



Social Enterprises
Knowledgeable Economies
and Sustainable Communities

The Importance of Policy for Community Economic Development

A Case Study of the Manitoba Context

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**A research report prepared for the Northern Ontario, Manitoba,
and Saskatchewan Regional Node of the Social Economy Suite**

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économies intelligentes
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THE IMPORTANCE OF POLICY
FOR COMMUNITY ECONOMIC DEVELOPMENT

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DEFINING CED

COMMUNITY ECONOMIC DEVELOPMENT (CED) is action by people locally to create economic opportunities and better social conditions, particularly for those who are most disadvantaged. CED is an approach that recognizes that economic, environmental and social challenges are interdependent, complex and ever-changing. Those who advocate CED approaches argue that to be effective, solutions must be rooted in local knowledge and led by community members. CED promotes holistic approaches, addressing individual, community, and regional levels, recognizing that these levels are interconnected. While many groups and individuals self-identify their work as “CED,” many others are involved in CED as defined above without necessarily using this language. This paper will consider “CED practitioners” and “the CED sector” or “movement” as those individuals involved in promoting and implementing CED solutions regardless as to whether they self-identify with the term CED.

As noted above, CED can be considered action that uses tools to make change. For example, a tool widely used in CED circles to generate economic and social development is social enterprise, which is *a revenue-generating business with primarily social objectives whose surpluses are reinvested for that purpose in the business or in the community, rather than being driven by the need to deliver profit to shareholders and owners*. These can include enterprising nonprofits or for-profit enterprises such as co-operatives and share capital corporations where all shares are held by nonprofits. However, CED can also be considered an approach or a “lens” through which economic development or social service delivery can be viewed. Therefore, traditional forms of development such as neighbourhood renewal — efforts to develop and bring businesses, services, and residents into a specific neighbourhood, as well as

traditional nonprofit organizations and government programs, can be modified to incorporate a CED approach. CED therefore can be thought of not only as *specific actions and tools* but also as a *framework* for enhancing all efforts to create economic opportunities and better social conditions.

SECTION 1 INTRODUCTION

MOST CED PRACTITIONERS are primarily interested in action and projects, and the connection between policy and CED activity is not always very obvious and often not well understood. Supportive policy can play a crucial role in the success or failure of CED initiatives. For example, because CED enterprises are often in competition with private sector businesses without goals beyond profit maximization, policies that give preferential treatment to supporting their viability may be necessary to account for the valuable social and environmental contributions of social enterprise. Also, because a CED approach takes into account broader social and environmental impacts that benefit whole communities, a CED approach requires promotion at the regulatory level to recognize the fact that a CED approach generates benefits for the larger community and may not be accounted for by organizations with narrower mandates. For an example from a different field of work in CED, policies surrounding training eligibility for persons on Employment Insurance can hinder or support a CED approach to employment development.

This paper analyses how public policy, specifically government policy, affects the success and possibilities for CED to take place, using the province of Manitoba as a case study. Section two reviews what policy is and why it is important. Section three offers a review of existing policies at the provincial level that support CED. Section four reviews policy priorities of the CED movement in Manitoba. Section five offers a review of the policy-making apparatus of the current Manitoba government and suggestions on how to advance CED policy interests at this level. Section six offers some concluding remarks and explores the

lessons to be learned from this examination of the Manitoba context for CED practitioners across Canada.

SECTION 2 WHAT IS POLICY AND WHY DOES IT MATTER?

THIS SECTION WILL ILLUSTRATE the important role that policy plays in opening doors for CED action in the community, and will begin with a basic understanding of the policy typologies, the policy development process, the forces that affect its outcome, and the general challenges involved in policy development.

What Is Policy?

In her paper “What Is Policy?” Sherri Torjman (2005) explains that there are two main categories of policy. *Substantive* policy constitutes legislation and policy leading to programs such as income security, childcare services, and employment initiatives, while *administrative* policy constitutes the gathering and evaluation of information in society. Both substantive and administrative policy can be either vertical or horizontal. *Vertical* policy is the traditional process within a single organizational structure or governmental department, where a broad framework policy is created at the head office to guide subsequent decisions down the chain to those implementing policy in the creation of programs. *Horizontal* or integrated policy is developed and implemented across two or more departments at a similar hierarchical position facilitating their co-ordination and co-operation to better address complex matters that are beyond the scope of a single department or jurisdiction. An example of horizontal policy would be an international treaty such as the Kyoto Protocol or a government dictating a new procedure to the civil service on how to report departmental expenses.

Nancy Neamtan (2005), the director of the Chantier de l'Économie Sociale in

Quebec, has organized CED policy into four main categories: *Territorial policy*, generic tools, sectoral policies, and policies in favour of target populations. Territorial policy plays an important role in social entrepreneurship by providing a geographic community with funds and support for networking, strategic planning, and collective projects. Other *generic tools* for development directed at small and medium-sized businesses can also support CED enterprises with a minimum of alterations, since community-based organizations need similar access to investment tools, adequate markets, research and development, and efficient management expertise. Tools specifically designed for CED organizations that recognize and support their social, environmental, and cultural objectives help to create a level playing field on which they can compete fairly with conventional, for-profit, small- and medium-sized businesses. Neamtan argues that for the most part, if a social enterprise is established with a sound strategy, no long-term government funding will be required. Another important tool is the support of research, research partnerships, and practitioner-led research. This research is essential to properly disseminate, replicate, and evaluate the effects of successful CED enterprises.

CED organizations often emerge in response to needs that neither the market nor government programs can fully satisfy. *Sectoral policies* that strategically support the emergence of specific economic sectors can greatly benefit social enterprises, which are more able to meet needs in society and economic sectors that are not otherwise adequately met in a market society. *Policies in favour of target populations* offer specific support for the social enterprises that offer valuable employment and services to marginalized groups. They often aim to integrate people deemed unproductive, who may be reliant on government income assistance programs, into the workforce. In many other countries, social enterprises have been integrated by governments into labour market development strategies, including purchasing strategies from social enterprises that employ people from marginalized groups (Neamtan 2005).

How and Why Is Policy Created?

Torjman (2005) continues by pointing out that policy is created in the context of perceived problems or needs in society, and can therefore be preventative/proactive or reactive.

Reactive policy emerges in response to a concern or crisis, whereas proactive policy consists of a deliberate strategy to develop a facet of society, such as creating programs to improve the skills base of a labour force. Another factor that will affect the methods of those interested in creating or changing policy is whether it is currently on the public agenda, or whether the related issues have a high public profile in the media. Effort must be put into attracting the government's attention to issues that are not currently high profile so as to demonstrate their importance and the dangers of not responding to them.

Public policy, according to Torjman, seeks to achieve goals that are considered to be in the best interest of the whole society, often by targeting specific groups within society. The policy provides guidance for addressing a concern through a process of formulation that involves the identification of a desired goal, and the identification and analysis of a range of actions that can result in promoting the realization of that goal in society. The cost, probable effectiveness, political context, and community support for each option must be weighed and justified to the decision makers and the general public. Once potential solutions are identified, decisions must be made as to how much of which solution will be implemented at any one time. In the example of reducing poverty, policies might include subsidies for families with children, increasing the minimum wage, or tax policies that allow low-income residents to retain more of their earnings and eliminate barriers to employment, as well as supporting programs to provide childcare, develop literacy or other job related skills, create job banks and placement services, enable loans and grants for entrepreneurs, provide affordable housing, reduce bus fare and recreational fees, etc. This illustrates the range of strategies available to policy designers and the resulting forms that policy can take to tackle a specific goal.

