

# Addressing Barriers to Indigenous Participation in the Economy

## *Issue:*

The lack of clarity or progress regarding the government's approaches to many Indigenous issues – including the duty to consult and unresolved land claims – threatens the future socioeconomic well-being of communities across Manitoba while hindering meaningful discourse on the development of reconciliation and natural resource sector projects.

The duty to consult and accommodate Indigenous communities which may be adversely affected by resource development lies with both the Canadian and provincial government, who are increasingly shifting that responsibility to resource sector businesses seeking to advance projects on or near Indigenous lands. However, the government's lack of clarity or direction on the extent of that approach has frequently created considerable challenges for all involved; in some cases, that lack of clarity has led to the stalling or outright halting of projects with potential economic and social benefits for the affected Indigenous communities, and Manitoba at large. Indeed, addressing the questions surrounding this process would also help to build unity between the Indigenous peoples in Manitoba.

Canadian governments have a constitutional duty to consult and accommodate Indigenous peoples when proposed developments have the potential to impact their constitutionally protected rights (e.g., land, hunting and fishing, etc.). There is confusion in the business community regarding its role in the duty to consult process, and lack of clarity regarding companies' responsibilities to indigenous peoples has become more obscured in light of the government's commitments.

This lack of clarity can lead to the failure to pursue, delay or cancellation of private sector projects that have the potential to provide long-term economic and social benefits to indigenous communities and all Manitobans including:

- education and training;
- employment;
- aboriginal business development;
- health care;
- housing; and
- the means to sustain cultural priorities including language, traditions, etc.

Our government leaders, both national and provincial — as the primary interlocutor between our indigenous peoples and other constituencies — need to lead the way.

## **Unresolved land claims**

Also in need of immediate attention is the government's lack of progress in addressing unresolved land claims. The land claims process is a complex one, involving multiparty negotiations of complicated historical, property, legal, financial, and implementation issues, which are often further complicated by other concerns such as bureaucratic issues and a lack of resources or capacity. As a result, the process is often lengthy: reaching a final agreement can take from 5 to 20 years.

## **Addressing Barriers to Indigenous Participation in Canada's Economy (cont'd)**

Indeed, since the federal government began negotiating modern treaties with Indigenous groups and provincial/territorial governments in 1973, 26 comprehensive land claims and three self-government agreements have been signed. Numerous land claims negotiations are currently underway across Canada, with 80 comprehensive land claims under negotiation with the federal government.

This backlog of longstanding legal issues poses significant challenges for the natural resources sector and First Nations communities alike, creating considerable investment and operational uncertainties that inhibit meaningful progress. Resolving these issues is of benefit to all, as they allow for paving the way for productive dialogue on resource development, while also helping the communities themselves. Resolution and reconciliation with these communities are crucial, particularly in a time where they represent Canada's youngest and fastest-growing population.

### **Reconciliation**

Many non-indigenous businesses are seeing opportunities in the commitment to a renewed relationship with our indigenous peoples and believe they have a role to play in its accomplishment.

Recommendation 92 of 2015's Truth and Reconciliation Commission's report is a call-to-action for businesses to:

"... adopt the United Nations Declaration on the Rights of Indigenous Peoples\* as a reconciliation framework ... This would include, but not be limited to, the following:

1. Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, and informed consent of Indigenous peoples before proceeding with economic development projects.
2. Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
3. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal-Crown relations. This will require skills based training in intercultural competency, conflict resolution, human rights, and anti-racism."

\*Article 19 of the Declaration states: "States shall consult and cooperate in good faith with the indigenous peoples concerned through their representative institutions to obtain their free, prior and informed consent before adoption and implementing legislative or administrative measures that may affect them."

Businesses are willing to do more in the interests of their projects moving forward. However, it is not clear to businesses what reconciliation means and what is required of them to participate in the reconciliation process, as well as the impacts and outcomes they can expect as a result.

