its response so that the federal money is put where it can leverage the most good. Once details are uncovered, we may well find that some of this money is contingent on the Province matching funding. Hopefully the spirit of government engagement we presently see with the Feds will be matched by Manitoba's next government.

Lynne Fernandez is the Errol Black Chair in Labour Issues at the Canadian Centre for Policy Alternatives Manitoba

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





March 3, 2016

Keep public services public: The perils of P3's and SIBs

he results of the recent federal election are a likely indication of what Manitobans want to see from our next government: transparency; stimulus spending on ailing infrastructure, financed by deficits; a transition to a green economy; and respect and support for Canada's public service workers.

In an open letter to Canada's public servants, Prime Minister Trudeau made a campaign promise to reverse the decade long attack on the public service, acknowledging the invaluable role they — and the services they provide — play in our society. Hopefully that spirit will filter through to whichever party forms Manitoba's next government.

Government spending, public-sector employees and unions seem to come under the gun in society, with an assumption that a healthy public service sector and public spending is somehow a net drain on society. Nothing could be further from the truth.

There is now a considerable body of research showing the value of public spending on public services. The Winnipeg Free Press acknowledged in a February 3, 2016 editorial how wrong things can go when "governments go cheap." Flint Michigan, First Nations communities, Walkerton, North

Battleford, Montreal and now Winnipeg are all examples of how cut backs on infrastructure and public services can have a serious impact on people's lives.

Cutting spending and staff leads to problems that eventually bubble to the service: lead poisoning in Flint; E. coli poisoning in Walkerton; raw sewage in the Red River; crumbling highways, streets and bridges; healthcare professional and/or teacher shortages. Many of these tragedies have an outsourcing story at their heart, often in the form of public private partnerships (P3s).

In an effort to have its cake and eat it too, many governments look to P3s or social impact bonds (SIBs) to provide services cheaper and more efficiently. SIBs are a new way of funding social services using private sector involvement. The private sector, according to neoliberal economic theory, can do anything better than government and as costs come down, so can taxes. Cut taxes, transfer responsibility to the private sector, shrink government and voila — we have efficient allocation of resources. Text book perfect.

Real life, unfortunately rarely follows populist theory. In a report published by CCPA Saskatchewan, 22 incidents of outsourcing

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb



of public services through P3s in Canada are evaluated. From snow-clearing nightmares in Halifax, a bankrupt private surgical clinic in Alberta, to P3 mismanagement in BC, examples abound of privatization — also known as outsourcing — schemes gone awry.

Outsourcing can be complex and lack transparency, particularly when P3s are used. Under a P3, a for-profit company does any combination of: designing, building, financing, operating and even owning public infrastructure. Contracts, which range from years to decades, are complex and need to be carefully analysed before they are awarded, but the efforts of strong lobby groups such as the Canadian Council for Public Private Partnerships present P3s as a lower-cost, low-risk way to finance public infrastructure. Many governments accept that claim at face value.

Even social programs are susceptible to the privatization grab. SIBs are being used to fund programs typically supported by taxes, such as reducing recidivism in prisons. The public sector issues a bond and the private or social sector finances and delivers services under contract to the public sector. Specific delivery timelines and targets, such as a reduction in recidivism, are set. If targets are met, the agency can cash the bond, receive reimbursement for their costs and a rate of return based on performance.

Like P3s, SIBs are extremely complex and the claims made about them are equally dubious. Indeed as one expert - Dexter Whitfield - stated: "The organisational structure of SIB projects is more innovative than the services they deliver and the methods they use to achieve outcomes." Whether with P3s or SIBs, corporations have to put profit ahead of social outcomes; in the case of SIBs that means that only those individuals with the best chance of succeeding with be chosen to participate. Even then, there are examples in the U.S. and U.K. of SIBs not meeting targets, leaving governments to

spend large sums of money to clean up the aftermath, and few examples of SIBs that have delivered.

In 2013, the government of Manitoba released the regulations that govern the province's new Public-Private Partnerships Transparency and Accountability Act. A first for Canada, this act recognizes the serious accountability concerns with P3s and forces officials to consider whether they have met certain criteria to protect the public interest. Although the regulations could have gone further, having such legislation on the books provides an important tool with which to address the many pitfalls of P3s. It's a tool that needs to be used regardless of which party takes power.

We now have enough evidence to judge whether or not outsourcing of public services and downsizing of the public sector delivers a net benefit to society. In most cases the public sector can, if properly resourced, deliver better results for less money. As a growing number of disasters like Flint Michigan play out, insourcing is becoming more and more common, with examples in the U.S. and Canada.

The results of the federal election indicate that most Canadians understand the value of publically provided services. Hopefully this is a lesson all the political parties in Manitoba have absorbed.

Lynne Fernandez holds the Errol Black Chair in labour issues at the Canadian Centre for Policy Alternatives Manitoba.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





April 13, 2016

We need to maintain momentum on job training

t the end of 2015 The Conference Board of Canada predicted that in 2016, Manitoba's economic activity would be second only to BC, with strong performance expected in the service, manufacturing and constructions sectors. The CBOC thinks we'll see even stronger output in 2017. The Manitoba Bureau of Statistics (MBS) report, The Review 2014¹, explains that "Manitoba's labour market performance has been a strong indicator of its robust economy". According to the report, Manitoba had one of the strongest labour markets in the country.

In 2014 Manitoba's labour force grew 1.7 percentage points more than did the national (6.7 vs 5) and fulltime employment was 1.4 percentage points higher than the national rate (5.5 vs 4.1). Private sector employment grew at 6.9 percent vs 4.4 nationally. This growth helped keep Manitoba's unemployment rate at an average of 5.3 per cent, the 2nd lowest in the country.

These indicators bode very well for Manitoba, especially when combined with economist Jim Stanford's evaluation of our economy: "[...] one key factor jumps out as an explanation for Manitoba's strong record: robust capital investment. Both private and public capital spending have grown strongly – a refreshing contrast to other provinces where capital spending has disappointed".

In order to keep this trend going, employers need skilled workers - who can be difficult to find in a low-unemployment environment. In fact the Bureau found that 55.6 per cent of

employers faced challenges recruiting skilled labour and 31 per cent had trouble finding un/ semi-skilled workers. There is a clear need for targeted interventions to meet employers' needs and help workers access decent jobs, especially Manitoba's youth.

Although better than the 2014 Canada-wide youth unemployment rate of 13.5 per cent, Manitoba's 10.7 per cent rate shows that youth have a hard time breaking into the labour market. The current government has begun to respond to this situation. The Province's Apprenticeship and Certification Board expanded programs to include a new accreditation pilot project so that high school students can obtain credit for Level One technical training. This project will be expanded to include other trades.

Other significant changes to support apprenticeship and training include helping employers hire apprentices or newly certified workers. The government's *New Employer Hiring Grant*, launched in 2014, gives businesses that hire apprentices for the first time a \$1,000 bonus. Under the Paid Work Experience Tax Credits, employers can also claim up to \$5,000 in wages for apprentices and newly certified journeyperson. All major government building projects have to support apprentices thanks to the 2014 *The Apprentice-ship Employment Opportunities Act*.

Pilot programs delivered under the Gateway Initiative assist under-represented Manitobans (i.e. women in non-traditional trades, Indigenous persons, new Canadians and persons with

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb

disabilities) with apprenticeship training. Under this initiative, the Northern Construction Trades Training Program is training over 30 northern residents in the Industrial Electrician, Industrial Mechanic and Steamfitter-Pipefitter trades so they can obtain employment with northern industry and Hydro construction projects. This is a good start in helping Northerners get a foothold in the labour market, but both the federal and provincial governments need to better support programs like the Atoskiwin Training and Employment Centre to help Northerners, including those who live on-Reserve, succeed in the labour market.

Also working with under-represented workers, the Province's Building for Tomorrow Youth Camp program provides trade related programming to approximately 340 young Manitobans, giving them an opportunity to explore a variety of education and career opportunities in skilled trades. Programs such as these are particularly important in Manitoba.

A low unemployment province like Manitoba must utilize as much of its potential labour force as possible. Luckily we have a tremendous resource: a young and growing Indigenous population. But years of racism and colonial policies have prevented too many Indigenous youth from having the same opportunities as others – a situation that is reflected in the MBS's analysis of the Aboriginal workforce.

The off-Reserve unemployment rate for First Nations youth between 15 – 24 years was 21 per cent. For Metis youth, the rate was 15.2 per cent – lower than the rate for First Nations but still higher than the 10.7 per cent for youth overall. Besides the targeted apprenticeship and training programs already mentioned, there are other policies that can help level the playing field for Indigenous youth.

All levels of government to expand support for of social enterprises like BUILD and BEEP, MGR and Aki Energy, and specially tailored educational programs such as (to name a few): Urban Circle Training Centre; the Centre for Aboriginal Human Resource Development (CAHRD); YouthBuild – offered by the Manitoba Institute of Trades and Technology; the Community Educa-

tion Development Association (CEDA) Pathways to Education program; and, the Manitoba Youth Transitional Employment Assistance and Mentorship program at Ka Ni Kanichihk. These institutions work directly with multi-barriered students and workers, many of whom have difficulty in school and/or lack job experience.

Manitoba also needs an urban-Aboriginal Labour Market Intermediary (LMI) that could connect multi-barriered Indigenous jobseekers with employers and support both parties to ensure a more successful transition into the workforce. Employers have described challenges attracting and retaining Indigenous workers, and an LMI, staffed by caseworkers sensitive to these challenges, could fill an important gap in service. According to employer surveys conducted by the MBS, companies would welcome government incentives to help them target this cohort: an LMI would do just that.

The MBS notes that since 2007, Manitoba's labour market productivity has led the country with an impressive increase of 14.1 per cent, way ahead of the national rate of 8.5 per cent. But this strong performance will not continue without continued, comprehensive government interventions to educate and train our youth.

A framework is emerging with the new apprenticeship programs noted above, the educational opportunities for Indigenous students, and with the government procurement supporting the social enterprise sector. An LMI would bring these initiatives full circle, giving employers and Indigenous Manitobans the support they need to forge a new working relationship.

This election cycle all parties need to articulate their plan to deal with Manitoba's labour market needs and how they would improve the programs and policies we have.