The process of developing policy can vary widely, but Torjman lays out some general steps common to all. They include: selecting the desired objective; identifying the target of the objective; determining the pathway to reach that objective; designing the specific program or measure in respect of that goal; as well as implementing the measure and assessing its impact.

1. **Selecting the desired objective:** This typically results from priorities and imperatives set at the political level from a party platform or policy conference, through negotia-

tions with provinces/territories, through obligations to international agreements such as UN agreements or trade agreements, the needs of social, environmental, or economic emergencies, or through lobbying by community or special interest groups. Often finding the right objective requires asking the right questions of the public and particularly people targeted by the policy, as well as the private sector and the voluntary sector.

2. **Identifying the target of the objective:** At this stage it is determined whether all or only a segment of the population will be the target of the policy.
3. **Determining the pathway to reach that objective:** This is a difficult and contentious process of selecting the best policy package to achieve the goal. When there are many possible policy options, this will likely include much discussion, consultation, and research prior to a decision. Other key decision-making factors include the efficiency of resource allocation and the consistency with the broader goals and strategies of the government and society.
4. **Designing the specific program or measure in respect of that goal:** This concerns how best to implement the chosen pathway. A policy target must be considered again with a greater focus on the details of whom the measure is intended to affect and how large a group they represent. In the poverty reduction example, this can be achieved by defining the characteristics of this group by what measures are best suited to the policy objective. Consideration is also given to any particular population that might “lose out” or be adversely affected by the policy. Cost and financing must also be considered at this stage. If a proposed plan is prohibitively expensive or difficult to pitch to financiers, a plan may be scrapped or sent back to be redesigned. There are also political factors that include issues of jurisdiction, in the context of our federal system of government. Often there is jurisdictional overlap and programs from different levels of government can work against each other, but ideally, policy will be designed to be complimentary across all levels of government.
5. **Implementing the measure and assessing its impact:** Often a policy that works well on paper will not function as expected when implemented. Ideally, policies should be assessed and corrected as they unfold and fail or surpass the intended goals.

Understanding how and why policy is created, what forms it takes, and what forces affect it is important in order to have a good grasp of the current policy environment in which CED organizations find themselves. The following section evaluates the policy environment in Manitoba to identify weaknesses and strengths and determine where there are opportunities for improving the supports available to CED initiatives.

SECTION 3 SCAN OF EXISTING CED POLICY SUPPORT IN MANITOBA

THERE IS ALREADY SOME POLICY IN PLACE to support CED in Manitoba. In fact, many other provinces look to Manitoba as an example of a desirable policy environment that has many useful mechanisms in place for applying CED principles to policies and programs and hence supporting the growing community sector in the province. There are both large overarching policy pieces such as the CED Lens and the CED Policy Framework, which contain all of the CED principles, as well as many other government initiatives in Manitoba that support CED.

Since 1999, government policy has played an important and innovative role in expanding CED activities in Manitoba. Shortly after taking power, the NDP government expressed the priority it attached to community development by creating the Community and Economic Development Committee of Cabinet. This was the first time in the history of the province that community was explicitly mentioned in the name of the Cabinet committee responsible for determining government policy on economic development. In 2001, with input from the CED community, the government adopted a CED Policy Framework and a CED Lens through which to judge how best government policies and programs might support and strengthen CED.

The CED Policy Framework outlines five goals of CED: building greater community capacity; nurturing pride, self-reliance, and leadership; enhancing knowledge and skills;

developing businesses that are responsive to social, economic, and environmental needs; and fostering balanced, equitable, and sustainable economic development (Kostyra 2006, 22). Both the framework and the lens were based on CED principles that were first developed by Neechi Foods, an Aboriginal worker-owned co-operative located in Winnipeg's North End. These principles, as adopted by the government, strive for local employment, local ownership and decision making, building local linkages, reinvesting profits back into the community, drawing on and building local knowledge and skills, having a positive environmental impact, improving health and well-being, maintaining neighbourhood stability and community cohesion, fostering human dignity, and building interdepartmental and intergovernmental collaboration (Department of Finance — Manitoba 2006, F2). This brought the government's philosophy on CED into line with the dominant view in the community, since almost all CED organizations in Winnipeg had previously adopted these principles (MacKinnon 2006, 28).

The CED Lens is designed to assist the civil service to understand and implement the government's CED strategy and does so by asking a series of questions based on the ten principles. The idea is that this should help departments to adjust their programs for consistency with the Framework (Kostyra 2006, 22). An interdepartmental CED Working Group, chaired by the secretariat of the Community and Economic Development Committee of Cabinet (CEDC), is charged with facilitating implementation of the CED Policy Framework in government (*ibid*, 23).

The provincial government's main instrument in terms of capacity building is the provision of funding. The principal sources of incremental funding since 1999 have been the Neighbourhoods Alive! program and, more recently, the tripartite Winnipeg Partnership Agreement (WPA). The former has put more than \$30 million into over four hundred projects covering various aspects of CED. These include supporting the core funding of CDCs (Community Development Corporations — up to \$75,000 a year), neighbourhood renewal, culture, youth recreation, safety, and training. The provision of core funding has been crucial for the activities of organizations such as the North End Renewal Corporation and Le Conseil de développement économique des municipalités bilingues du Manitoba, which is responsible for promoting CED in Francophone and bilingual municipalities. About \$10

million has also been put into the building or repairing of housing through \$10,000 grants. The WPA is a \$75 million five-year agreement with four components, two of which (the Aboriginal Participation and the Social Economy and Community Development) are most relevant to CED. Funding for these is about \$25 million in total. Each has a community committee to advise on the allocation of funds (WPA 2007).

Other sources of funding available from the Manitoba government include the Communities Economic Development Fund (CEDF), a loan agency for northern businesses that has about \$20 million outstanding and loans out about \$5 million p.a., most of it to small entrepreneurs but some to community development corporations and community owned enterprises (perhaps as much as \$1.25 million in 2005–06) (CEDF 2006, 10). As well, the Rural Economic Development Initiative program supports mainly rural but also northern business development through technical assistance and loan guarantees. Technically, these opportunities are available for social economy/CED entities, but most of the assistance goes to mainstream private business. In 2005–06, the Department of Agriculture gave matching operating grants to seven rural CDCs for a total of \$0.54 million (Manitoba Agriculture, Food and Rural Initiatives 2006, 4B). The Community Works Loan program, administered through the Department of Agriculture, gives rural CDCs matched, revolving, loan funding for job creation by local businesses, including co-ops. (Manitoba Agriculture, Food and Rural Initiatives 2007). Financial support of SEED Winnipeg, a CED organization providing technical and capacity building support to social enterprises, as well as financial and other supports to co-ops, are also considered part of the government's social enterprise development.

In 2004, the Manitoba government introduced the Community Enterprise Development Tax Credit, along the lines of the Nova Scotia model. This gives Manitobans a tax credit for investing equity capital in community based enterprises. It replaces the Grow Bond approach of the Filmon government, under which communities issued bonds for local development, the principal being guaranteed by the province (Manitoba Agriculture, Food and Rural Initiatives 2006, 4H). The Government of Manitoba has also introduced new infrastructure programs that it feels are important compliments to, if not prerequisites for, CED. Community Places, Hometown Manitoba, the WPA, and the \$120 million Municipal Rural Infrastructure Fund are some of the initiatives in this area.