# Addressing Barriers to Indigenous Participation in Canada's Economy (cont'd)

## *Resolutions:*

That the provincial government builds relationships with the federal government that will:

- **Develop a consistent, coordinated approach to Indigenous consultation and accommodation which clearly identifies Indigenous rights and responsibilities and the duties of the Crown and the role of industry as a stakeholder supporting the process; harmonizes provincial, territorial and federal processes; and reflects relevant factors such as new and existing obligations within established case law;**
- **Ensure sufficient resources are dedicated to communicating and implementing this approach across government, industry, and Indigenous communities; and**
- **Accelerate the process of resolving land claims in a manner that reflects due financial prudence.**
- **Establish the framework and timelines for a process for reconciliation with indigenous peoples that includes:**
  - a. **Examining international best practices, and**
  - b. **Seeking the perspectives of a broad range of stakeholders including businesses and indigenous communities to share ideas and provide greater clarity regarding:**
  - c. **The meaning of its commitment to “implement” the United Nations Declaration on the Rights of Indigenous Peoples**
  - d. **The scope of the “full review of laws, policies, and operational practices” and its intentions for amending current laws, including the meaning and potential implications of Free, Prior and Informed Consent**
  - e. **Tools to be available to businesses and indigenous communities to help both — as well as government — fulfill the obligations required of them, including guidelines for engagement to seek the level of cooperation and trust needed as a foundation for reconciliation.**

*Submitted by Manitoba Chambers of Commerce*

## Improve “Duty to Consult and Accommodate” Process

### *Issue:*

The Aboriginal Chamber of Commerce<sup>1</sup> (ACC) focus is on the indigenous business community throughout all of Manitoba. The ACC has over 200 members. Its objects include:

- To serve the Indigenous business community and express positions and opinions on business issues and other public issues relevant to Indigenous business on behalf of its membership.
- To provide a forum for the Indigenous business community to develop policy positions and programs which contribute to the social, economic and physical quality of life in Indigenous and all communities in Canada.
- To promote a society and economy primarily based on competitive enterprise and on concern for the individual in our society.

The vast majority of ACC’s members are indigenous owned businesses. These businesses stand to gain significantly from improved economic development for indigenous communities, along with all Manitobans and Canadians.

In the most tangible of terms, as noted in the Nov 25, 2016 article by the National Aboriginal Economic Development Board,<sup>2</sup> there is the \$2.8 billion gain available when First Nations achieve the same economic status of living as other Canadians. With Manitoba’s population of about 1.3 million persons, and its share of the national First Nations population, it is about \$2,150 per Manitoban every year, forever! This is by far MB’s largest economic development opportunity.”

This impact is very similar to that estimated by the “Effect of Increasing Aboriginal Education”, 2009, by the Centre for the Study of Living Standards<sup>3</sup>, which estimated an impact that would have amounted to about \$2,000 per person in Manitoba. The credibility of the estimated impact is greatly strengthened by both studies reaching similar dollars per Manitoban, when done by different research organizations using different methodologies.

### **DUTY TO CONSULT AND ACCOMMODATE**

First Nations have long standing legal rights, many of which have only been confirmed and clarified by Canada’s courts in the past decade or two, especially by the Supreme Court of Canada (SCC).

The Duty to Consult and Accommodate is one of the one of these rights. The Duty to Consult and Accommodate includes the responsibility of Canadian federal (and where appropriate also of provincial) governments to attempt to accommodate First Nations’ requests unless there is a valid reason not to do so. What constitutes a valid reason is ultimately decided by the courts if Canada imposes reasons not to accommodate and the First Nation disagrees.

Court rulings have confirmed that the Duty to Consult and Accommodate applies if a development project will have a significant impact for First Nations’ traditional land use areas. First Nations have won over 200<sup>4</sup> court cases, many at the Supreme Court, confirming their legal rights.

---

<sup>1</sup> Legal name is Aboriginal Chamber of Commerce – Grand Rapids

<sup>2</sup> [http://naedb-cndea.com/reports/naedb\\_report\\_reconciliation\\_27\\_7\\_billion.pdf](http://naedb-cndea.com/reports/naedb_report_reconciliation_27_7_billion.pdf)

<sup>3</sup> <http://www.csls.ca/reports/csls2009-3.pdf>

<sup>4</sup> Resource Rulers: Fortune and Folly on Canada’s Road to Resources, by Mr. Bill Gallagher

## Improve “Duty to Consult and Accommodate” Process (cont’d)

In many cases where a provincial or federal government has not consulted adequately, it has led to delays<sup>5 6</sup> in resource projects. A number of experts and institutes have recommended processes to improve<sup>7, 8</sup> government performance.