Our economic future depends on whoever wins getting it right.

Lynne Fernandez holds the Errol Black Chair in Labour Issues at the CCPA MB

 1 2015 report not available at time of writing.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



December 14, 2015

More at Stake than Cold Beer - Let's Keep Liquor Sales in the Public Sphere

First published in the Winnipeg Free Press December 11,

he Winnipeg Free Press has devoted a lot of attention recently to the question of whether Manitoba should see more private sector involvement in selling liquor. A recent column by the Canadian Taxpayers Federation draws the conclusion that some issues – like room temperature beer at Manitoba Liquor Marts and the lack of a specialty whiskey store - cannot be fixed by a publically run system. If these are truly of great concern to customers, then MLCC should examine how to tweak the current model to provide these options. MLCC has proven it can change with the times, with outlets in grocery chains, growler bars in many stores and more MLCC locations that are open longer hours. The existing model can easily provide the same services as a private model at the same time as it maintains the many benefits of a publicallyrun system.

Mothers Against Drunk Driving (MADD), the Centre for Addiction and Mental Health and the US Center for Disease Control all favour public monopoly as a means to minimize the adverse health effects of liquor consumption. Government control has proven the most effective way of moderating intake (by controlling operating hours and where stores are located) and capturing revenue to treat the damage caused by over consumption and access by youth.

In 2014 MLCC contributed \$284 million to government revenues, of which 2% was

funnelled back into programs to mediate the societal damage caused by excessive alcohol consumption (including advertising to discourage over consumption). Remediation includes, among other things, supporting addictions initiatives and controlling underage drinking. Privately run stores would not contribute to such important initiatives.

Privatization can also increase government expenses: the societal costs related to alcohol consumption in Alberta have increased since privatization. As well, the desired increase in competition that follows privatization and the proliferation of stores eventually diminishes as the market evolves into an oligarchy, with a few large corporations dominating and exercising monopoly power. Alberta, with its privatized liquor environment now has large chain stores that own a third of all stores in the province. This sets the stage for formation of a powerful political constituency which lobbies hard to weaken liquor regulation enforcement it considers detrimental to its profit maximizing efforts, such as restricting its customers to those old enough to legally consume liquor.

One study found that 77.5% of BC's government liquor stores asked to see the mandatory 2 pieces of age ID,

CCPA-MB 205-765 Main St. Winnipeg, MB **R2W 3N5**

(204) 927-3200

ccpamb@policyalternatives.ca

www.policyalternatives.ca/ manitoba

www.policyfix.ca

@ccpamb

continued.

compared with 35.9% for the province's privates stores. Compliance rates in Alberta have been even lower at 18%. In the same study, a private store owner in Calgary remarked: "We turn somebody away, but then they find a store that needs money so much they'll sell to anybody - a drunk or a teenager, it doesn't matter... Do you think they can afford to turn away somebody with money to spend?"

What about service and pricing? Customer survey analyses for Liquor Marts report a 93% satisfaction rating in Winnipeg and Brandon and 91% in rural areas. Pricing comparisons are tricky, but Manitoba tends to have lower prices for economy and deluxe end products and slightly higher prices for mid-range products. But the need for low prices is exaggerated: on an individual basis, low prices may be important, but from a public policy perspective we have to consider much more.

Alcohol is not a normal commodity and it shouldn't be sold like one. MLCC provides a balanced approach that, on one hand, gives Manitobans an increasing selection of products in a growing variety of venues, with knowledgeable, efficient and courteous staff. Both the Manitoba Hotel Association and the Manitoba Food and Restaurant Association praise the government for the way it is modernizing regulations while mediating the complexities of selling a controlled substance. This expertise will become important with the federal government promising to legalize marijuana: the province is going to have to figure out how to manage its sale and best capture the revenue it generates. MLLC is the only institution with the resources and knowhow to deal with the challenges this major policy shift will present.

Given the amount of profit at play, it is not difficult to figure out where the push is coming from for liquor privatization. But a fulsome look reveals that much more is at stake than a bit more cold beer and

specialty whiskey. It's time we considered all the factors involved.

Lynne Fernandez holds the Errol Black Chair in Labour Studies at the Canadian Centre for Policy Alternatives, MB.

CCPA-MB 205-765 Main St. Winnipeg, MB **R2W 3N5**

(204) 927-3200

ccpamb@policyalternatives.ca

www.policyalternatives.ca/ manitoba

www.policyfix.ca

@ccpamb



Fast Facts are produced and distributed free via email. They can be reproduced as an OpEd or opinion piece without obtaining further permission, provided they are not edited, and full credit is given to both the author and the source, CCPA-MB. Please contact CCPA-MB today to begin your free subscription.



April 5, 2016

Student Issues are Election Issues

azy, entitled, apathetic, disengaged, these are just some of the words that are used to mis-categorize and label post-secondary students. The reality of the average Manitoban student strings together a series of part-time jobs, incurs large amounts of student debt to pay for tuition and figuring out how to make their food budget stretch until another pay day.

This is the daily struggle for a lot of students. But we are told to stop complaining, and be happy, and "did you know back in my day..." However, back in the day a generation ago, post-secondary education (PSE) was funded well over 80 percent and tuition fees were easily earned through summer employment. In fact, the Canadian Centre for Policy Alternatives released The Tuition Project Tool that highlights the number of hours needed to work to cover tuition today as compared to 1975. In Manitoba, the average student needs to work at least twice the amount of hours than their counterpart in 1975. This is further complicated by the lack of available good jobs for youth over the summer break and for recent graduates. An effective policy to address accessibility and affordability is the conversion of loans to grants.

The Canadian Federation of Students – Manitoba has been fighting for affordable, accessible and high quality public Post Secondary

Education (PSE) on behalf of students for decades. Student activists have been leading the fight against systemic inequalities that are fostered by most university administrations and inaction from political parties. The research indicates that high school students from lower socio-economic backgrounds cite debt aversion as the top deterrent for pursuing PSE. At the same time, over 75 percent of new job postings require post-secondary credentials. Therefore we are setting up our most marginalized young citizens to fail.

Students currently leaving university with an undergraduate degree will have an average \$19,000 in debt. The effects of skyrocketing debt are being felt during and after post-secondary as evidenced in the recent increase in food bank usage on and off campus. Additionally, research has illustrated time and time again that students who take on student debt are delayed in pursuing major life purchases and decisions such as buying a house or car, starting a business, having children, getting married and saving for retirement. Coupled with an unpredictable and a precarious job market, our students are in a persistent position of disadvantage compared to generations past.

The conversion from loans to grants would effectively reduce student debt and increase access to education. It has been said that a

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb

grants program is not possible and would cost too much money. However, the total cost of loans distributed to both students pursuing public and private post-secondary was \$31.5 million- barely 4 percent of total Manitoba expenditures. Therefore, financially it is well within the realm of possibility for Manitoba. It is important to point out that the conversion of loans to upfront grants was implemented in Newfoundland and Labrador under a then Progressive Conservative government. Newfoundland and Labrador funded post-secondary education as a proactive measure to mitigate the negative effects of a poor provincial economic situation for youth, effectively reversing the trend of youth out-migration from the province and boosting the province's economy.

In order for Manitoba to take the next step toward truly affordable and accessible education for all, it is time to convert upfront loans into needs-based grants. Political parties are starting to listen with both the NDP and Liberal 2016 provincial election platforms. The NDP platform promises a \$40 million investment into a full conversion of Manitoba student loans to grants starting in 2016-2017 academic year for all students. The Liberal platform also promises an investment of \$10 million to convert loans to grants however the grants will only be available to new students in the 2016-2017 academic year and does not become a grant unless the student maintains passing grades and graduates. While this is a step in the right direction, the Liberal policy excludes current students and places an asterisk on access.

The Progressive Conservative Party released their post-secondary platform and unlike the other major parties in Manitoba, they will only invest a total of \$2.25 million dollars into the Manitoba Scholarship and Bursary Initiative (MSBI). The MSBI was created in 1997-1998 to encourage

private donations for bursaries and scholarships by matching funds at a rate of 50 - 50share. The funds are distributed along two main criteria 'financially needy students' and 'academic merit' and divvied up according to an enrollment formula. The Progressive Conservatives also promised to change the cost share model to 1/3 government and 2/3 private funding hypothetically allowing the fund to increase to \$20 million. This fund is insignificant and does little to address growing student debt. The policy platform ignores the real challenge of affordability, and does not offer a comprehensive solution to ensuring debt relief for students and their families. It is more in line with maintaining the status quo and does nothing to substantially improve accessibility.

If government wants a system that educates, develops and uplifts students on the basis of their capacity and desire to learn and not on what is in their wallet, shifting grants to loans is an important step in the right direction.

We call on the general public and all political parties to support a grants system in Manitoba, prioritizing the accessibility and quality of PSE. An investment in Manitoban students is an investment in Manitoba's future.

Brianne Goertzen is the Manitoba Organizer and Michael Barkman is the Chairperson of the Canadian Federation of Students Manitoba

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 10, 2016

Accessible and in the Public Interest? Manitoba's University System

anitobans recognize that universities play a variety of important social roles, well beyond preparing people for successful careers. University research plays a foundational role in advancing our understanding of the world, helps develop solutions to critical social problems, and contributes from the ground up in innovating new processes, materials, and technologies. Universities teach students to address complex issues and think critically. They prepare people to be competent, effective, and informed citizens. Universities are places of free debate, in which ideas are tested, challenged, made to see if they stand under the burden of scrutiny. These contributions do not show up easily in a simple cost-benefit calculation. They are social, not individual returns to the investment made in universities. Yet university funding in Canada and Manitoba does not reflect these crucial roles.

Manitoba's universities are suffering from a long-term decline in public investment. If Manitobans want an excellent and accessible public university system, this decline needs to be reversed. Deep cuts in federal funding extend back to the late 1970s, but hit Manitoba hardest starting in 1989. As Jamie Brownlee (2015) summarizes, the

first major shift came as the federal government replaced the 50/50 funding model with Established Program Financing based on tax points and cash transfers. Through subsequent amendments to the formula, billions were cut from post-secondary education budgets. Overall, Tudiver (1999) estimated that in the decade following 1983-84, federal contributions to post-secondary education were cut by almost \$13.5 billion. This reduction in federal funds did not reflect a declining public sense of the value of the university. Rather, it was part of an explicit policy to bring Canadian universities more closely into association with the private sector, as elaborated, for example, in the 1981 Report of the Task Force on Labour Market Development. The logic was that with drastically reduced public funding, universities would be forced to turn to private sources—tuition, corporate funds, partnerships, and private donations—to make up the shortfall. The decline in public funding relative to private funding has not been reversed. In 1990, 80 percent of university operating revenues came from government (Berdahl 2015). By 2014, public funding's share had fallen to less than half of the total.