While the provision of funding is the principal means of encouraging enterprise development, the government has also committed itself to progressive procurement. As part of the Manitoba Government's CED strategy, the government introduced the Aboriginal Procurement Initiative, which aims to increase procurement from Aboriginal owned business. The policy directs all government departments to "endeavour to increase the participation of Aboriginal businesses in providing goods and services to the Manitoba Government" and to develop annual objectives and action plans (Manitoba Transportation 2007). The policy includes four mechanisms to help facilitate the implementation of this policy. The first is Aboriginal Business Sourcing, which is a process by which Aboriginal businesses register with the government and are contacted when bidding opportunities arise. The second is Aboriginal Business Content in government contracts, where a specific percentage of a contract open for bidding must be fulfilled by or subcontracted to Aboriginal Businesses. The third is a Set Aside, where a procurement contract is initially only open to bidding from Aboriginal businesses. If the bidding process is competitive and the quality of the goods/service is assured, the contract goes to the successful Aboriginal Business. If not, the contract is opened to any bidder. The final mechanism is Scoping, whereby contracts are broken down to make them more attainable by Aboriginal businesses. Set Asides and Scoping by the Manitoba Government's Procurement Branch are still in the developmental phase, but were used on the Red River Floodway expansion project.

The Aboriginal Procurement Initiative builds on a "Green" procurement initiative introduced in 2000 as mandated by the Sustainable Development Act (explored further below) to encourage the production and use of environmentally friendly products (Manitoba Transportation and Government Services 2007b). More recently the Manitoba government, together with the federal government and a number of community partners, helped establish the Social Purchasing Portal (SPP). The SPP was developed by SEED Winnipeg and the North End Community Renewal Corporation and is "a web-based information resource to promote and expand sales opportunities for social enterprises" (Department of Finance — Manitoba 2006, F9), "which in turn creates employment opportunities for individuals or groups who face multiple barriers to employment" (SEED 2007).

On the education, training, and capacity building side, two initiatives have been tar-

geted explicitly at furthering CED initiatives. The government has provided financial support to the Community Economic Development Technical Assistance Services, run out of SEED Winnipeg, which matches technical assistance needs for CED initiatives with qualified volunteer specialists. The province has also been a major funder of the Community Development/Community Economic Development Training Intermediary, run by CEDA (Community Education Development Association) in conjunction with Red River Community College and other community partners (Department of Finance — Manitoba 2006, F8).

In its sectoral support programs, there are some important innovations for CED. In what it calls “clean energy opportunities,” there has been a major departure from past practice in that the government has offered First Nation communities ownership opportunities in hydro dams. Though not without controversy, this is the first time that community ownership in dams built by Manitoba Hydro, a crown corporation, has been allowed. An agreement with Hydro provides the Nisichawayasihk Cree Nation (NCN) of Nelson House with a 33 percent, \$84 million equity share in the \$1 billion Wuskwatim dam. According to the president and CEO of Manitoba Hydro, Bob Brennan, “The expectation is that NCN will benefit from training, jobs, business opportunities and project financial returns” (Nisichawayasihk Cree Nation 2006). It remains to be seen how the community will raise the funds, leaving some to argue that a more direct, risk free, contribution by Hydro might have been preferable (Kulchyski 2005). Nonetheless, the contrast between this approach to northern community development and Hydro’s past destructive relations with northern Aboriginal communities is most striking.

Community development opportunities are also on offer from the government in the development of both ethanol and wind power, and support has been given both in the North and in Winnipeg to community organizations retrofitting houses for insulation and energy efficiency generally. As well, the government is working closely with the Aboriginal community to promote eco-tourism and culturally based tourism opportunities, community forestry operations, and forestry value added and diversification initiatives. It is also funding a number of community groups to foster the promotion of cultural and related activities to promote CED (Department of Finance — Manitoba 2006, F11–12).

Government policy recognizes the importance of quality affordable housing in CED.

The government promotes housing co-ops and funds a number of CED involvements in this sector through the Neighbourhoods Alive! Program. An important beneficiary of this funding is the North End Housing Project, a nonprofit organization that buys and rehabilitates houses (Deane 2006), in the process giving contract opportunities to other CED organizations such as Ogijjita Pimatiswin Kinamatwin and Inner City Renovations, which provide jobs and training opportunities for people with barriers to employment.

Finally, the government sees important CED implications in its Lighthouse Program, after-school programs for youth that have an underlying crime prevention rationale, its Healthy Child Program, its Northern Healthy Foods Initiative, and its support for Child Care (Department of Finance — Manitoba 2006b, F11–12).

The main policy instruments in place in Manitoba — the Lens, the Community and Economic Development Committee of Cabinet, and the Policy Framework — are comprehensive and potentially powerful tools for improving the CED credentials and sensibilities of Manitoba's policies. Many CED practitioners in other provinces look to Manitoba as a leader in the development of CED policy and model the shape of their policy documents and goals on the example set here. However, their effectiveness depends on the manner and extent to which they are applied in the evaluation and creation of policy on a day-to-day basis.

In her article “The Social Economy in Manitoba: Designing Public Policy for Social Inclusion,” published in *Horizons*, 8 no. 2 (February 2006), Shauna MacKinnon, former government staff member affiliated with the Community and Economic Development Committee of Cabinet, has the following analysis of the policy situation in Manitoba.

Theoretically, driving CED policy from a central department makes good sense. However, the limitation of this model is that CED becomes the interest of everyone, but the responsibility of no one. There is no single champion for CED and no real budget. Absence of an identified leader and minimal resources to move the initiative forward is a critical flaw in the Manitoba model. As a result, few departments have stepped up to the plate in a significant way and CED has not been as high on the list of government priorities as the CED community would like. There remains limited awareness of the CED Lens across government and those who know of it and are supportive often

have little power to do what is necessary to reshape policy and programs in line with the lens. Perhaps the biggest limitation to implementation of the CED Lens is that line departments are not held accountable for their contributions to CED. Use of the CED framework and lens is largely left to the discretion of line departments. And while some departments have been more diligent about finding ways to integrate CED principles into their programs, other key departments have not. There continues to be a great deal of room for CED-sensitive policy and program development.

MacKinnon points to industrial development, infrastructure development, education, health and child-care services, environmental programming, and procurement as areas that have room for great improvement in implementing a CED approach.

Manitoba has made significant gains in creating an environment friendly to CED enterprises and approaches. It is clear, however, that there is room for improvement.

SECTION 4 SHORT-TERM POLICY PRIORITIES IDENTIFIED BY THE CED SECTOR

THIS SECTION WILL DESCRIBE the process and results of research into the policy priorities of the Manitoba CED sector. Researchers used an extensive literature review,¹ including many other policy position papers and research documents on policy impacting communities and CED, as well as surveys and a series of in-person consultations facilitated by the Manitoba CED Network, to compile the priorities of the Manitoba CED community into a CED Policy Agenda in the fall of 2007:

1. Create a Social Enterprise Patient Capital Fund
2. Reform the Community Enterprise Development Tax Credit
3. Strengthen CED Procurement Policies
 - i. Change the points system
 - ii. Incorporate training and development through government projects
 - iii. Create an animating capacity to co-ordinate social enterprise inclusion in government projects

4. Provide More Resources for, and Use a CED Approach to, Social Housing
5. Increase the Use of Flexible, Multi-Year Core Funding Agreements for CED Organizations
6. Promote Local Food Systems
7. Scale Up the CED Model of Energy Retrofitting
8. Change Funding Criteria for Employment Development Organizations
9. Improve the Employment Insurance and Social Assistance Systems
10. Create a Workforce Intermediary and Improved Support for Employment Development
11. Increase Minimum Wage
12. Implement a CED Approach to Immigrant and Refugee Settlement
13. Ensure Implementation Strategy for the Manitoba CED Policy Framework
14. Establish a Sector Advisory Council
15. Legislate the CED Policy Framework

1. Create a Social Enterprise Patient Capital Fund

Recent research on social enterprises demonstrates that one of the most serious barriers to sustainability is access to long-term patient capital at an appropriate price. Mainstream financial institutions are unfamiliar with the legal structure of these organizations (nonprofit enterprises and co-operatives) and misperceive the risks associated with lending to the sector. These and other challenges can be overcome by a specialized, long-term patient capital fund with expertise in financing nonprofit and co-operative enterprises. The key goal of the fund would be to grow the sector and spread the social enterprise model to more and more communities in order to create fairer and stronger local economies and reduce disadvantage and poverty. These types of funds have already been, or are being, developed in Quebec, Toronto, BC, and Edmonton (see Examples of Social Enterprise Trusts, p. 15). A fundamental responsibility of the fund, in addition to overseeing lending, would be to provide a support and accountability infrastructure. This would include support for the learning, business development, after-loan care, and communications. This set-up has proven successful in other regions in scaling up and growing social enterprises and securing sustainable start-ups with very low loan loss rates.