Canada endorsement of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) on May 10, 2016. The UNDRIP describes a global set of collective and human rights covering indigenous issues including identity, culture and traditions, though the biggest potential impact for the Canadian resource sector is its focus on free, prior, informed consent regarding resource extraction and other such developments. This move was hailed as a positive one by Indigenous organizations as well as industry groups such as the Mining Association of Canada and the Canadian Association of Petroleum Producers, who view it as an important and much-needed step towards the development of a framework for reconciliation, as well as “support for the implementation of its principles in a manner consistent with the Canadian Constitution and law.”

The Canadian government is in the process of determining the implementation details and impacts on laws and regulations, which creates questions about its eventual impact on Canadian industry’s duty to consult and accommodate.

Businesses and governments in Canada are adapting to these new dynamics.

On September 14, 2016, Perrin Beatty, CEO of the Canadian Chamber of Commerce released a report<sup>9</sup> titled, “Work with Indigenous People and Business to Clarify Duty to Consult.”

This report is the result of nearly a year of consultations with over 90 business and Indigenous representatives, legal experts and government officials. Its findings include that ... “Clearly the federal government can improve this situation by living up to its commitments to improving Indigenous peoples’ quality of life as well as measuring and communicating its progress as it does so,” ... “Businesses also know that they have a responsibility in this process,” said Mr. Beatty. “They need to regard consultation with Indigenous peoples as an investment in their businesses and that they can do a lot to help themselves by engaging early and often with Indigenous communities.”

Discussions in Manitoba by members of the Aboriginal Chamber of Commerce confirm similar findings.

### CAPACITY BUILDING

---

<sup>5</sup> An Evaluation of Aboriginal, Government, and Mining Industry Relationships and Policies in Manitoba: Accessing Land for Mineral Exploration and Mine Development (a graduate student thesis, Clayton H. Riddell Faculty of Environment, Earth and Resources, University of Manitoba) by Gail Ferguson, March 25, 2015

<sup>6</sup> Executive Summary of: An Evaluation of Aboriginal, Government, and Mining Industry Relationships and Policies in Manitoba: Accessing Land for Mineral Exploration and Mine Development, by Gail Ferguson, April 20, 2015

<sup>7</sup> Comment: How to break the resource deadlock, by Mr. Bill Gallagher, Financial Post, June 13, 2014

<sup>8</sup> Aboriginal Canada and the Natural Resource Economy Series, by Ken Coates and Brian Lee Crowley, for the Macdonald Laurier Institute, May 2013, including four publications: #1 - How Canada’s Natural Resource Wealth Could Re-shape Relations with Aboriginal People; #2 – Canada and the First Nations-Cooperation or Conflict?; #3 - THE WAY OUT, New thinking about Aboriginal engagement and energy infrastructure to the West Coast; #4 - THE RULE AND ROLE OF LAW, The Duty to Consult, Aboriginal Communities, and the Canadian Natural Resource Sector

<sup>9</sup> Available at <http://www.chamber.ca/media/news-releases/160914-work-with-indigenous-people-and-business-to-clarify-duty-to-consult/>

## Improve “Duty to Consult and Accommodate” Process (cont’d)

Building the capacity in First Nations communities to benefit from social and economic development partnerships involves more than the ability to review, assess and respond to many proposals. It can also involve having the capital to become financial partners in projects and having the skilled people in their communities needed to ensure as many as possible benefit from employment opportunities.

Many economic development and business opportunities exist, especially in northern Manitoba that will create jobs and improved standards of living for First Nations and all Manitobans. Most of these are natural resource related projects, and most of the land on which the development will occur is Manitoba government crown lands, requiring licensing for development by the provincial government.

Thus, the provincial government has involvement and has the responsibility to lead or at least guide the process for Duty to Consult and Accommodate. The Manitoba government has not yet developed a clearly defined set of steps for this process.