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb



In Manitoba specifically, we were hit with a decade-long decline and stagnation of provincial funding that ran uninterrupted from 1988 to 1998 (CAUT 2015). Many departments at my own university have a "hollow middle" in their seniority profile as a result, with a senior group of professors at one end, a more junior group hired after 1999 at the other, and nobody in between. Since the turn of the millennium, things have improved somewhat in Manitoba, but a close look reveals that investment in our universities remains weak.

If we look simply at raw dollars going to universities, it appears as though the government is investing more heavily. In Manitoba, provincial funding for universities rose in inflation-adjusted terms by 45.2 percent from 2000/01 to 2012/13—not bad, although well below the national figure of 55.1 percent. If the post-secondary environment had remained similar in 2012/13 compared to 2000/01, this revenue growth would represent a real investment in our universities. However, from 24,464 student full-time equivalents (FTEs) in 2000/01, university enrolment in Manitoba rose to 37,809 in 2012/13—an increase of 55 percent. Given that increase, which is on the whole a goodnews story, our public investment looks considerably less rosy.

Across the province, operating budgets (money designated for the core teaching and research functions of the universities) per student FTE have dropped by 2 percent in inflation-adjusted terms from 2000/01 to 2012/13. This was compared to a nationwide increase of 14.9 percent--itself nothing to crow about, representing a paltry investment of just 1.2 percent per year. University funding in the 2000's has not kept up with demand for higher education.

The Manitoba Government has in recent years made some attempt to halt the decline and begin rebuilding. Increases to the provincial university grant have been modest but stable over the past several years, while governments in other provinces have been cutting their provincial grants. The government has pledged to continue this with an increase of 2.5 percent in the base grant for universities in the 2016 budget.

Also on the positive side, Manitoba maintained a commitment through the 2000's to keeping university relatively affordable for students. Where inflation-adjusted tuition revenues rose 111.8 percent in Canada as a whole, Manitoba kept total tuition revenues almost perfectly flat in per-student, inflation-adjusted terms and has the third lowest tuition fees in the country. This is a crucially important effort, given the serious problems associated with rising student debt and the erosion of universality in access to post-secondary education that come with steep tuition increases.

Our next provincial government needs to build on the recent modest steps taken to re-invest in our universities—keeping them public, accessible, and as places of open inquiry, free from undue influence by narrow private interests. Our economy and the future of Manitoba's youth require a world-class university system, and we have the talent here to build one. Rebuilding a federal commitment to university funding, and ensuring stable increases in the provincial grant are crucial to this endeavour.

Mark Hudson is a CCPA Research Associate and Associate Professor at the University of Manitoba.

References available upon request

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb





March 22, 2016

Social Balance in Manitoba

In 1958, Ontario born, Harvard University Professor, John Kenneth Galbraith published *The Affluent Society*. Galbraith used the term "social balance" to describe the inter relationship between private wealth and the public infrastructure—like education, transportation, sanitation and communication—on which the private sector depends. According to Galbraith, America in the late 1950s was starving the government of resources, so that crucial public goods were falling into disrepair. In perhaps his most memorable passage, he wrote:

"The family which takes its mauve and cerise, air-conditioned, power-steered and power-braked automobile out for a tour passes through cities that are badly paved, made hideous by litter, blighted buildings, billboards and posts for wires that should long since have been put underground ... They picnic on exquisitely packaged food from a portable icebox by a polluted stream and go on to spend the night at a park which is a menace to public health and morals. Just before dozing off on an air mattress, beneath a nylon tent, amid the stench of decaying refuse, they may reflect vaguely on the curious unevenness of their blessings. Is this, indeed, the American genius?"

Galbraith's proposed solution to what he felt was the social imbalance of his time was a sales tax to fund much needed public projects. One can readily imagine what Galbraith would have made of the debate in Manitoba about increasing the sales tax to address a sizeable and growing infrastructure deficit.

When the NDP increased the PST in the 2013, it was widely pilloried in the media. What received curiously little attention was where that money would go. The entire \$277 million that the 1% increase raised was part of \$1.8 billion that the Province promised to spend on infrastructure that year. While few people are individually keen on paying an extra 1% on their purchases, there are some reasons that in a choice between reducing taxes and increasing infrastructure spending, it is the latter that would benefit the provincial economy—and most Manitobans--more than the former.

First, infrastructure spending provides more bang for the spending buck than tax reductions. While it's true that reducing taxes keeps more money in households' pockets, the extent to which this stimulates the economy and creates further economic opportunity depends on what households do with that extra cash. Broadly speaking there are three alternatives. People could save the money, spend it on provincially produced goods and services or spend it on goods and services imported from outside the province. If the money is spent on imported goods

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb



and services, it does nothing to stimulate the provincial economy. If it is saved it will only stimulate the provincial economy if that saving is channelled into investment in the province, which is far from a sure thing. So, money redirected from taxes to individuals is only guaranteed to improve the provincial economy if it is spent on provincially produced goods and services. Economists estimate that only about 23 cents of every additional dollar in a Manitoban's pocket is spent within the provincial economy. Infrastructure spending, on the other hand, does not "leak out" nearly as much since it is almost entirely spent within the province.

In recent years, the International Monetary Fund (IMF), long a bastion of fiscal austerity, has come to declare that the time is right for a global infrastructure push. In 2014, it argued that in the context of weak global demand and low borrowing costs—conditions that still apply to Manitoba—infrastructure spending is a particularly effective method of stimulating the economy in the short term.

Second, when advocates of tax reduction argue that it is better to have individual households spend their money than having government choose spending priorities, this overlooks is the crucial role that infrastructure plays in both the current well being of citizens and their future prosperity. Manitobans enjoy a wide range of goods and services that stem from infrastructure spending from local arenas to clean water. Yet these services have been dramatically underfunded by all levels of government for a number of years, resulting in deteriorating infrastructure in the province. The Association of Manitoba Municipalities estimated this "infrastructure deficit" at \$11 billion, or about \$10,000 per Manitoban, even without including the costs of new projects. Of course, if this deficit is left unaddressed, it will only grow as infrastructure continues to age and crumble.

Infrastructure is not only important to our current amenities, but also crucial for the future development of the province. The World Economic Forum (WEF), the organization that hosts the yearly economic gathering of the rich and the powerful in Davos Switzerland, produces an annual Global Competitiveness Report that ranks, as its title suggests, the competitiveness of national economies. One of the main "pillars" of the WEF assessment of competitiveness is the quality of national infrastructure, which it claims is crucial because, "transport, power and communications networks create the conditions under which businesses grow and the wider economy functions effectively." The 2014 IMF report echoed this logic, arguing that infrastructure spending dedicated to productivity-enhancing projects will not only increase demand in the short run but also increase output in the longer term.

While the provincial NDP have been criticized for being too free with government spending, the federal Liberals have now been complimented for their promises to address the infrastructure deficit across the country. Perhaps Manitoba should be given credit for being ahead of the curve on the issue of righting Galbraith's social imbalance.

Ian Hudson is a CCPA MB research associate and Professor of Economics at the University of Manitoba.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





March 1, 2016

Home care in Manitoba best kept public

anitoba's Home Care program was launched in 1974 under the guidance of the late Evelyn Shapiro. It is publicly funded and publicly delivered. It aims to avoid or delay the more expensive forms of chronic care such as personal care homes, and improve satisfaction and health outcomes for the client. The largest cluster of program components consists of concrete assistance such as laundry, shopping, bathing, but nursing and other health professional services may also be provided. It is universal having no fee for the client regardless of income, but it is not infinitely elastic; rather the type and level of service is based on assessed need.

The program will become ever more important as demand continues to increase. The 65+ population - the largest single group of users - is projected to increase in Manitoba from 185,300 in 2013 to 225,800 in 2020. The average monthly users of Home Care increased from 23,075 in 2009 to 27,246 in 2014 - an 18 percent increase. Expenditures have risen 26.6 percent over that same period from \$265.3 million to \$335.4 millon. This is in contrast to most other provinces, which have made savage cuts to their Home Care in the name of austerity.

In Manitoba, the success of the program for the system in recent years is evidenced in such measures as a diminished takeup rate in Personal Care Homes. There is general agreement among observers that better client satisfaction and outcomes are achieved, although Manitoba's Auditor General has recently criticised the lack of research which would enable planners to identify problems with the system on the front lines. Research from other provinces has identified a number of problems with home care programs which, despite creditable resourcing, could very well be present here. A common one is the rigidity of the care plan which is not subject to alteration regardless of needs which may change from day to day. Another shortcoming is the tendency to exploit family caregivers rather than support them. For example, In the U.K. family caregivers may be paid a full wage. In Manitoba, apart from some rare cases of hiring family, the most that a family caregiver will qualify for is a tax credit from both levels of government.

Finally, it should be noted that there are a number of private providers of home care active in Manitoba. It is assumed that they service those with disposable income who seek more than the public system is prepared to give. Two comments come to

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

mind. The first is that while it is difficult to quantify the extent of private services, their presence implies shortcomings in the public system, which while correctable by those able to afford the fee, may have serious consequences for the health and wellbeing of those who cannot. The province needs to explore this possibility and identify and rectify any shortcomings discovered, such as those identified by the Auditor General and others.

The second comment is that the elephant in the room in the upcoming election will be privatization. This takes many forms and disguises, but the most common in health care is contracting out delivery of a service to private providers while the public purse maintains funding. In health care this version of privatization is less offensive to the public because it maintains service based on need, not ability to pay. Nevertheless, any election hints that even this limited form of privatization is contemplated should raise some alarm bells amongst voters. (The discourse is sometimes in code using such phrasing as "alternative delivery systems"). We should remember the aborted experiment in Manitoba with contracting out Home Care in 1997. The then health minister claimed millions of dollars in savings at the outset, only to admit later that no such savings were possible despite the fact that the contractor paid low non-union wages. Claims of greater efficiencies and better quality service also melted away. Furthermore, the contractor had avoided conviction for serial fraud in the USA only by settling out of court. Well documented allegations included overbillings and billing for services not rendered, as well as selling unneeded services to vulnerable clients.