Examples of Social Enterprise Trusts

Chantier de l'Économie Social Trust

The trust offers “patient” capital in two forms: patient capital for operations to finance costs related to the working capital, market launching of new products, and equipment purchase; and patient capital for real estate to finance costs that are directly linked to the acquisition, construction, or renovation of real estate assets. The trust’s initial supply of capital came from Economic Development Canada as well as a number of other investors.

Toronto Enterprise Fund

The Toronto Enterprise Fund provides grants and technical assistance in support of social purpose enterprises working with homeless and low-income people. Social purpose enterprises create both community connections and real economic opportunities for homeless and at-risk populations by developing businesses that balance both revenue generation and a social mission — the “double-bottom line.”²

City of Edmonton Social Enterprise Fund

The Social Enterprise Fund (SEF) is a sustainable \$10.5 million endowment that will provide financing and technical assistance to social enterprises and affordable housing projects. The fund enables the community to develop small businesses that have a significant social impact, create housing developments for low-income people, and employ otherwise unemployed or underemployed individuals. The SEF offers loans, grants, investments, and other forms of financing and is administered by the Edmonton Community Foundation.³

BC Social Enterprise Fund

The BC Social Enterprise Fund was created in 2005 by BC Technology Social Venture Partners, in partnership with Vancity Credit Union and the Vancouver Foundation. The fund provides second-stage capital grants to social enterprises — nonprofits engaged in revenue — to generate activities that support their social mission.⁴

Nova Scotia Community Economic Development Investment Funds

In 1993, the province established the Nova Scotia Equity Tax Credit to encourage local residents to invest in small businesses in Nova Scotia. As an incentive, the province offered a personal tax credit of 30 percent to encourage investors to participate. The Equity Tax Credit allows equity investment in corporations, co-operatives, and community economic development initiatives. In the case of corporations, eligible investments must be newly issued common voting shares without par value. The success of the Equity Tax Credit led the province to develop an enhancement to the program, Community Economic Development Investment Funds (CEDIFs). In addition to the 30 percent tax credit available under the Equity Tax Credit, investments in CEDIF corporations and co-operatives are partially guaranteed by the Province of Nova Scotia (20 percent); are pre-approved holdings for a self-directed RRSP; can attract investment through community solicitation; and can assist or develop local businesses within the community.

2. Reform the Community Enterprise Development Tax Credit

The Manitoba Community Enterprise Tax Credit, while a welcome policy, has failed to mobilize investment in urban areas. Research needs to be done as to how to best reformulate or promote the tax credit to attract investment in social enterprise.

3. Strengthen CED Procurement Policies

i. Change the points system: Procurement by the Manitoba government is designed to comply with a variety of directives. The Sustainability Act directs the government and quasi-government institutions to take social and environmental consequences into account in the procurement processes, and the government has policies in place to promote procurement from Aboriginal-owned businesses. The government also has a CED Policy Framework that has implications for procurement. However, there is no system in place to actually recognize the added social and local economic value of CED procurement and to ensure that it is given additional standing when evaluating procurement recipients. The CED Lens policy should be explicitly incorporated into the procurement guidelines of the Government of Manitoba. Specifically, a procurement points system that gives additional points to bidders that are (or subcontract to) local business, co-operatives, and social enterprises should be implemented.

ii. Incorporate training and development through government projects: Government projects are significant generators of economic activity; how the government executes these projects will determine whether the externalities for local communities will be positive, negative, or nonexistent. Through targeted training initiatives, local hiring practices, and procurement from social enterprises, the provincial government can help populations with barriers to employment and support sustainable models of economic development. By investing in training marginalized individuals and using government works to give those individuals hands-on experience, the government helps develop Manitoba's workforce and reduce poverty. The government should formally incorporate such an approach into its projects currently at the planning stage. The Hydro Northern Training initiative is an example that fits the proposed model. An upcoming development that would be ideal for this approach is the announced spending on new

social housing, managed by the Department of Family Services and Housing in conjunction with the Department of Competitiveness, Training and Trade.

iii. Create an animating capacity to co-ordinate social enterprise inclusion in government projects: The model outlined above adds an additional layer of complexity to government projects. Although government works often fall under the jurisdiction of more than one department, adding a targeted training component would make it necessary to include Competitiveness, Training and Trade and an additional department to mobilize the targeted individuals, such as Family Services and Housing, Aboriginal and Northern Affairs, or Justice. While it is possible to match training recruitment to jurisdictions of government departments already involved in the specific project, a more centralized process would likely be more efficient over time. The researchers propose that the role of analysing government projects and research possibilities for training and employment initiatives be assigned either to an existing permanent entity or a new body established for the purpose.

4. Provide More Resources for, and Use a CED Approach to, Social Housing

Increased resources need to be allocated to social housing. Although the Canadian Housing and Renewal Association suggests that Manitoba needs a thousand new social housing units annually, it is proposed that given the lack of federal interest, the provincial government should still be able to develop three hundred subsidized units per year — province wide — for five years. According to provincial estimates, this would cost \$37.5–\$60 million in capital costs per year and \$1.45–\$2.16 million in additional subsidies annually, which is less than 1 percent of projected provincial expenditures for the next budget year. The existing social housing supply is also in critical need of maintenance and improvement (Right to Housing Coalition 2007). Resources should also be invested in assuring that Manitoba’s social housing is delivered in a manner consistent with the provincial CED Policy Framework and Lens. A CED approach to social housing could include the hiring of social enterprises to build and maintain public housing as well as the promotion of resident ownership through asset building homeownership and accessible co-operative models.

5. Increase the Use of Flexible, Multi-Year Core Funding Agreements for CED Organizations

The ability of CED organizations to continue their valuable work is compromised by a lack of long-term, core funding agreements. Core work and long-term visioning are seriously impeded by the need to constantly chase short-term project funding to cover administrative and core staff costs. The Manitoba government should therefore make long-term core funding available for more CED organizations. This would go a long way to promote CED sector development in Manitoba, as well as actually realizing the sustainable community change and poverty reduction that require long-term, sustained efforts.

6. Promote Local Food Systems

Manitobans are demanding more sustainable food and agriculture systems and local farmers are trying to respond. Manitoba's Agricultural Policy Framework has identified local production and consumption, as well as value-added programming and value chain development as priorities (Manitoba Agriculture, Food and Rural Initiatives 2007). These policy objectives should be acted upon and the government should take timely action to create a sustainable community economic development framework to achieve the outcomes of enhanced food security, reduced climate change, and rural revitalization.