Several business people suggested during the Canadian Chamber’s consultations that an option for providing Indigenous communities with the capacity they may need to best represent their interests in the consultation and accommodation process is an independently-managed trust fund financed by the proponents. Business people did add the provision that the federal government direct that the funds provided by proponents be used for purposes in addition to legal fees to oppose their projects. Examples included environmental assessments and economic development plans.

In Alberta and Saskatchewan the Athabasca Basin Development<sup>10</sup> is an aboriginal-owned investment company committed to building and investing in successful businesses. Since being established in 2002, it has grown to include complete or partial ownership in ten companies. It works in partnership with Indigenous communities to develop projects and create sustainable businesses.

### **BUSINESSES LOOKING at CONSULTATION and ACCOMMODATION as an INVESTMENT, NOT an EXPENSE**

Successful businesses reported to the Canadian Chamber that they have recognized “That companies need to look at the value of thorough, sincere, consultation. In addition to the knowledge many Indigenous peoples have of the environment that complements proponents’ scientific data, Indigenous communities are sources of talent with their relative youth, traditional knowledge and proximity to project sites. Investing in them can often be very cost-competitive for a business.” “We need to recognize that we need Indigenous peoples if we’re going to compete with countries with hundreds of millions of people,” said one of those consulted during the Chamber’s review project.

Business people also acknowledged that, while they recognize their success depends upon how they engage and consult with Indigenous peoples, outreach may not always be welcomed.

“We need to recognize that companies are up against more than two centuries of the reality of the Crown’s representatives trying to wipe out Indigenous peoples and their cultures.” a Thunder Bay business person advised the Canadian Chamber.

Sometimes businesses find their projects run into trouble not because Indigenous communities oppose the project but because they want to make a point with the Crown regarding un-kept promises.

---

<sup>10</sup> See more information at <http://athabascabasin.ca/>

## Improve “Duty to Consult and Accommodate” Process (cont’d)

During the Canadian Chamber’s research, business people advised that Indigenous peoples cannot be criticized for taking the opportunity presented by the consultation process to seek the resolution of long-standing and often fundamental issues including potable water, housing and education.

“These quality of life issues aren’t being addressed, and they don’t see a path forward for them. I don’t begrudge them taking advantage of the regulatory process to try and do so.” said a Calgary business.

Indigenous and business representatives also advised that rare is the Indigenous community that does not want to participate in economic development and to be self-sufficient. Yet, despite constitutional recognition of indigenous peoples’ rights and billions of dollars spent on programs and commissions, the social and economic situations of many Indigenous peoples remain appalling.

It is, according to the indigenous representatives, because “root causes” are not being tackled. “It’s like having a decaying tooth,” said one. “You’re polishing it up but not treating it. Nobody has really taken the time to examine why programs aren’t working despite all the resources being devoted to them. One example of how bad things are is that dozens of First Nations communities have been on boil-water advisories for 20-plus years.”

One of the recommendations (#92) of 2015’s Truth and Reconciliation Commission (TRC) report is a call-to-action for Canada’s businesses to:

“... adopt the United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework ... This would include, but not be limited to, the following:

- i. Commit to meaningful consultation, building respectful relationships and obtaining the free, prior and informed consent of indigenous peoples before proceeding with economic development projects.
- ii. Ensure that Aboriginal peoples have equitable access to jobs, training and education opportunities in the corporate sector and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
- iii. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law and Aboriginal—Crown relations. This will require skills—based training in intercultural competency, conflict resolution, human rights and anti-racism.”

Business peoples’ thoughts on the TRC’s recommendation 92 were consistent, i.e.:

- Businesses can adopt the principles of the UNDRIP while the adoption/implementation of the Declaration itself is the role of the federal government.
- Many businesses have already integrated some, if not all, of the recommendations (particularly 1 and 2) into their operations. “Businesses that are there for the right reason are already doing this and those that don’t should be pushed out.”
- Some companies, particularly smaller firms, need tools to assist them in fulfilling recommendation 3, and the federal government should work with to provide them.

## **Improve “Duty to Consult and Accommodate” Process (cont’d)**

Many First Nations are supportive of natural resource development that is environmentally sustainable and which create benefits to First Nations, and wish to ensure these rights are recognized and addressed. First Nations communities and businesses (both indigenous and non-indigenous owned) wishing to develop a new project are seeking clarity for the process to be used that will meet the requirements of the Duty to Consult and Accommodate.