Ontario adopted a system of outsourcing most of its home care program to the private sector several years ago. An extensive consultation with stakeholders

revealed serious access problems with no appeal or review process, missed visits, poor wages and poor training of staff, leading to high staff turnover and questionable service. More recently, and in addition, the Ontario Auditor General cited a system which was utterly fragmented and almost impossible to navigate. There were 260 different contracts with 160 companies. It was unaccountable with no access to company books, but evidence of large discrepancies between billings for staff costs and what staff were actually paid. Costs further escalated because of double administrations - one in the public sector and one in the private sector.

Health care is vulnerable to privatization because it is a very profitable field and the subject of intense lobbying from the private sector for it to get an ever increasing share. Home care is especially vulnerable because, together with other community based services, it does not enjoy the protections of the Canada Health Act. One USA corporation once described the Canadian system as the last unopened oyster. We need to keep the shell tightly closed and work to improve what we have.

Pete Hudson is a senior scholar at the Faculty of Social Work, University of Manitoba and a CCPA MB Research Associate.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 30, 2016

Mainstream media, reconciliation and Wab Kinew

Innipeg Free Press columnist Gordon Sinclair's depiction of Wab Kinew is offensive with damaging implications that reach beyond the election (WFP March 12th and 26th, 2016). Sinclair uses his privileged position as a columnist to portray Kinew as a violent man who can't be trusted; a person with ulterior motives and someone to be feared. It's shocking that Sinclair, a powerful and intimidating man himself, describes feeling physically threatened by Kinew stating that he offered to shake Kinew's hand at a recent press conference because "walking up and offering my hand to him first was a good idea, because you know what they say. A man can't hit you when you're shaking his hand."

Having attended that event, we were taken aback by Sinclair's representation of events, especially in the context of a city and province struggling to deal with deeprooted racism.

While there is no excuse for the misogynistic, homophobic words Kinew communicated in past years, there is a broader conversation that needs to take place and longer term implications to be considered.

Long before entering politics, Wab Kinew

took full responsibility for his past and now speaks out against misogyny, homophobia, racism and other acts of hate and abuses of power. He has been sober for six years, has advocated for an inquiry for missing and murdered women and girls, has led and participated in many initiatives focused on education about residential schools and reconciliation. He has become an important role model for Indigenous youth, teaching them to be strong, proud and to persevere in spite of challenges. For those that have taken a self-destructive path such as he once did, he demonstrates that life can get better. That change is possible.

Kinew openly shares his personal journey in his book *The Reason You Walk*. He describes his personal experiences with racism and the challenges growing up as the son of a residential school survivor. His story does not excuse past actions but it does shed light on the damaging effects of colonialism and racism.

These damaging effects are also described throughout the 2015 Truth and Reconciliation Commission (TRC) Report, *Honouring the Truth, Reconciling for the Future.* Thousands of residential school survivors and their families shared painful stories describing the intergenerational impact that

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb



residential schools and racism has had on their families. Telling these stories cannot have been an easy thing to do. Many did so for their own healing, but also in hope that non-Indigenous people would understand the serious and long-term damage done and move beyond apology to action.

The TRC has brought us to an important crossroads. How we respond to the case of Wab Kinew is a reflection on what we understand our role to be in the process of reconciliation.

Gordon Sinclair's depiction of Wab Kinew is harmful because it moves in the opposite direction of reconciliation, inciting suspicion and distrust.

We can only hope that there are many others more reflective than Sinclair—not condoning Kinew's past behavior, but choosing to accept his apology and judge him on the work he has done in recent years.

We do not let Wab Kinew off the hook for what he has said and done in the past and we don't suggest that all residential school survivors are misogynist or homophobic; such views transcend race, class, culture and experience. However, we do suggest that reconciliation requires us to consider the context of colonialism that results in many Indigenous people experiencing deeply rooted feelings of shame, self-hatred and anger—anger that is sometimes projected toward others.

The TRC report asserts, "...reconciliation begins with each and every one of us." The fact that Kinew has taken responsibility for his misdirected anger suggests that he is on a path to reconciliation. We have a responsibility to support him and others on that journey.

This is important because as the TRC reminds us, the legacy of residential schools

continues. Racism is prevalent; the basic needs of many Indigenous people continue to be unmet and youth are dying by suicide at alarming rates. Wab Kinew and other young Indigenous leaders like him represent hope to many by persevering against personal obstacles and advocating for Indigenous rights and policy reforms.

By continuing on as the NDP candidate in Fort Rouge, in spite of the strangely obsessive attacks on his character, Wab Kinew sends an important message to Indigenous youth. That they mustn't give up. By failing to recognize Kinew as the person he has become, by not giving him an opportunity to lead, we send a different and damaging message to Indigenous youth—if we won't forgive Wab Kinew, then what hope do they have?

The oppressive colonial dynamic has affected all Canadian whether from places of dominance and privilege or as victims. As an Honorary Witness for the TRC, and as a recipient of traditional Indigenous knowledge in my family I (Tina) have learned that we must all take a stand against our dark history, and that we have the opportunity to create equity and justice for all citizens, unbinding future generations of Indigenous youth from colonialism.

Those of us who are not Indigenous must consider this: if we expect Indigenous people to forgive us for our past mistakes, should we not forgive Kinew for his?

Tina Keeper is a film and TV producer, TRC Honorary Witness and Associate Producer of the RWB production, Going Home Star. Shauna MacKinnon is Assistant Professor at the University of Winnipeg Department of Urban and Inner City Studies

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





March 17, 2016

Who's Doing What About Poverty Reduction

or Manitoban's concerned about poverty, there will be much to consider when sorting through political party platforms and promises in search of a meaningful poverty reduction plan. Poverty alleviation is a long-term proposition. No provincial political party can end poverty in the short term and certainly not in isolation of a federal government commitment. So beware of those politicians who offer silver bullets and quick fixes. Look to those who offer thoughtful honest responses that demonstrate an understanding that the circumstances for individuals living in poverty can be complicated and breaking the cycle of poverty requires multiple policy responses and a long-term commitment.

Poverty is often understood as not having enough financial resources to meet one's basic needs. This is of course true, but the solution is far more complex than simply increasing incomes. Money alone will not resolve poverty related issues such as addictions, trauma, or mental illness. Further, unless income benefits or wages are high enough for families to secure housing, childcare, and education, the opportunity to escape poverty through employment will be limited. So a public policy response to poverty must be comprehensive and multidimensional. It will require a plan of action leading to an increase in income, but also to increased access to housing, recreation,

decent jobs, childcare, education, healthcare etc. When assessing each political party's plan, we can look for actions it will take in these and other policy areas related to poverty and social exclusion.

Community groups working closely with people living in poverty have long advocated for a comprehensive plan to address poverty and eventually took it upon themselves to consult with Manitobans to develop their own plan. The View From Here: Manitobans call for a poverty reduction plan was released in 2009, the same year the government responded with its "All Aboard Strategy." In 2015 The View From Here was updated and endorsed by more than 100 community organizations across Manitoba.

The View From Here is important because it was developed and endorsed by experts in each of the policy areas it addresses: housing, income security, education, funding, food security, transportation, disability supports, health care and child welfare. The Commissioner of the inquiry into the death of Phoenix Sinclair agreed. Recognizing that poverty is a root cause of issues facing families caught up in the child welfare system, he called upon the Manitoba government to closely examine The View From Here "with a view to implementing the outstanding recommendations." The Manitoba government has since responded to several of the calls to

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb

action in *The View From Here* and community groups continue to measure government progress aligned with this comprehensive plan.

Comprehensive plans should include poverty reduction indicators with meaningful and realistic timelines and targets. Governments are often hesitant to do so because economic circumstances beyond government control can quickly derail the best of plans. Nonetheless, setting bold yet reasonable timelines and targets show that governments are serious about the issue. Multi-year timelines and targets make governments accountable and provide incentive to follow through with action.

Evaluation and Re-assessment is important. Poverty reduction plans should be forward looking, but this doesn't mean that governments shouldn't highlight what has been accomplished. In fact evaluation of progress is essential because it holds government accountable while also assessing what has worked and where improvements can be made.

Respect for community expertise and lived experience is essential. Government poverty reduction plans should include a process to consult with, engage, and respond to individuals living in poverty, community groups working with them and advocating on their behalf.

Determining progress on poverty depends on the low-income measures used and poverty indicators should be selected with caution. This matters in a province like Manitoba with a large First Nation population because the federal government has jurisdiction over poverty related matters on-reserve, and the Provincial government is responsible for off-reserve policy. Some measures include on-reserve data and others do not. It is important to include on-reserve data however when we do, we need to be clear about what level of government to hold accountable. Low-income measures also tell a story about one indicator alone, which is problematic

when measuring the effectiveness of a comprehensive plan.

We have indeed made progress in many areas including housing, childcare, and rental income for low-income households. But it is also true that there remain far too many individuals struggling to make ends meet and there is much more to do.

The View From Here provides a useful framework to assess what has been done and what still needs doing. It can help guide us in assessing the strength of each political party's plan. Do they endorse the policies put forward in The View from Here? Do they have an alternative comprehensive plan? If so, how does it compare with the View from Here? How do they intend to pay for their plan?

We can also examine where each party stands on how social services are delivered. For example, we know that low-income individuals and families are best served by publicly funded services that are either delivered by the public service or non-profit community organizations. Where do political parties stand on non-profit versus forprofit services such as housing, childcare and education? Where do they stand on the privatization of existing services?

The causes and solutions to poverty are complex and multi-dimensional. A government response to address poverty requires a carefully thought through comprehensive plan. Beware of one-off silver bullet campaign announcements and headline grabbers. We owe it to people living in poverty to invest some time reviewing The View From Here to make an informed decision on election day.