7. Scale Up the CED Model of Energy Retrofitting

The Government of Manitoba is a national leader in the development of low carbon emission energy sources, and Manitoba Hydro has been a leader at promoting energy conservation through its educational programs and grants. Energy retrofitting using a CED approach can play a significant role in helping Manitoba meet its commitment to the Kyoto Protocol, providing training and job opportunities for those with barriers to employment, and improving housing stocks. The Government of Manitoba should extend and increase funding to the inner-city energy retrofitting program piloted in the Centennial neighbourhood so that the program can be expanded to other neighbourhoods.

8. Change Funding Criteria for Employment Development Organizations

Currently, funding criteria for employment development organizations generally limit the organizations' ability to engage in the type of holistic development that marginalized unemployed individuals require to enter and remain in the labour force. Research indicates that the most effective long-term models for keeping individuals in the workforce offer the complete range of training and supports, including life skills, hard skills, placement, aftercare, child care, transportation, etc. If provincial funding criteria were adjusted to better support this best practice, employment development efforts would be more effective.

9. Improve the Employment Insurance and Social Assistance Systems

Due to scaling back of coverage and restrictive qualification criteria, many Manitobans fall through the gaps of the social safety nets, leaving the burden to fall on struggling families and already overloaded community-based organizations. To alleviate this pressure and to help assure that Manitobans are meeting their basic needs, the Social Assistance and Employment Insurance systems need to be improved and modernized to see that rates are sufficient to meet basic needs. Criteria also need to be revised to assure that people in genuine need are not excluded due to outdated criteria or technicalities (such as self-employed and nonstandard workers). Employment Insurance should also be reformed so that it is easier to undertake training without losing benefits.

10. Create a Workforce Intermediary and Improved Support for Employment Development

In their 2005 report, Lowen et al. reviewed the need for employment development in Winnipeg and came to the following conclusions. First, the most successful employment development organizations offer “a comprehensive package of supports to help workers overcome their barriers to employment, and a comprehensive training program teaching basic education, soft skills, and technical or ‘hard skills’” (6). They also offer follow-up employment supports to help new workers deal with the change and stay employed. They argue that a workforce intermediary is the best means to bring this about: “Workforce intermediaries bring together around a single table otherwise diverse and separated elements of the

community, in pursuit of a common objective — moving significant numbers of low-income people from disadvantaged communities into good jobs” (6). For a workforce intermediary to be successful, they suggest, it must be a formalized institution that is largely employer-driven. Private-sector employers must be actively involved, as well as governments, unions, community-based organizations, and educational institutions, with each making specific commitments to the project. Steps should be taken immediately to create a workforce intermediary for advanced manufacturing industries in Winnipeg in order to build upon the considerable strengths of Winnipeg’s largely community-based employment development environment.

11. Increase Minimum Wage

The current minimum wage does not provide an adequate standard of living to bring families out of poverty. The low minimum wage makes it even more difficult for social enterprises and businesses who are trying to pay a fair wage to their employees to compete with cost-minimizing businesses paying the minimum wage. To create a more level playing field and to assure that all those who work full time have the resources to pull themselves out of poverty, the minimum wage should be increased.

12. Implement a CED Approach to Immigrant and Refugee Settlement

Officials should implement a CED approach to immigrant and refugee settlement to improve newcomer economic outcomes and social inclusion as well as to break down the accreditation barriers. This approach would include integrating services such as language training, housing, income support, and employment training, while at the same time recognizing the different needs of immigrants and refugees. Social enterprises can also provide unique collective and nurturing working environments that can be an important tool in this strategy.

13. Ensure Implementation Strategy for the Manitoba CED Policy Framework

The Manitoba government has been a leader in the design of policy to support the CED sector. The CED Policy Framework is a comprehensive set of policies that outlines the concept

of CED and its benefits, and lays out a series of CED principles in the form of a lens through which government activity should be examined and, if necessary, adjusted, so as to be in compliance with the principles. While some government departments have been effective in implementing the CED Lens, others have not. The Manitoba government should execute a strategy to further the awareness and implementation of the CED Lens not just in Winnipeg but across the province. The researchers propose a co-ordinated internal campaign to educate all levels of the civil service on the principles and practices laid out in the CED Lens and broader framework. This could include presentations from sector leaders and from civil servants and political staff on the best practices inside and outside of the government. This would also be an opportunity to seek input from the civil service on how the CED Lens can be best implemented in their departments.

14. Establish a Sector Advisory Council

A sector advisory council would be a useful mechanism to give CED a stronger presence within government. The council would be an arms-length advisory body to government that would facilitate communication between the government and the CED sector and also give the sector a formal channel through which to communicate ideas. For the council to be effective, it will be important to establish its right to be consulted on government economic development projects in the province. This council could also be responsible for helping to co-ordinate the CED initiatives of the three levels of government.

15. Legislate the CED Policy Framework

Manitoba's CED Lens policy should be incorporated into legislation. One option is to incorporate it into the Sustainability Act (MacKinnon 2006), which prominently features social and economic well-being. The act has been referenced by government in multiple cases to justify initiatives outside the realm of what is traditionally considered "sustainable development." For example, part of the rationale for the Responsible Manufacturing Policy put forward in the government's Corporate Procurement Policy Manual is to support the principles laid out in the Sustainable Development Act. The policy manual references the section of

the act on global responsibility, quoting the following statement: “Manitobans should think globally when acting locally, recognising that there is economic, ecological and social interdependence among provinces and nations...” (1). The manual also references Manitoba’s Provincial Sustainable Development Code of Practice (2001), quoting the section stipulating that “Government’s decisions and activities strive toward ‘ensuring that our local decision-making is consistent with our global environmental, economic and social responsibilities’” (Manitoba Transportation and Government Services 2007b, 1). Aboriginal Procurement has also been seen as contributing to fulfilling the directives of the Sustainability Act. The province’s Sustainable Development Procurement Guidelines note that “purchasing decisions should consider the unique aspirations and needs of the people of the various regions of the province including Manitoba’s Aboriginal Peoples” (Manitoba Transportation and Government Services 2007a). Having the CED Policy Framework embedded in legislation would also help to leverage other such policies and programs as the Sustainable Development Act has done.

SECTION 5 ADVANCING CED POLICY IN MANITOBA

THIS CHAPTER outlines various strategies and paths to advancing CED policy in Manitoba, specific to the provincial level. The first section examines the hierarchy in the Manitoba government regarding the decision-making power over policy. The second section looks at different levels of policy and their relative merits as targets for implementing CED policy. The third section describes three cases of the successful policy advancement of progressive issues in Manitoba. And the final section uses the information in previous sections to build a set of alternative strategies for CED policy advancement in Manitoba. While this paper focuses on the Manitoba context, general lessons regarding the structure of government and the importance of strategic action should also be useful to the national CED movement.