### ***Resolutions:***

#### **That the Manitoba government:**

- **Consult with the indigenous and business communities, and jointly develop the steps to clarify the process for the Duty to Consult and Accommodate for projects involving the provincial government**
- **Deliver this clarified process ASAP during 2017 and extensively communicate it to indigenous and business communities**
- **Establish a revamped group within the Manitoba Government to communicate and support the process, especially offering assistance to add capacity to indigenous communities that wish such support, with a focus on having indigenous communities and businesses jointly lead the clarified process**
- **Publicize and encourage all businesses to adopt the principles of the UNDRIP**
- **Develop tools to assist companies, especially smaller ones, in fulfilling the TRC’s Article 92, call-to-action for Canada’s businesses to adopt UNDRIP as a reconciliation framework and implement recommendation 3<sup>11</sup>**

**That the Manitoba government works with the federal government (which holds the primary responsibility) to create the opportunity for indigenous capacity building including such options as:**

- **Tools to help indigenous communities develop their own consultation guidelines for proponents based on their histories, rights and lands.**
- **Seeking the views of business and indigenous representatives on a proponent-financed, arm’s-length fund that would be available for indigenous communities to hire the capacity they do not have, what it could/could not be used for, etc.**
- **Assisting indigenous communities to establish access to capital, for example, business loan guarantees and credit rating assistance.**
- **Helping indigenous communities document their resources (natural, human, financial, etc.).**

*Submitted by Aboriginal Chambers of Commerce*

---

<sup>11</sup> Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law and Aboriginal—Crown relations. This will require skills—based training in intercultural competency, conflict resolution, human rights and anti-racism.

## **Advancing Canadian Competitiveness Using Shortline Rail**

### *Issue:*

The timely movement of goods and economic competitiveness of Manitoba and the country is being challenged by the underutilization of a major infrastructure asset – shortline rail. Creating programs that encourage development and investment in this infrastructure asset will improve competitiveness and further regional economic development across the country.

For many communities, the arrival of rail infrastructure in the late 1800's and early 1900's opened up economic potential where there were previously limited opportunities. Strategic investment in the shortline railways of today could have the same impact. Canada currently has 53 short line railways. These railways are critical links in the country's transportation system with one in five car loads originating on Canadian railways originating on a short line. According to Transport Canada, shortline railways are a fundamental component of the country's rail network, feeding and delivering traffic to and from mainline railways, originating more than 20% of all CN and CPR's freight carload traffic, and moving billions of tonne-kilometres back and forth from Class I railways.

The Railway Association of Canada (RAC) in its submission to the Canada Transportation Act Review goes on to identify supply chain connectivity, employment, regional economic competitiveness, and reduction of negative externalities associated with road transport, including emissions, road wear, and congestion as further reasons for shortline investment. The document also puts forward recommendations for access to capital funding and a tax credit program.

The primary challenge for short line rail companies is access to capital funding. On average about 12 percent of the revenue generated by these companies is reinvested in capital expenditure projects. Companies running Class 1 railways, by comparison, invest approximately 20 percent of their earnings in capital projects<sup>4</sup>. Programs that encourage and allow for more capital investment in short line rail will improve the infrastructure needed to get Canadian goods to regional and international markets.

The response to the needs of shortline railways also falls behind the number of national and state programs that are available in the US. The US government has extended the Railroad Track Maintenance Credit through to the end of 2016 based on the importance of the shortline railways to the overall railway system. The credit provides a 50-percent business tax credit for qualified railroad track maintenance expenditures paid or incurred by an eligible taxpayer<sup>5</sup>.

Increased capital investments in shortline rail infrastructure also have the potential to improve safety and lessen environmental impact.

In the RAC submission to the Canada Transportation Act, a short line representative says "The lack of investment opportunity translates into lost revenues for short lines and the customers they serve. If the resources were there, they could grow their business."