Shauna MacKinnon is an Assistant Professor at the Department of Urban and Inner City Studies at the University of Winnipeg and a CCPA MB Research Associate.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 29, 2016

Communities leading the way need provincial support

The province has invested widely in community development and "place-based" approaches to renewal and poverty reduction, with many positive results. Place-based approaches such as these are now being adopted in communities across the country as research shows that residents overwhelmed by poverty need complementary supports and resources close to home. Innovative, grassroots, community-led initiatives make a difference and are a wise public investment. Take the West Broadway neighbourhood as an example.

Twenty years ago, the historic urban neighbourhood immediately west of Manitoba's Legislative grounds was noteworthy for its high concentration of poverty and incredibly low property values. Dubbed 'Murder's Half Acre' at the time by an overzealous local newspaper reporter, West Broadway from the outside seemed dangerous and while crime rates were high that outsider's perspective did a great disservice to what has always been a very strong community. From the inside, West Broadway in 1997 was already one of the city's most cosmopolitan neighbourhoods, rich with personality and built to be walk-able, high density, and diverse. On May 1st, 1997 residents and local stakeholders created the West Broadway Community Organization (WBCO), formalizing what had for years been a grass roots effort to bring positive change to the neighbourhood.

Governments and foundations began to invest in these efforts; the provincial government has been at the table the longest. Thanks to public investment in neighbourhood revitalization, WBCO was able to help with the creation of Art City, Greenheart Housing Coop, Broadway Neighbourhood Centre's Greenspace redevelopment, numerous infill housing projects, the protected bike lane on Sherbrook St, the Soup Bee Social Enterprise, Kikinaw Housing, and many other initiatives. WBCO has raised millions of dollars to improve deteriorating inner city housing stock, maintains and manages eight community garden sites, houses the 1,200-member/15 year-old Good Food Club, provides Manitoba's only outreach program to rooming house tenants and landlords, and administers \$50,000 in small grants to a wide spectrum of local projects every year.

Manitoba is the only province that has made sustained investment to foster neighbourhood renewal, creating opportunities for citizens marginalized by poverty to become involved in local neighbourhood revitalization, with very positive results. Poverty rates are on the decline in the inner city of Winnipeg. In 1996, 46 percent of residents lived below the low income cut off, this declined to 29 percent in 2011. These gains can be attributed to sustained public investment and long-term commitment from the provincial policy-framework.

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb



Neighbourhoods Alive! (NA!), is an interdepartmental program providing funding to Community or Neighbourhood Renewal Corporations (NRCs) and program funding to communities with indicators of low income and decline, NA! funds 13 NRCs operating in urban and rural communities in Manitoba. Renewal corporations are supported by the provincial government in Thompson, Brandon, Flin Flon, The Pas, Selkirk, Dauphin, Portage la Prairie. In Winnipeg the following low-income neighbourhoods are funded: Central, Daniel McIntyre/ St. Matthews, North End Spence, West Broadway, and Chalmers. Over the past 15 years the province, through NA! has invested \$72 million in neighbourhood and municipal renewal efforts.

NRCs create spaces for neighbourhood residents to participate in identifying and addressing the challenges they see around them. This is participatory democracy; residents and stakeholders in NRC communities have direct influence over decisions that affect their lives. In our current electoral democracy, opportunities to participate in policy and program development are rare, especially for those marginalized because of economic status, race, ability, age, and gender. There are multiple ways for people to get involved: by learning about local services at a block party, participating at a community forum or volunteering on the board of directors of a local organization. In the process, people build skills, relationships and community, with proven results.

The latest of the NA! program found that provincial funding contributed greatly to public spaces and amenities, capacity-building, empowerment, well-being, improved housing stock, tenant-landlord relations and enhanced perception of these communities through neighbourhood revitalization efforts.

Sustained investment is needed to address the root causes of poverty and aging infrastructure. The evaluation also found that the original neighbourhoods included in the NA! pro-

gram continue to experience issues related to safety, economic hardship and lack of affordable housing and that neighbourhood revitalization work is still needed.

The level of funding available to NRCs through Neighbourhoods Alive! has not changed significantly since the beginning of this program in 2000. And these funding levels have been eroded through inflation. The province responded to requests for longer-term funding for successful projects and created multi-year agreements through the Non-Profit Organization (NPO) Strategy. However NRCs continue to rely also on short-term project funding to meet community need.

These funding mechanisms should be strengthened, through enhanced core and administrative funding indexed to inflation. This will enable NRCs to better support grassroots efforts and create greater stability for neighbourhood renewal corporations' core activities.

Next year will mark the twentieth anniversary of West Broadway Community Organization (WBCO), we hope all political parties this provincial election will see the wisdom in long-term investments for community-led renewal for a more inclusive and sustainable future.

Greg Macpherson is the Executive Director of the West Broadway Community Organization and Molly McCracken is the Director of CCPA-MB

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





February 2, 2016

Fight food insecurity with income

he rise in food costs disproportionately affects the poor as food makes up a larger portion of their spending. Increased income, educational programs and northern food subsidies need to work hand in hand if the food security crisis in Manitoba is to be overcome.

Canadians can expect an increase in food costs of 4.5 percent in 2016, putting a squeeze on those who struggle to get by on low incomes and increasing peoples' reliance on already over-burdened food banks. Food bank use has been on a steady rise over the past decade across Canada. Manitoba has the highest per capita use in the country; 4.93 percent of Manitobans make use of food banks compared to 2.83 percent for the Canadian average.

The largest percentage of food bank users is those on Employment and Income Assistance (EIA). The 2015 Canadian Hunger Count finds that 54.5 percent of Manitobans who use food banks are on EIA, just over 30,000 people. There were 63,000 people in EIA in 2014, the last year data is available. Food banks are subsidizing almost half of those on welfare.

Why is this the case? The income people on EIA receive to cover basic needs has not kept pace with actual costs. The EIA basic needs budget is intended for use on food, clothing, personal and household supplies. Currently, single people's basic needs budget is \$117/ month which covers 40 percent of the actual cost of buying food - estimated at \$295/ month. Single parents receive 61 percent of

the estimated cost of food for this family type. This works out to \$4 per day per person and is not indexed to inflation so rising food costs shrink the meager buying power of the welfare budget.

Food is already expensive in northern and remote communities struggling with high and rising rates of chronic diseases, like diabetes. Diabetes costs the Manitoba health system half a billion dollars per year, so investment in preventing diabetes only makes good public policy sense. Ensuring that people have access to a healthy diet could lower incidence of diabetes dramatically.

The federal government subsidizes food to some northern remote communities but not all. Recently the Manitoba government stepped in and is funding subsidies in remote communities with high food costs not eligible for the federal subsidy. The new federal government should make food security in remote First Nations and all communities a major priority to make up for many years of underfunding. Partnerships amongst all levels of government are needed to reverse concerning negative trends.

Food Matters Manitoba and many other community organizations are dedicated to food security: ensuring citizens have access to healthy, affordable and culturally-appropriate food. Food insecurity is part of the complex problem of poverty, and requires a

CCPA-MB 205-765 Main St. Winnipeg, MB **R2W 3N5**

(204) 927-3200

ccpamb@policyalternatives.ca

www.policyalternatives.ca/ manitoba

www.policyfix.ca

@ccpamb

continued

CCPA-MB 205-765 Main St. Winnipeg, MB **R2W 3N5**

(204) 927-3200

ccpamb@policyalternatives.ca

www.policyalternatives.ca/ manitoba

www.policyfix.ca

@ccpamb



comprehensive response. As Food Matters Manitoba explains, "People won't eat foods if they can't afford them, find a store that sells them, or know what to do with them."

Manitoba is home to a variety of innovative food security programs funded all or in part by the provincial government: school and maternal nutrition programs in low socio-economic neighbourhoods, Indigenous traditional food programs, and community gardens, greenhouses and farms. But educational programs can only go so far in the face of stagnant incomes and rising food prices. Researchers Joyce Slater and Mihiri Witharana found children's food security programs are worthwhile but have limited impact because families with low incomes simply can't afford healthy food.

In response to this, some are calling for a Basic Income (BI), or a guaranteed income for all. *The View from Here 2015*: Manitobans Call for a Renewed Poverty Reduction Plan agrees that BI is the goal, but such an approach would need strong financial support from the federal government. If Manitoba were to go it alone without the federal government on BI, tough decisions would need to be made. A future provincial government may choose to cut programs people rely on to pay for BI.

But the need for these programs will not disappear just because people have more income. Furthermore, the increased funding for a BI would need to be substantial to improve the incomes of those on EIA, and without public education and community supports, more income will not necessarily lead to healthier eating. Rather than a simple reliance on BI, a comprehensive response is needed, which includes nutrition education, local food initiatives like community gardens, northern food subsidies and increased incomes.

Rising food costs make the stagnant EIA food budget of critical importance. Make Poverty History Manitoba's provincial election campaign calls for doubling the

basic needs budget immediately for those on EIA. The province could choose to respond to this call like they did with Rent Assist.

After several years of lobbying from the community about the rising costs of rent and the low shelter allowance for those on assistance, the province created Rent Assist. Rent Assist is a rent subsidy set at 75 percent of median market rent, so that if rents go up, shelter benefits go up. Rent Assist is available to those on EIA and to the working poor.

A similar approach could be taken to address food insecurity: increase and index the food budget to meet actual costs adjusted by household and region. Consideration should be given to the working poor and other food insecure groups like low-income seniors. Combined with Rent Assist, a food benefit would cover the majority of household expenses for those who struggle with poverty and create a solid foundation for a BL

Savings would be returned to the health care system from reduced rates of diabetes and other diet-related illnesses. Increased incomes would enable more local purchasing and economic development.

Most importantly this investment would ensure all Manitobans can eat good healthy food, which is priceless.

Molly McCracken is the director of the Canadian Centre for Policy Alternatives Manitoba



March 8, 2016

Manitoba's Pension Record

Pensions and the retirement security concerns of Canadians have been in the news in a big way in recent years.

With two-thirds of Canadian workers not covered by a workplace pension plan and a majority of citizens not contributing to RRSPs (almost \$1 trillion in unused contribution room) many look to governments to show leadership on this looming pan-Canadian public policy issue. In both the Canadian Pension Plan (CPP) and Old Age Security (OAS) debates, Manitoba's voice has been both clear and strong in favour of the interests and well-being of workers and their families.