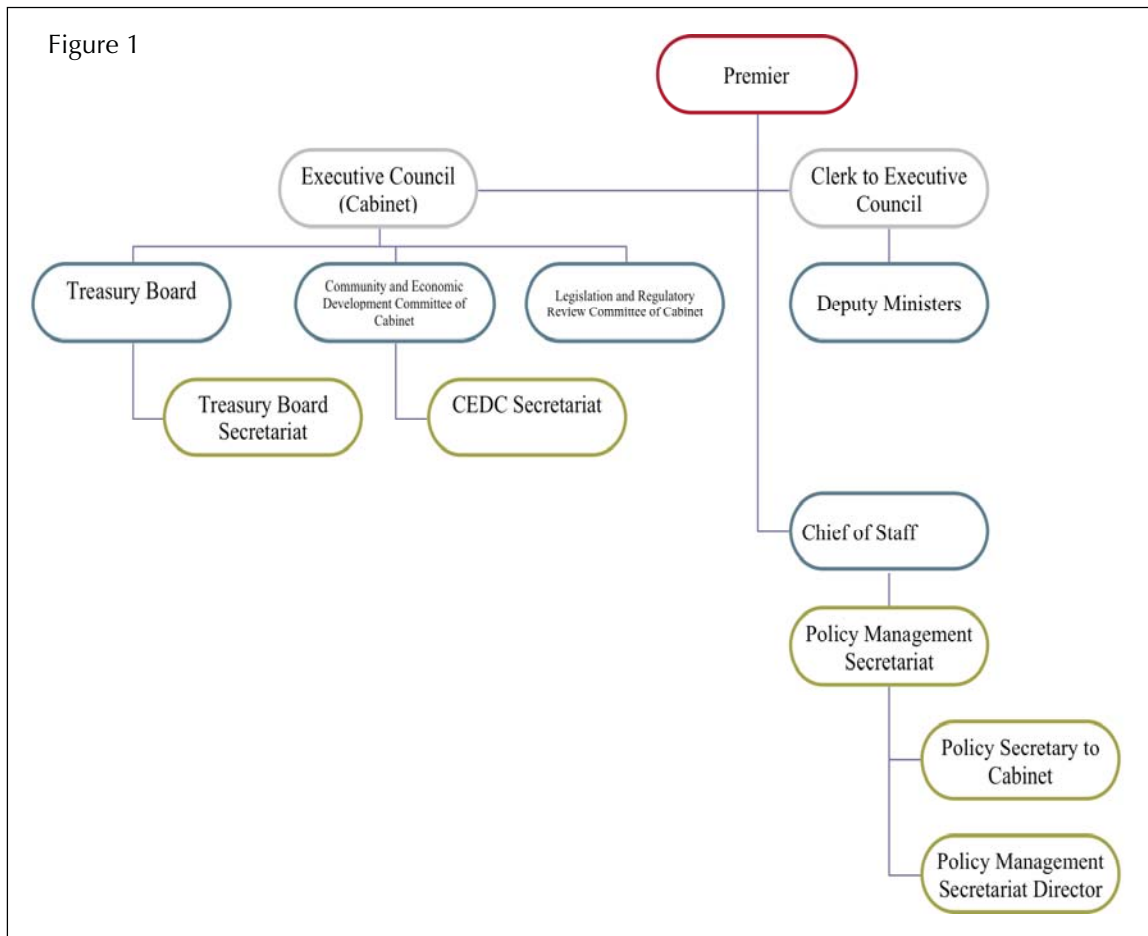
The Hierarchy of the Manitoba Provincial Government

This section attempts to outline the decision-making hierarchy of the Manitoba government for the purpose of understanding who is ultimately responsible for making government policy that affects the CED sector in the province. Understanding the structure of decision making should help the sector to be more effective in its lobbying efforts to advance a public policy agenda that will benefit the CED community in Manitoba.

In practice,⁵ the highest level of authority in government is the Executive Council of the Legislature, also known as the “provincial Cabinet” or just “the Cabinet.” This body is composed of the premier and all provincial government ministers, who are effectively appointed by the premier. This is the body that is responsible for the administration of the government and establishing government policy. Although the Cabinet is responsible to the Legislature, in a majority government where party loyalty is strong enough to consistently assure a majority of votes, members of the House who are not part of the Cabinet have little recourse if opposed to the will of the Cabinet. While it is the Executive Council as a whole that is considered the highest level of authority in government, it is the premier who is effectively the highest level of authority. This authority stems from several powers, such as the ability to appoint and relieve Cabinet members of their positions and appointment members to the committees of cabinet.

The premier and the Cabinet have the authority to assign various other bodies to research and propose policy and do so through the formation of various subcommittees and secretariats. These bodies form the partisan policy-making apparatus of the current Manitoba NDP government. Figure 1 (next page) is a selective organizational chart of these bodies.⁶ As noted above, the highest level of authority is the premier. The two highest ranking nonministerial staff are the clerk of the Executive Council and the premier’s chief of staff, each representing a different group of senior government employees. Senior government employees either belong to the civil service or are appointed by Cabinet. Those who are appointed by Cabinet are considered to be “political” in the sense that they are chosen by the current government and are therefore partisan appointments. The clerk to the Executive Council is the highest ranking civil servant and is also the premier’s liaison to the deputy ministers and the rest of the civil service. The premier’s chief of staff is the highest ranking of the political staff.

The primary role of the partisan political staff is to see that the mandate of the governing party, as put forward by the premier and the Cabinet, is implemented. They also manage the political (as opposed to administrative) affairs of government. The civil service is responsible for the administrative affairs of government and for implementing policies “on the ground” in addition to directions of the Cabinet and its partisan political staff.



The two key political policy formulating bodies in the current government are the Community and Economic Development Committee of Cabinet (CEDC), with its accompanying secretariat, and the premier's Policy Management Secretariat. CEDC is responsible for formulating and overseeing the community and economic development policy and activity of the provincial government. It acts as a co-ordinating body with decision-making power to facilitate community and economic development, which runs through many policy areas and the jurisdiction of most government departments. The policy areas overseen by CEDC

include “rural and agricultural issues, northern development, industry, Aboriginal and ethno-cultural issues, cultural policy, information technology and research, training and retraining, urban issues, poverty, and social justice” (Government of Manitoba 2007a).

The Policy Management Secretariat provides an analysis of policy issues for the premier and Cabinet ministers to assist them in various forums such as the Legislature and other government bodies. The secretariat is divided into two sections, one overseen by the policy secretary to Cabinet and the other by the director of the Policy Management Secretariat. The former is generally responsible for managing long-term policy planning, the latter, for short-term policy issues (Hansard 2006).

Although it is Cabinet that approves changes in government policy, it is likely that any significant change in policy to support CED and the social economy will require the support of both CEDC and the Policy Management Secretariat. And any change in policy that has significant financial implications for the government will also require approval of Treasury Board, the Cabinet committee responsible for overseeing the finances of the provincial government.

While the above partisan bodies set the policy direction for the government, civil servants in government departments also play a role in formulating government policy. Each department is overseen by a Cabinet minister, who is the highest level of authority. The levels of hierarchy within a department from highest to lowest ranking is generally as follows: minister, deputy minister, assistant deputy minister, then director or senior manager.⁷ While there is a significant distinction between partisan government staff and civil servants, many government committees and working groups, such as Treasury Board, have members from both groups of employees.

Levels of Policy in the Manitoba Government

Acts and Bills

This section briefly outlines the levels of hierarchy in provincial government policy in the Manitoba government and describes the differences among acts, regulations, and policies. Understanding the distinction among these is important as each has different levels of

longevity and enforceability, as well as different processes involved in their formulation and implementation.

The highest level of policy is an act (also known as a statute), which is a policy that has been enshrined in legislation and become law. When an act is being formulated and has not yet become law, it is called a bill.

The first step in the creation of a bill is policy development and approval. At this stage, officials identify the problem the government is trying to solve and make the decision that legislation is needed to effectively resolve the issue. The policy idea can come from officials within a department or upper-level politicians or civil servants, but in either case, the policy is generally run through the department under whose jurisdiction it falls. The policy staff within the department, in consultation with the Legislative Council Office, are responsible for researching the type of legislative proposal required, its probable impact, and level of public support for the initiative (Manitoba Civil Service Commission 2007). Once this process is complete, the department's minister submits a formal legislative proposal to Cabinet. The proposals are reviewed by the Legislative and Regulatory Review Committee of Cabinet for approval. Once approved, the government caucus is briefed on the legislative proposal by the Minister responsible for the legislation (Privy Council Office 2007).