## **Advancing Canadian Competitiveness Using Shortline Rail (cont'd)**

The importance of allowing businesses to trade with the world remains an issue and one of the impediments to future growth, as identified by the Canadian Chamber of Commerce Top 10 Barriers to Competitiveness. This infrastructure support needs to include short line rail, which Transport Canada also views as a key component to regional economic development<sup>6</sup>.

### ***Resolutions:***

**That the provincial government engages the federal government to:**

- **Create a dedicated short line capital funding program that is accessible to all short line companies; and**
- **Establish a tax credit program to assist short line rail businesses in making capital investments.**

*Submitted by Manitoba Chambers of Commerce*

## **First Nations Urban Development Areas (FNUDA)**

### ***Issue:***

Based on past history, there is evidence that creating FNUDA's in communities are often challenging from a process and general public perspective. This is primarily based on beliefs of tax advantages offered to First Nations Businesses and People leading to an unfair competitive business environment. There also exists a belief by some that establishing FNUDA's would have an adverse impact on the social fabric of Manitoba communities.

First Nations Urban Development Areas are not only an important opportunity to engage Aboriginal people in Business and Employment opportunities with one of Manitoba's Fastest-growing populations, but it is also an untapped economic development engine.

In fact, a Blog post on October 15, 2016, by the National Aboriginal Economic Board, shows that:

“Six communities have collectively created over 7,000 jobs and over \$77 million in annual economic activity benefiting both First Nations and neighbouring municipalities.”

Combined success of the six communities include:

- Existing and planned investment estimated to exceed \$1.5 billion
- Current and anticipated investment has and will generate approximately 2,700 ongoing jobs held by reserve residents and approximately 4,400 ongoing jobs held by off-reserve residents
- Approximately \$77 million annually in support of off-reserve economic activity
- Over \$30 million annually in First Nation government revenues generated by the investment of the six urban reserves
- Approximately \$5 million annually in property taxes collected by non-First Nation local governments attributable to the investment of these six urban reserves.

In addition to quantifying the economic success of urban reserves, the report also identifies the five key factors that contribute to their success. These include infrastructure and services, governance, land management regime, own source revenues and community support. These factors were determined by interviewing key community members in each of the six cases.”

While the term Urban Reserves once conjured up a negative response in many non-aboriginal communities, today over six prosperous Urban Reserves have been created or exist in Manitoba and approximately another 55 in Saskatchewan. These developments have been successful in creating an economic stimulus in those communities and in fact have been instrumental in building the relationships between First Nations and the urban communities.

## **First Nations Urban Development Areas (FNUDA)**

A FNUDA represents an area within an urban zone that a First Nation owns and has surrendered to the Crown so that it be designated as reserve land for the First Nations. Such lands allow for First Nations business ventures to enjoy the same privileges as those on traditional reserve lands. For First Nations Businesses, this means that they must apply through a laborious and long process through Indigenous and Northern Affairs Canada and receive approval by way of Order-In-Council before receiving status as an Urban Reserve. Once approved, this means that the business receives the Tax benefits outlined in the Indian Act and places the Reserve under the jurisdiction of the First Nation governance not the municipality. This primarily means that they are not subject to Municipal, Provincial or Federal taxes and the Status First Nation employees working on reserve do not pay Provincial or Federal Personal Taxes.

However, for a FNUDA to receive the same City services as a non-reserve business, they must enter into a "Municipal Services Agreement," essentially for the City services that are provided to all businesses, for an annual Fee. This could include policing, garbage, fire and emergency services.

In addition, the Provincial and Federal Governments have been clear in their direction and appetite for First Nations Developments. They see Urban Reserves as an economic driver for not only the urban economy but in fact, the First Nations economy.

In summary, the Manitoba Chamber of Commerce sees FNUDA's as positive opportunities to build economic development and enhance our Business Community's and in fact, the Province's openness to building strong relationships with our First Nation's community.