Since 2008, the Manitoba government has been a strong supporter of labour's call for an expanded Canada Pension Plan to assist the almost 12 million Canadian workers who have no workplace pension of any type and little prospect of their employer providing one. This file remains current as Finance Ministers most recently discussed the issue at their December 2015 meeting in Ottawa.

Manitoba strongly opposed the former Harper government's decision to move eligibility for Old Age Security (OAS) from 65 to 67 years, to be phased in over a period of years commencing in 2023. The new Trudeau government has said they will re-

turn eligibility for OAS to 65 years. At the same time as it is necessary to raise the floor for the growing number of workers who do not have workplace pensions, it has also become important to defend the position of those workers who do have pensions.

- 1. The current government has set the bar high for the management of provincial employees' public pensions. Its record warrants careful review as it can show all parties a reasonable approach to administering employee pensions: In their second term in office the NDP took steps to stabilize provincial pension plans by establishing a \$1.5 billion fund dedicated to supporting unfunded obligations. In subsequent provincial budgets Manitoba for the first time since the 1960's began making bi-weekly contributions for all newly hired staff, followed by contributions on behalf of all existing employees. These were prudent and needed policy moves.
- 2. In 2001 Bill 48 was adopted at the request of the City of Winnipeg and all its civic unions, creating the jointly trusteed Civic Employees' Pension Plan (CEPP). The City achieved certainty in this significant area of its operations and workers gained shared governance over their pension plan.

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb



3. In both 2005 and 2010 Manitoba's Pension Benefits Act was amended including provisions to make Pension Committees mandatory for all plans with more than 50 members.

Disclosure requirements to all plan members were strengthened and the rights of part-time workers to participate in plans were enhanced. New rules regarding plan surpluses increased the voice of plan members and immediate vesting rights were established in the Act.

All of the above changes added rights to workers in the operation and management of their individual pension plans.

- 4. In the aftermath of the global recession when all pension plans experienced challenges the Manitoba government extended solvency relief to both public sector and private plans (2008, 2009 and 2012).
- 5. In 2010 the provincial government approvided a \$156,000 annual contribution (for 10 years) to fund the United Way of Winnipeg Pension Plan's solvency deficiency, providing stability and security for the 54 participating member agencies.
- 6. In 2007 the provincial government extended solvency funding relief to the Tolko Industries pension plan assisting Steelworkers and Unifor members in this important northern industry.
- 7. In 2009 the provincial government extended permanent exemption for solvency funding requirements to the Healthcare Employees Pension Plan (HEPP).

In subsequent bargaining with the Manitoba Nurses Union agreement was reached for modest contribution hikes to fund the establishment of a Cost of Living Account (COLA) from which payments can be made effective April, 2018.

- 8. Budget 2015 allocated an additional \$100 million to stabilize the Teachers Retirement Allowances Fund (TRAF). This was on top of the 2008 decision to establish an irrevocable trust account to deal with past funding problems.
- 9. In 2010 the Province established a Defined Contribution pension plan for Manitoba's 7,000 child care workers, with the government agreeing to fund the employer-required 4 percent contribution rate.

The Manitoba record, while strong, has not been perfect and there remain many pension challenges within a number of plans. Having said this, over the past 16 years, Manitoba has opted to honour past promises and to look for co-operative solutions to all challenges outlined above. This is very different than the approach of some other jurisdictions, most notably New Brunswick, PEI, Quebec and the federal scene under the former Harper government.

The elimination of seniors' poverty has been called Canada's greatest success story. But the poverty rate for seniors is starting to creep up again and this trend will only worsen unless changes are made to widen and protect workers' access to retirement income.

The current provincial government has advocated for all workers' legitimate entitlement to dignity in retirement through participation in viable pension arrangements: that push needs to continue regardless of which party takes power in April.

Paul Moist is a CCPA MB Research Associate

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb





April 15, 2016

Worker Protection in Canada

anada's parent labour body, the 3.3 million member Canadian Labour Congress has in its constitution eight core labour rights for all workers in our country, including the CLC Charter of Labour Rights: All workers have the right to take all measures necessary to protect the safety and health of workers on the job.

This labour principle was borne out of decades of struggle as the women and men who built Canada sustained numerous injuries and on-the-job deaths in the years prior to modern workplace safety and health laws.

Manitoba labour history is replete with examples of unsafe conditions experienced by workers. One such story occurred in Flin Flon at the Hudson's Bay Mining & Smelting (HBM&S) Company, this story ended up on the floor of the Manitoba legislature in the late 1970s.

HBM&S announced that - based on a US study demonstrating the negative effects of lead exposure on the babies of pregnant smelter workers , they would no longer allow women to work in its smelter unless they could prove they had been sterilized..

The eight women workers then employed by HBM&S would be transferred to lower paid positions outside of the smelter plant.

NDP MLA Jay Cowan took this matter to the floor of the legislature:

"The problem is in the worksite. It's dirty, unhealthy and not fit for men or women to work in. But instead of sterilizing the smelter, the company wants to sterilize the women. But the men still have to work in the high levels of lead, and the detrimental effect on their future families will still happen."

Labour has always advocated strongly for legislated protections for all workers under the principle that "an injury to one is an injury to all".

Since its election in 1999, Manitoba's NDP government has introduced a range of worker protection measures including:

- Direct government support for the SAFE Workers of Tomorrow program, increasing education for High School students on workplace safety and health.
- Doubling the number of Health and Safety Officer's enforcing Health &

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb

Safety laws in Manitoba workplaces. Workplace safety inspections have increased from 1,600 annually in 1999 to over 12,000 in 2015. Since 2000 there has been a 40 per cent reduction in workplace injuries in Manitoba.

- Fines have been increased for employers who break Health & Safety laws. A
 Chief Prevention Officer position was
 created along with a dedicated Crown
 prosecutor for workplace health and
 safety violations.
- Legislation was adopted to protect highway workers in construction zones and first responders working on Manitoba highways and roads.
- Workers Compensation coverage in Manitoba has been expanded to include 37,000 workers in occupations not previously covered by WCB legislation.
- A new WCB office was opened in Brandon along with a new satellite office in Thompson to better serve Manitoba workers in rural and northern areas.
- In 2013 the government announced a new Five Year Workplace Injury and Illness Prevention Plan, designed to make Manitoba a prevention leader and to improve health and safety services to all Manitoba workers.

This initiative will expand the province's role in setting standards for workplace safety and health training programs including assistance for smaller workplaces and provision of training materials in multiple languages.

 Presumptive Post-Traumatic Stress Disorder (PTSD) Legislation:

In June 2015 Manitoba introduced

amendments to the Workers Compensation Act to recognize PTSD as a work-related occupational disease.

 This new legislation is applicable to front-line First Responder workers and others such as health care workers who are regularly exposed to traumatic situations in the course of their employment.

The above worker protection initiatives are but a sample of recent changes to protect workers in Manitoba. While there remain other pressing worker protection priorities which have yet to be addressed, Manitoba workers have benefitted from the clear efforts of the provincial government to make all Manitoba workplaces safer for all workers.

Voters need to be pressing all the parties about their plans to further workplace health and safety.

Paul Moist as a CCPA MB Research Associate

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb



April 15, 2016

Community Benefits in Procurement

lections are noisy and cluttered affairs that can make it difficult for some of the most promising, Manitoba-made policy innovations to get the attention they deserve. One of these policies is the use of day-to-day government purchasing to provide job and training opportunities for people with barriers to employment. Little-known outside the social enterprise sector, the Government of Manitoba is recognized as a national leader for using procurement to drive social change in our communities, which in turn is providing the government impressive savings. This is a model that deserves to be celebrated and to grow.

Employment opportunities are a key part of a comprehensive poverty reduction plan. As other contributors to the UNSPUN series have laid out, the past decade has seen Manitoba make gains in important areas such as increased access to affordable housing and communityled neighbourhood renewal. But the numbers are still bleak: in 2011, between 105,000 and 164,000 Manitobans (and 11.3 percent to 22.4 percent of all Manitoba children) were living in poverty. One third of Manitobans are considered to be in core housing need. At least 1,400 Winnipeggers are homeless.

Poverty places a burden on Manitoba families that is unacceptable and unnecessary. There is a moral imperative to ensuring all Manitobans have equal opportunity to participate in healthy communities. If we believe in an equitable so-

ciety, then we must address poverty in a substantial way.

But there's a flip side to the coin: we spend too much money not addressing poverty. As written in *The View from Here 2015*, "study after study links poverty with poorer health, more young people in trouble with the law, higher rates of incarceration and higher justice system costs, more demands on numerous social and community services, more stress on family members, greater involvement in the child welfare system, and diminished chances of success at school." Manitoba spends approximately \$500 million per year on its justice budget, which has increased nearly \$300 million since 2006. Health care takes up about 38% of the Provincial budget.

Families living in poverty bear the pain poverty brings, but it's all of us who pay the toll of ignoring its public cost.

The vast amount of public money spent on the symptoms of poverty means that preventative solutions are highly valuable to government -- especially the provincial government. The Government of Manitoba, through Manitoba Housing & Community Development, and social enterprises have been taking advantage of this value by using procurement to provide employment opportunities for people with barriers to employment.

People who struggle with poverty are often told to "get a job" but this is not easy. Multiple bar-

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb

riers to employment exist, preventing individuals from accessing jobs. These barriers include low literacy and education rates, lack of access to affordable childcare and housing, mental health, physical disabilities, the trauma trails of the residential school system, involvement in the criminal justice system, and being a newcomer to Canada.

So when non-profit organizations can sell the government the goods and services it needs, while hiring people facing barriers like these, it's a win-win. Prosperity and stability in our communities, and the highest value product for the government. Which is what we're doing here in Manitoba. Globally it's known as social purchasing, or social procurement.

For the past decade, and especially in the last handful of years, Manitoba Housing & Community Development has been directing some regular purchases like apartment refreshes or energy-efficient upgrades to local social enterprises in Winnipeg and Brandon. These non-profit organizations use a business model to create employment and training opportunities. In some cases social enterprises are supported with training funding from other provincial departments, and in others cases they are not. By supporting them, Manitoba Housing has been using its day-to-day spending to create prosperity and community stability.