The second step is the enactment of the legislation. The first reading is when the bill is first introduced in the Legislature. At this stage, there is no debate on the bill; members of the Legislature simply agree to consider it. The second reading is a debate regarding the general principles rather than specific details of the bill. After it passes second reading, it moves on to the committee stage, during which a committee consisting of members from each political party of the Legislature holds public hearings where they accept oral and written presentations regarding the bill. After the presentations have been considered, the committee may amend the bill. It then enters the report stage, during which it is presented to the Legislature for debate and amendment. The third reading is the final stage. Here the bill can be debated, amendments may be proposed, and the bill may be referred back to committee. A bill becomes law when it passes third reading and is given royal assent by the lieutenant governor. A bill will specify whether it comes into force immediately or at some point in the future (Legislative Assembly of Manitoba 2007).

When a bill comes into force, it is then considered an act and is part of the law of Manitoba. Governments must respect the law. If they do not, they can be brought to trial and, if deemed to be in violation of the law, may be forced to alter their actions or policy to comply with the law. In this sense, an act is the highest level of policy since the government does not have any legal discretion as to whether it follows the policy or not — it must interpret the act as per legal precedent.

Regulations

Regulations are the next level of policy. Government derives the right to create regulations from acts that are in existence. This set-up gives the government a degree of flexibility in interpreting how the act is applied in particular and specific circumstances.

A regulation is any regulation, rule, order, or by-law made by the government that is of “a legislative nature and is made or approved in the execution of a power conferred by or under an Act of the Legislature” (Government of Manitoba 2007e). As opposed to a bill, which must go through the Legislative Assembly, a regulation must simply be registered with the registrar of regulations to come into force. Regulations that have been registered are periodically brought en masse before the Legislative Assembly for approval.

Government Policy

While the government must follow existing laws, acts, and regulations, governments often have an additional level of obligatory guidance in the form of policy frameworks that formally direct government decision making. Unlike acts and regulations, there is not a legal obligation for governments to follow these policies. An example of such policy would be the Manitoba CED Policy Framework. Policies may eventually take the form of a bill in the Legislature, as did the Government Purchases Amendment Act (see below).

Examples and Critique of Legislative Policy Successes

Below are two examples of existing policy initiatives that have resulted from the desire to facilitate progressive change through the Manitoba government.

Sustainable Development Act and Green Procurement

Passed by the Manitoba government in 1997, the Sustainable Development Act mandates the Cabinet to “establish a provincial sustainable development code of practice to assist in the integration of sustainable development into the decisions, actions and operations of provincial public sector organizations” (Government of Manitoba 2007f). It also “requires each department to integrate into its annual reporting process and requirements, information respecting its progress made in incorporating sustainable development into its activities” (ibid.). Specifically with respect to procurement, Cabinet was also directed to establish and integrate the principles of sustainable development into the procurement practices, regulations, and manuals of the government as well as to set procurement goals and to see that organizational actions were taken to meet those goals.

The act defines sustainable development through a set of principles upon which the above actions were to proceed. As would be expected, the principles acknowledge the need for the Manitoba government to take a leading role in protecting the environment. The principles include the integration of environmental and economic decisions, environmental stewardship, prevention, rehabilitation and reclamation, global environmental responsibility, and the acknowledgement of the collective responsibility of Manitobans to protect the environment. However, the act goes well beyond environmental issues, giving extensive recognition to the interrelatedness of environmental, social, and economic health and well-being and the need to take these into account when making decisions. The principles also acknowledge “differing economic and social views, values, traditions and aspirations” and the need to “consider the aspirations, needs and views of the people of the various geographical regions and ethnic groups in Manitoba, including aboriginal peoples, to facilitate equitable management of Manitoba’s common resources.” The final section of the act states:

Manitobans should think globally when acting locally, recognizing that there is economic, ecological and social interdependence among provinces and nations, and working co-operatively, within Canada and internationally, to integrate economic, environmental, human health and social factors in decision-making while developing comprehensive and equitable solutions to problems.

One result of the act and its interpretation of sustainable development has been the province's Sustainable Development Procurement Guidelines (2000), a policy document produced to implement the procurement-related aspects of the act. It stipulates that the following principles must be considered when the government is procuring goods and services: protecting human health and well-being; promoting environmentally sustainable economic development; conserving resources; conserving energy; promoting pollution prevention; waste reduction and diversion; and evaluating value, performance, and need with a view of reducing consumption and using full cost accounting. The policy notes that the cost of environmentally preferred products and services will often be higher than the alternatives, but adds that "any potential increase will in all likelihood be offset by related benefits associated with conservation, life cycle cost analysis, full cost accounting and other changes in purchasing behaviour." While the policy is progressive, there is no publicly available evidence to indicate that any changes in government procurement practices have actually occurred.

The act also contains two additional notable provisions: the Sustainable Development Round Table and the Sustainable Development Innovations Fund. The former provision established a group of government appointed representatives, including elected officials, civil servants, and community representatives, to advise the government and to devise indicators to measure progress on the guidelines established in the act. The latter was created to fund innovative projects researching and demonstrating sustainable development practices.

The act has been a success in two senses: it is a formal acknowledgement in law of the importance of environmental and ecological issues and it established some concrete measures such as the Sustainable Development Round Table and the Sustainable Development Innovations Fund. The act has also been used by environmental lobby groups to pressure the government and crown corporations to incorporate sustainability measures into their policies and programs. But it is also in a sense ineffective; although indicators have been established to measure the sustainability of Manitoba's economy and communities, the act is still simply a vague statement of principles without targets, making it effectively unenforceable. The implementation of the principles in practice is therefore based on the political will of the current government and the obligation it feels to appear to be abiding by the principles of the act.⁸

No Sweat Policy and Legislation

The Manitoba government reintroduced the Government Purchases Amendment Act (Responsible Manufacturing) for first reading in October 2007, based on a “No Sweat” policy (see Lobbying Best Practice: The No Sweat Manitoba Campaign, facing page) that was originally introduced by the government in November 2006.⁹ At the time of writing this report, the bill was still in its first reading and relegated much of the substance of the policy to the regulations authorized to be enacted under the authority of the act. It is likely that the regulations will be similar to the ones developed in response to the No Sweat policy implemented in November 2006.

The existing policy stipulates that a series of guidelines be followed for all government purchases of clothing, which amount to approximately \$1.3 million per year. The legislation is to specify that all clothing purchased by the Government of Manitoba must be “manufactured in compliance with local laws and minimum labour standards including no forced labour, no child labour, freedom of association, health and safety, no employment discrimination, and employment standards such as wages, compensation, and hours of work” (Government of Manitoba News Release 2007). To assure compliance, the policy requires the public disclosure of vendors and subcontractors and that all vendors undergo certification to assure that the standards are being met.

The policy, as outlined in the government’s Corporate Procurement Policy Manual, has several restrictions that limit the scope of when the ethical procurement practices are to be applied. For a purchase to be considered for the policy, the total cost of the purchase must be greater than \$5,000. The policy also does not apply if the required good is only procurable from one vendor, if competition for the contract is “deemed to be insufficient prior to tendering (less than three bidders) and/or uncompetitive offers (cost of goods) exist.” The policy is also not applicable if the goods are (i) for an emergency situation; (ii) for “temporary use if unforeseen circumstances cause an approved good to be discontinued or unavailable for an extended period of time,” or (iii) are “only incidental to other purchases under the contract (10 percent or less of the total contract)” (2).