### ***Resolutions:***

#### **That the provincial government:**

- **Work with Municipalities and the Manitoba Association of Municipalities and be proactive in building relationships with First Nations and supporting the development of Urban Reserves in Manitoba.**
- **Encourage Municipalities and the Manitoba Association of Municipalities, through proactive research, prepare a Municipal Services Agreement template that is predicated on parity with businesses in similar tax jurisdictions that operate on non-reserve lands for Municipal Services provided, fees collected as compensation for tax loss, By-law compatibility and enforcement and dispute resolutions. The template may be used as a starting point for negotiating services and compensation for First Nations proposing or operating an Urban Reserve.**
- **Make Municipalities aware that when the creation of, or existence of a FNUDA in Manitoba Municipalities provides an opportunity to leverage infrastructure funding from higher levels of Government to advance the infrastructure investment, the Municipalities should proactively work with Provincial and Federal governments to leverage appropriate opportunities.**
- **Encourage the Manitoba Business Community be proactive in gaining an understanding of First Nation Urban Development Areas and foster a business relationship with First Nation communities and FNUDA tenants conducting business in Manitoba.**

*Submitted by Brandon Chamber of Commerce*

# Making the Right Choice on Carbon Pricing Solution

## *Issue:*

The October 3, 2016, announcement on the of a pan-Canadian carbon plan by the Federal government is pushing Manitoba to become a leader in the development of how to deal with reducing our carbon footprint. However, it also puts the Provincial government and the business community scrambling to become experts on an issue that, much like our economy, is very diverse and not the national standard.

The issue of carbon pricing, climate change, and the role Canada needs to play is not easy to comprehend. But, one thing is clear - the federal government is trying to take a giant leap to have Canada play their part by making a case for Canada to cut greenhouse gas emissions by 30 per cent from 2005 levels by 2030. The issue of how, and how fast, we get there is the real problem. While addressing the issue in his October announcement, Prime Minister Trudeau said that provinces could create a cap-and-trade system or put a direct price on carbon pollution — but it must meet the federal benchmark or "floor price." The proposed price on carbon dioxide pollution, under the national plan, would start at a minimum of \$10 a tonne in 2018, rising by \$10 each year to \$50 a tonne by 2022.

However, a "one size fits all" federal solution does not work across the board. Saskatchewan's Premier has taken an aggressive approach by calling out the PM and his plan. His main argument is that a federal plan would destroy Saskatchewan industries and siphon over \$2.5 billion from Saskatchewan's economy when fully implemented and make the province a less competitive place to do business. Premier Wall said the carbon tax would likely push oil rig companies south of the border, resulting in fewer people working in Saskatchewan's already struggling oil and gas sector.

## **Current Situation in Manitoba**

### **B.C. Carbon Tax**

B.C.'s tax, implemented in 2008, covers most types of fuel use and carbon emissions. It started out small (\$10 per tonne of carbon dioxide), then rose gradually to the current \$30 per tonne, which works out to about 7 cents per litre of gas. "Revenue-neutral" by law, the policy requires similar cuts to other taxes. In practice, the province has cut \$760-million more in income and other taxes than needed to offset carbon tax revenue. Some experts have suggested that the success of the tax in reducing fuel consumption would cannibalize the potential revenue it could generate, creating a tax waste and that it fell more on the middle and lower-middle classes than on the rich, making it a regressive tax.

While it is considered the standard by which other carbon taxes are judged and has reduced taxes in the province, it has done little in reducing greenhouse gas emissions (GHG) in that province.

The provincial branch of the Canadian Centre for Policy Alternatives says the reality is that since 2010, B.C.'s GHG emissions have increased every year; as of 2013 they are up 4.3 per cent above 2010 levels.

## **Making the Right Choice on Carbon Pricing Solution (cont'd)**

### **Alberta's Carbon Levy**

Alberta's carbon levy includes an economy-wide carbon tax of \$20 per tonne that kicks in on Jan. 1, 2017. That price will rise to \$30 per tonne on Jan. 1, 2018. The plan also includes a hard cap 100 megatonnes on GHG emissions from the province's oilsands. The tax is expected to fetch roughly \$3 billion in new revenues, with that money earmarked for investment in green initiatives such as building retrofits, investments in large-scale renewable energy projects and public transportation.

The tax is not revenue-neutral like other jurisdictions, but Alberta has promised to cut small business taxes from three per cent to two per cent to offset costs associated with the new levy.