In February of 2015, the department committed to implementing a key recommendation from the Manitoba Social Enterprise Strategy: to double its purchasing from social enterprises over three years, from approximately \$6 million to \$12 million per year. It's on track to complete this commitment, and social enterprises are growing with the demand.

This is only one department, and this is only the tip of the iceberg. There are many more opportunities for all levels of government to use their purchasing to create social impact. Local governments in Scotland were found to spend an average of 18 percent of spending on social enterprise, approximately \$60 million (CAD) each.

London alone purchases upwards of \$100 mil-

lion (CAD) annually from social enterprises. Social procurement is growing exponentially across the globe, and Manitoba has an opportunity to be a global leader in this promising practice.

But we must also recognize social enterprises' limits. If employees are not connected to the necessary supports that provide a stable work environment, they're much less likely to succeed in a social enterprise. Affordable housing, accessible child care, mental health supports, a supportive social assistance system -- these are all components of the comprehensive approach needed to effectively tackle poverty. In addition, workers who have been criminalized or have faced other challenges require on-thejob holistic supports to deal with issues that may interfere with their ability to work for pay, like finding secure housing or getting a driver's license. Funding these types of supports still costs less than dealing with the negative impacts of poverty and human potential unfulfilled.

Many of these supports are the responsibility of the provincial government, and insufficiently investing in them will further increase barriers to employment for vulnerable communities.

Investments in poverty reduction are inherently at odds with election cycles. Governments are held accountable for their work every four years. Breaking the cycle of poverty occurs over generations. A job opportunity coupled with the proper supports can provide a pathway out of poverty for families and our communities, but it won't happen overnight.

By using day-to-day government purchasing to provide these opportunities, Manitoba is creating an efficient and sustainable method to reduce poverty. We should celebrate the accomplishments thus far, and take strides towards becoming a global leader.

Darcy Penner is the Social Enterprise Policy and Program Manager at the Canadian Community Economic Development Network Manitoba Regional Office.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca

blog:policyfix.ca twitter: @ccpamb



April 12, 2016

Childcare and the Manitoba Election

hildcare is a surprisingly important election issue. It figured prominently in the 2015 federal election, and is playing a role in the 2016 Manitoba provincial election. Why does childcare warrant such political and public attention? The answer lies with demographics, care deficits, federal cutbacks and most importantly political choices.

The demographics are unmistakable: in greater numbers than ever before, Canadian mothers are in the labour force. Nationally, between 70 - 82 percent of mothers are employed. Well over 3 million Canadian children aged 0-12 have a working mother (it is worth noting that many of these children also have a 'working father' – but Canada does not collect data on employed fathers.)

Despite the staggering numbers, Canada faces a care deficit. There are only 1.2 million licensed childcare spaces across the country. Manitoba also has a care deficit. In Manitoba, at least 111,000 children have a working mother, although there are just 33,500 licensed provincial spaces. There is a childcare space for just 22.9 percent of Manitoba children aged 0-5 years (lower than the national average of 24.1 percent).

Federal cutbacks have been severe. In 2005, the first act of the newly elected government of Stephen Harper was to cancel the child-

care agreements Ottawa had signed with the provinces. Manitoba was to receive \$233.6 million over the five-year term of the agreement - \$54.8 million in 2009-2010 alone. If the Conservatives had honoured and renewed the agreements, Manitoba would have had tens of millions of new dollars in 2016 to spend on childcare. More than a decade ago, a full 33 percent of the childcare budget came from federal dollars, a sign of how important Ottawa's decisions are to Manitoba's childcare system.

Political Choices

Justin Trudeau campaigned on a platform that included increased childcare spending. Despite a promise to begin within 100 days of being elected, the first Liberal budget postponed any new childcare spending to 2016-2017. Childcare advocates pointed out that in deferring urgently needed funds for childcare, the Trudeau government missed an excellent opportunity to advance women's equality, reduce poverty and support working families. There are no indications how much of the promised billions in infrastructure spending will be transferred to the provinces for childcare. But Manitoba should insist on no less than we would have received under the old plan – at least \$70.2 million in 2017, just to keep pace with inflation.

Since their election in 1999, the NDP has overseen improvements in the childcare system. The number of childcare spaces in Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternatives.ca blog:policyfix.ca

twitter: @ccpamb

grew slowly but steadily. Nevertheless, demand vastly outstrips supply and a care deficit remains. The central registry lists more than 12,000 children who are waiting for care. While the province's innovative 'flat fee' structure means the maximum fee is lower in Manitoba than anywhere in Canada outside Québec, costs remain a barrier for many parents. Early childhood educators earn painfully low wages.

Manitoba struggled to expand childcare services and increase childcare quality for a decade without a supportive federal partner. In 2014, Premier Greg Selinger declared his support for 'universally accessible childcare.' One year later, Family Services Minister Kerri Irvin-Ross struck an Early Learning and Child Care Commission. The Commission's report, released in early 2016 (available at https://www.gov.mb.ca/fs/childcare/childcare_news/pubs/final_report.pdf), provides a clear-eyed diagnosis of current troubles and an ambitious and achievable prescription for improvements.

The upcoming provincial election puts the Childcare Commission's recommendations at risk. While the NDP has endorsed the Commission and committed to implementing its recommendations - including the creation of 12,000 new childcare spaces - other parties have not. The Liberals have promised to invest an additional \$30 million in childcare, to raising fees and revising the fee structure, and to improving the salaries of early childhood educators. The Green Party is on record as supporting a publicly-funded, affordable and high quality childcare program but does not mention childcare in its election website. The Progressive Conservatives were the last to release their platform, which prioritizes family home childcare expansion. Their focus on family home operators is puzzling, since the sector provides less than 10 percent of the province's total spaces, and turnover is very high. Moreover, the PCs have proposed iust \$3.5 million new dollars, and their plan for family homes would cost more than that, leaving no funds for licensed centres or ECE wages. The Manitoba Child Care Association

organized an election forum on March 17, with representatives from the NDP, Liberals and Conservatives – their presentations on childcare policy, including a lively Q&A, is available for viewing at https://www.youtube.com/watch?v=ORr05Gxoqpw&feature=you.tube

What do concerned voters need to know? The demographic facts are not reversible: Manitoban women, like all Canadian women, are in the labour force and there's no turning back. Therefore, public policy must modernize. The federal government must support provinces to build quality affordable childcare services – this will help to undo the damage caused by Conservative cutbacks over the past decade. Childcare is primarily, however, a provincial responsibility.

Fixing the provincial childcare deficit is a political choice. It requires that the next Manitoba government build thousands of stable new childcare spaces, while ensuring that quality is high, that services are affordable, and that early childhood educators earn fair wages.

• • •

Further reading: Provincial Election 2015: Child Care Promises at a Glance – compiled by the Manitoba Child Care Association at http://mc-cahouse.org/party-pledges-for-child-care-provincial-election-2016/

Susan Prentice is a Professor of Sociology at the University of Manitoba and a CCPA MB Research Associate

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 15, 2016

Regulating Fringe Banking in Manitoba: a work in progress

Ince 2007 the Manitoba government has undertaken a series of steps to regulate fringe banks. Arguably this is contributing to the common good, because of the growth of fringe financial services and the process of financialization. Financialization is reflected in the increasing size and importance of financial markets. Consumers are faced with a proliferation of credit products in a rapidly changing marketplace and it is increasingly difficult for financially vulnerable community members to make informed choices.

Fringe banks -payday lenders, chequecashers, rent-to-own operators- provide financial services particularly for incomeand asset-poor Manitobans who are either unbanked (no services with a mainstream bank or credit union) or partly banked. Generally, un-and under-banked Manitobans rely on fringe banks for some of their financial services. Many of the community members who access SEED Winnipeg's services have been charged significant fees and interest by fringe banks. Given that these low-income community members are financially vulnerable and that there is limited evidence about the competitiveness of this sector, it is generally accepted that regulation is warranted.

The Province of Manitoba has been a leader among Canadian provinces in regulating this sector. The regulations the provincial government has established for this sector include,

a cap on what companies can charge to cash government cheques; a combination of regulations on payday loans; regulations applying to all companies offering 'high-cost' credit products.

In 2007, the Manitoba government established regulations on fees that could be charged for cashing government cheques. The cap is set at \$3 plus two percent of the cheque's face value. This cap is quite high, so that it precludes only those firms that charge very high rates. In 2008 the Manitoba government, partly through the efforts of the Public Utilities Board, established a series of regulations on payday lending including: a cap on the fees to \$17 per \$100 loaned, a cap on the amount borrowed to 30 percent of net income, limits on fees for extending the loan (\$5 per \$100), and a requirement to provide information about the total fee in both a dollar and an annual percentage rate form.

Finally, in January 2016 the government announced that all 'high-interest' loans will be regulated. These regulations apply to "businesses that offer, arrange or provide high-cost credit products, regardless of whether they have a physical Manitoba location or provide their service over the Internet," although the definition of high-cost is unclear. These regulations require that the fee information be provided and that consumers have the right to cancel and repay the

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

loan within 48 hours of taking out the loan, without a penalty.

Regulation is a critical means to protect consumers and ensure that new financial products help, and do not harm, particularly vulnerable consumers. New financial products can stimulate the economy and enable people to build stronger finances for the future, but they can also harm people. That is why, at a minimum, consumers must be able to understand financial products. Restricting fees and loan sizes are also, at times, effective. There is no evidence that the cap on cheque-cashing and payday lending has drastically reduced the number of chequecashers and payday lenders in the province. This is evidence that certain businesses can still generate a profit.

An important consequence of the chequecashing and payday loan fee cap is that clients will not face above-cap fees to get a payday loan or to cash their government cheque.

In many cases it would be advantageous to the clients to switch financial services to a mainstream bank where fees are cheaper and more 'developmental' services (services such as savings, investments, and credit that enable people to improve their finances) are available. This is an important reason for people to seriously consider opening and maintaining a bank account. Assiniboine Credit Union has established partnerships with SEED Winnipeg and other community based agencies to provide access to basic banking for community members with barriers to financial services. The lack of identification required to open a bank account has emerged as a key barrier to opening a bank account. Investments by the Provincial government Citizen's Bridge and SEED's ID Fund have addressed this issue for some of community members. However, due to limited resources many community members who lack the identification needed to open a bank account are unable to access required

supports. The Provincial government could work with community organizations, relevant departments and mainstream financial institutions to identify avenues for addressing systemic barriers so that financially vulnerable community members have access to safe and affordable financial products.