The proposed amended act itself states in the section on purchasing rules that “all purchases must be made in the most economical manner possible,” but the act also permits

Lobbying Best Practice: The No Sweat Manitoba Campaign¹⁰

The Manitoba No Sweat Policy was the result of more than six years of active lobbying and campaigning undertaken by a group that called itself No Sweat Manitoba. The group was a coalition of local community groups including faith-based, labour, women's, and social justice organizations. The group was convened to attempt to raise awareness of and ameliorate working conditions in the global garment industry. They decided to target the Manitoba government rather than other large institutions in the province and lobby them to adopt a No Sweat procurement policy. Although no other provinces at the time had such a policy, the group thought the Manitoba government presented a strategic opportunity to advance the policy due to the NDP being in power, whom they felt would be more sympathetic to their goals. In addition, Manitoba was a small province and it was relatively easy to make connections with provincial politicians and civil servants.

No Sweat Manitoba undertook a multipronged strategy that involved various lobbying and campaign tactics. First the group made strategic alliances with well-positioned individuals sympathetic to their cause, including the Manitoba Federation of Labour, the Canadian Labour Congress, civil servants in the government's procurement services branch, and NDP party members. They also made connections and received support from a national organization — the Maquila Solidarity Network — which was working on similar issues. The group lobbied on several fronts. On the partisan side, they met several times with the minister responsible for government procurement and had three separate resolutions passed at NDP conventions supporting a No Sweat Policy. On the civil service side, the group met with the assistant deputy minister and other relevant bureaucrats. They also ran a postcard campaign to raise public awareness and put pressure on the government, which resulted in more than ten thousand postcards being sent to the minister. The group's lobbying and campaign efforts were well researched, and members referenced existing government and NDP policy that supported their argument, such as the Sustainable Development Act and the No Sweat resolutions passed at NDP conventions.

The group remained consistent in its messaging, sticking to a set of three clear demands: (i) public disclosure of the names and locations of the factories where government-procured clothing originated; (ii) written confirmation that contractors and their subcontractors were abiding by local labour laws and the eight core labour standards of the International Labour Organization; and (iii) progressive discipline for companies found to be not in compliance. The group was eventually successful and the Manitoba government introduced a No Sweat policy that included the first two of the three listed demands.

public tenders to be awarded on a points system that includes criteria in addition to cost. It is not clear at this point how the trade-off between cost and ethical production requirements will be reconciled. Assuming that ethically produced clothing will generally be more expensive, how the acceptable trade-off is defined will significantly affect the degree to which the legislation results in real changes in purchasing patterns.

Strategies for CED Policy Advancement in Manitoba

The policy priorities for the CED sector in Manitoba are articulated in previous sections. This section outlines a strategy to try and get some or all of these policies implemented and a few techniques to facilitate the adoption and implementation of CED policy and practice in the Manitoba government.

The story of how No Sweat Manitoba advanced its policy goals outlines a best practice as to how community organizations can successfully advance policy. The group implemented a variety of effective techniques to advance their policy demands that are generally applicable to policy advancement by community groups in general and the CED sector specifically. A multipronged lobbying strategy is the first effective technique. As discussed above, policy comes from and is developed by many people in diverse positions. By getting many well-positioned people and organizations involved in its efforts, the CED sector is more likely to succeed in getting its policy demands implemented. This includes not only lobbying ministers, but also engaging other politicians, key civil servants, labour unions, political parties, and other organizations to attempt to recruit them as allies and earn their support.

The second technique is to make sure that lobbying material is well researched. Existing legislation, election commitments, and policies of governing political parties should be reviewed to see if there is any support for the policy being advanced. If similar policies exist in other jurisdictions, the details should be known and referenced. Anticipating the common arguments against policy and having prepared responses is crucial.

The third technique is to build public support and mount political pressure on the government. This can include a variety of techniques including coalition building with like-minded organizations, postcard and letter-writing campaigns directed at politicians, engag-

ing the media, writing letters to the editor, etc. For the CED sector in particular it will be important to build the sector's voice, strength, and presence through these types of activities. This was the manner in which Le Chantier de l'économie sociale in Quebec built its political clout and how it became a major player in the Quebec political scene.

SECTION 6 CONCLUSIONS AND LESSONS FOR THE NATIONAL CONTEXT

ADVANCING CED POLICY is a difficult task. Part of this difficulty lies in understanding the channels through which policy decisions are made and the distinctions among different levels of policy. Another challenge is devising a strategy for convincing those who have power to implement policy that supports CED to actually do so. Even if good policy is adopted, there remains the additional task of seeing that it is adequately implemented. This paper sheds some light on these difficult undertakings in the Manitoba context. However, it is important that the CED sector in Manitoba moves ahead in advancing CED policy in the province.

The provincial government has been an ally to the CED movement and has created and supported many strong pieces of CED infrastructure. However, this government will not be in power forever and it is important that the sector quickly capitalize on the opportunity that the current situation presents. Enshrining the Manitoba CED Policy Framework in legislation will make it more difficult for future governments to reverse the sector's gains. It will also take time for an understanding of, and commitment to, CED to permeate the internal culture of Manitoba's civil service. Even with an extensive educational campaign, this will require several years of a supportive government in power to become embedded. The current government has recently been re-elected with the largest majority in its history. If there ever was a time to move CED policy forward in Manitoba, it is now.

The advancement of CED policy is unique due to the fact that it crosses the jurisdiction of several government departments. The adoption of a meaningful CED policy would

require a substantial shift in the operations of government. Unfortunately, it is unlikely that even legislative success would be effective without further support mechanisms. The CED sector must continue to advocate not only for supportive policy but for complementary action to create bodies to implement and enforce these policies.

While this paper took the Manitoba context as a case study of how policy works and how to advance it, the lessons here may well be useful for promoting policy in different regions across Canada. The review of what policy actually consists of should also be helpful for understanding policy in any jurisdiction, and it is hoped that the review of policy proposals for Manitoba provides a useful set of examples for the type of policy objectives that could be pursued elsewhere.

One of the key lessons that must be kept in mind is that to advance policy objectives, the CED movement must be strategic and must be willing to apply political pressure when necessary to achieve its objectives. This includes the need to build relationships with powerful allies that are respected and/or well connected with the governing party. In addition, while direct outside political pressure may work in some cases, policy advancement is more likely to be successful when advocates apply both public political pressure and strategies for working with those inside government. Because many of those who have the power to influence policy within government are not elected officials, it is also important to have an understanding of how decisions are made and who the power brokers are within government.

It is hoped that this case study of advancing policy within the current Manitoba government provides useful ideas of where and what to look for when undertaking this task.

ENDNOTES

1. See Select Bibliography
2. For more information see www.torontoenterprisefund.ca
3. For more information see <http://www.edmonton.ca/OcctopusDocs/Public/Complete/Reports/CS/CSAM/2007-04-02/2007CSS002%20Att-1.pdf>
4. For more information see www.bctsvp.com/BCSEF
5. Technically the highest level of authority is the monarch of Canada, which is the ruling monarch of the United Kingdom, represented in Manitoba by the lieutenant governor. In practice, however, this is just a ceremonial role.
6. This chart is based on an existing document produced by the Government of Canada Privy Council Office (2007) with additions based on additional sources (Government of Manitoba 2007; Hansard 2006).
7. For examples of departmental organizational charts see Manitoba Agriculture, Food and Rural Initiatives (2007) and Manitoba Competitiveness, Training, and Trade (2007).
8. This paragraph is partially based on a phone interview with Randall McQuaker, executive director of Resource Conservation Manitoba, a nonprofit, nongovernmental organization.
9. The act was introduced for first reading in April 2007, but had to be reintroduced due to the dissolution of the Legislature for the 2007 provincial election.
10. Based on deGroot (2005) and a phone interview with the author.

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Regional Partner Organizations



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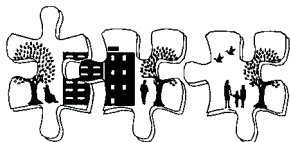
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