Other areas the province can work on include additional investments in promoting formal and semi-formal financial literacy to provide financial knowledge and skills. This can be delivered through community-based networks such as the AssetBuilders partnership and the Manitoba Financial Literacy forum. But insights from behavioral economics studies have demonstrated that it is not just knowledge and skills that enable citizens to care for their finances. They also need opportunities and conditions that enable them to apply their knowledge and skills in a timely fashion. This is probably the most challenging aspect of financially empowering Manitobans. One way to provide these opportunities is to inform people using a 'just in time' approach so that they are able to educate themselves when they are in the process of making financial decisions. Research has found that requiring payday lenders to present their fees side-by-side with fees of a mainstream financial product (e.g., a credit card) leads to a reduction in payday loan uptake. The Ontario government requires payday lenders to provide this information.

So while the Provincial government has taken positive steps in recent years with regard to this issue, and is a leader among provinces in Canada, there is still more to be done. In addition to enhanced regulation, the Provincial government has an important role to play by working in partnership with community based agencies and financial institutions to remove barriers to financial inclusion and expanding the scope and scale of financial empowerment initiatives.

By SEED Winnipeg

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



March 31, 2016

Poverty Policy Choices and Winnipeg's Inner City

Provincial government policy can be designed to punish those in poverty, or to reduce poverty. Both approaches have been tried in Manitoba, the first in the 1990s and the other more recently. We can compare these approaches by examining Winnipeg's inner city.

Over the past 15 years, and especially the past five years, Winnipeg's inner city has benefitted from a community-led form of development supported by substantial public investment. The Winnipeg Foundation, United Way of Winnipeg and other such public bodies, and especially the provincial government, have led the way in investing public dollars in initiatives and strategies driven in large part by inner city community-based organizations (CBOs). Neighbourhood renewal corporations, women's resource centres, youth-serving agencies, alternative educational institutions, social enterprises and a wide variety of Aboriginal organizations have developed sophisticated anti-poverty strategies in which public dollars have been invested.

These investments are producing results. The Canadian Centre for Policy Alternatives' *State* of the Inner City Report 2015 tracked changes

in the inner city from 1996 to 2011. It found that decades of population decline have been stemmed, education and employment in the inner city are improving, while incomes are rising faster and poverty is declining faster in the inner city than in the non-inner city. The Report concludes that most of these gains are likely "attributable to provincial government investments in community-led solutions."

This approach — the community takes the lead in designing anti-poverty initiatives and strategies; the provincial government and other public bodies invest in them — stands in stark contrast to the approach taken in the inner city in the 1990s. Conservative provincial governments in the 1990s cut funding. A government news release of March 15, 1993, for example, announced \$3 million — \$4.5 million in today's dollars — in cuts to 56 organizations, many in the inner city.

On June 1, 1993, the 600-member social justice coalition, Cho!ces, organized a day of public hearings called *Policies for People* at the Indian and Metis Friendship Centre in Winnipeg's North End. A Cho!ces document arising from the hearings, titled *The Real Deficit*, concluded from what the 30 presenters said that

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

day that "our worst fears were borne out" by "a budget characterized by cuts targeting the disadvantaged and benefitting the well-to-do."

Aboriginal organizations were particularly hard hit. The Real Deficit reported that "all 11 Indian and Metis Friendship Centres in Manitoba lost their provincial funding, a total of \$1.2 million." Funding to the Ma Mawi Wi Chi Itata Centre was cut by 10 percent. ACCESS programs that provided financial and other supports to disadvantaged students trying to improve their lives by attending post-secondary education were cut by 14 percent - \$1.2 million. Funding for Winnipeg's Child Protection Centre was cut by \$150,000, an 8 percent reduction. The Centre's highly respected Director, Dr. Charlie Ferguson, resigned in protest from the provincial advisory committee on child abuse, and Sharon Carstairs said the provincial government had "betrayed the children of this province." The budget of the Manitoba Anti-Poverty Organization was cut by \$63,000; that of the John Howard Society by \$41,800. The Association for Community Living took a \$100,000 cut. Funding cuts to the highly successful New Careers program, which had graduated more than 1000 multibarriered trainees, forced the program to close. Student social assistance — funding to enable low-income students to stay in school — was cut, prompting long-time inner city teacher Brian McKinnon to say in his presentation that "cutting student social allowance is not only politically inhuman, but it's also just plain stupid."

Those on welfare were particularly targeted. A Welfare Fraud Line was created to encourage Manitobans to report suspected welfare "cheats," "workfare" was implemented and the National Child Benefit, the federal supplement to low-income families on welfare aimed at reducing child poverty, was clawed back by the provincial Conservative government.

All of these cuts worsened a crisis of poverty that peaked in the mid-1990s. A study published in 2000, titled "High and Rising: The Growth of Poverty in Winnipeg," reported that by 1996, 50.8 percent — just over half — of all inner city households had incomes below the Statistics Canada Low Income Cut Off, often called the poverty line. For Aboriginal people it was worse: "more than four-fifths of Aboriginal households in Winnipeg's inner city — 80.3 percent — are below the poverty line." These conditions were described as "a massive problem." Action had to be taken, the study concluded, or the crisis of poverty would worsen.

Thus we have two very different approaches to poverty policy, with evidence on the outcomes of each in the inner city.

In the 1990s the provincial government implemented a wide range of funding cuts, targeting community-based and especially Aboriginal organizations, and people on social assistance. Poverty worsened, reaching astonishing levels. In the past 15 and especially the past 5 years, there has been public investment in community-led initiatives, the cumulative effect of which is that poverty-related indicators in the inner city are now improving. Greater investment in effective community-led initiatives would produce still further improvements.

This evidence suggests that investing intelligently in community-driven anti-poverty initiatives, as has been done in recent years, produces better results than dis-investing in such initiatives, as was done in the 1990s.

Jim Silver is Chair of the UW's Department of Urban and Inner-City Studies, in Winnipeg's North End. He is a Research Associate with the Canadian Centre for Policy Alternatives-Manitoba.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb



April 14, 2016

Remembering Privitization of Home Care

Brian Pallister has said that if his Conservative Party wins this month's provincial election, he will not rule out the possibility of experimenting with privatization in Manitoba's health care system.

It may be worth recalling what happened when the provincial Conservative government privatized 10 percent of Winnipeg's home care market in 1997. Mr. Pallister was Minister of Government Services at the time, and was fully in support of the "innovative" privatization experiment.

A 1997 study* by the Canadian Centre for Policy Alternatives-Manitoba revealed the genuine dangers associated with the private, for-profit delivery of health care.

In March, 1997, the Conservative government awarded a \$5.6 million contract for home care services in parts of the Winnipeg home care market to Olsten Corporation, a large, New York-based multinational health services corporation. The Conservative Minister of Health described Olsten Corporation as "a recognized leader in the delivery of health care," adding that Olsten would "provide the quality service Manitobans require at a lower cost than government."

These claims turned out to be false.

The profits earned by Olsten Corporation flowed back to the company's New York headquarters, helping to pay Olsten's CEO and President annual salaries of \$1.9 million and \$1.1 million respectively. The profits making these excessive salaries possible were, in part, the result of the poor working conditions of US homecare workers employed by Olsten. The Chicago Tribune reported on May 27, 1997, that 95 percent of Olsten employees were denied benefits, that most employees were "parttime, per diem employees," with the result that Olsten had "constant turnover among its employees," thus adversely affecting the quality of care that could be offered to patients.

The Medicaid Fraud Unit of the New Mexico Attorney General's Office investigated Olsten Corporation on a variety of grounds, including exerting pressure on home care patients to purchase more health care services and products than they needed. The Seattle Times reported on August 28, 1997, that a spokesperson for the State of Washington's Department of Health described "situations where doctor's orders said one thing and the documentation and

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca blog:policyfix.ca

twitter: @ccpamb

patients' records didn't correspond to what was ordered." The State of Washington Department of Health included 56 such charges in the statement of legal charges brought against Olsten Corporation. The American business publication, Business Week, reported on September 22, 1997, that FBI agents had raided Florida health care offices managed by Olsten Corporation on suspicion of fraud.

Speaking to a US Senate Committee on the "Prevalence of Health Care Fraud and Abuse" on June 26, 1997, the administrator of the Health Care Financing Administration explained to Senators that:

"The 'invisibility' of the home health setting invites profiteers to prey on disabled and elderly patients who may often be isolated, uninformed, and lacking the support of friends and family. We are finding continuous problems with unnecessary home health services."

So serious were these problems in the US for-profit home care system that then-President Bill Clinton declared a moratorium on new home care providers, saying that the problems in the industry constitute "a fraud on all taxpayers of the country."

Among the results are higher costs of health care delivery. A 1997 study by the Henry J. Kaiser Family Foundation found that the cost of home care delivered by private for-profit corporations was \$1,064 higher per patient, and was costing the American home care system an extra \$1 billion.

When the Canadian Centre for Policy Alternatives-Manitoba study was presented to the Manitoba Legislature in December, 1997, the Conservative government im-

mediately abandoned the privatization of home care. It was obvious, even to them, that privatizing home care made no sense, financially or ethically.

Brian Pallister was the Minister of Government Services when Olsten Corporation was hired, and when Olsten was fired. Given how embarrassing were the revelations about Olsten Corporation and the for-profit home care system in the US, it is surprising that he is now saying that he will consider experiments in health care privatization again, on the grounds that they are more "efficient."

Problems within our health care system are best solved within the public health care system. The resort to the private, forprofit delivery of health care is too prone to poor service and high costs.

*Jim Silver, with Tim Scarth and Lisa Shaw. 1997. The Cost of Privatization: Olsten Corporation and the Crisis in American For-Profit Home Care. Winnipeg: Canadian Centre for Policy Alternatives-Manitoba.

Jim Silver is Professor and Chair of the University of Winnipeg's Department of Urban and Inner-City Studies.

UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba

telephone: 204.927.3200

email: ccpamb@policyalternatives.ca

website: policyalternátives.ca

blog:policyfix.ca twitter: @ccpamb