### **Ontario Cap & Trade**

Ontario is poised to launch its cap-and-trade system in the new year, a program that is far more complicated than a carbon tax because it relies on a market-based system of carbon credits to ensure big polluters lower their emissions. Ontario will have an economy-wide cap of 142 megatonnes per year in 2017, which will decline to 125 megatonnes per year by 2020. (Ontario is expected to emit 146 megatonnes this year, according to provincial estimates.) The cap will drop each year to encourage lower emissions.

Businesses generating more than 25,000 tonnes of greenhouse gas emissions per year will be considered a "capped emitter." The EcoFiscal Commission, a group of Canadian economists who study carbon pricing, estimates Ontario's plan will have an estimated equivalent price of \$19.40 per tonne by 2020.

### **Quebec Cap & Trade**

Quebec has a cap-and-trade system very similar to Ontario, and its price will also be roughly \$19.40 per tonne by 2020.

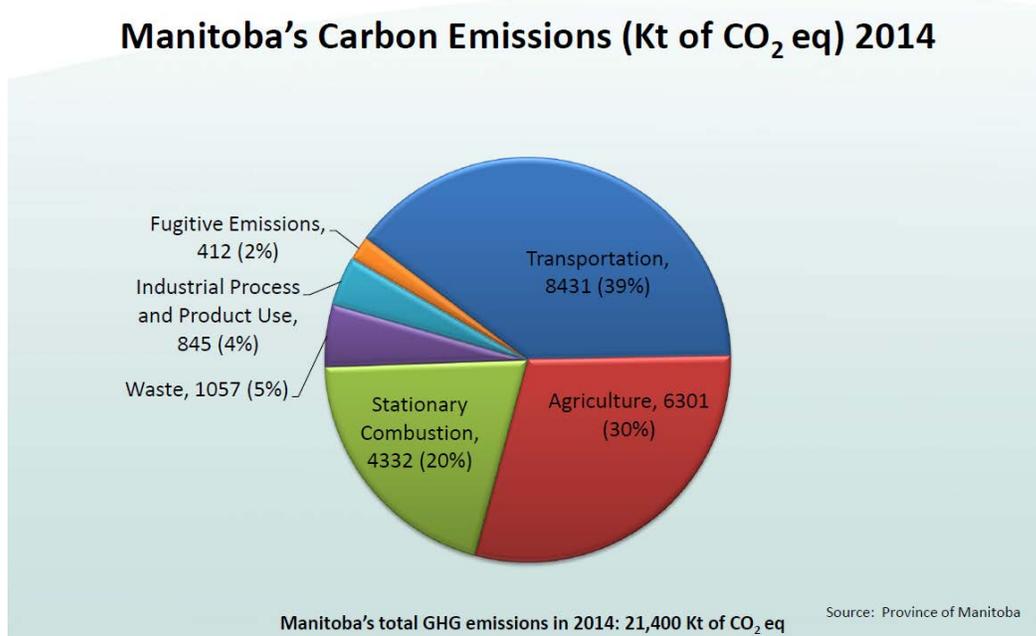
## Making the Right Choice on Carbon Pricing Solution (cont'd)

### Current Situation in Manitoba

Manitoba represents 3.6% of Canada's population and 3.0% of national GHG emissions (Canada represents 2% of world's emissions). Between 1990 and 2014, the Province's GHG emissions increased from 18,683 kilotonnes CO<sub>2</sub>e (CO<sub>2</sub> equivalent) to 21,480kt CO<sub>2</sub>e (15% increase).

Manitoba's emissions are 22.3 % above the Kyoto target, which was 6% below 1990 emission levels by 2012.

### Manitoba's Carbon Emissions (Kt of CO<sub>2</sub> eq) 2014



### Concerns

In providing his thoughts on the federal plan and how our province moves forward, Premier Pallister noted he was working on a "made-in-Manitoba" solution to carbon pricing and would not consider a cap-and-trade solution. What that "made-in-Manitoba" solution looks like has yet to be announced, and details are few.

It is the opinion of the Manitoba Chambers of Commerce (MCC) that steps towards the creation of a plan are not being done in consultation with the public, business, and the sectors that will be most impacted by any potential carbon price.

## **Making the Right Choice on Carbon Pricing Solution (cont'd)**

Furthermore, MCC is concerned the pressure to create a provincial solution, different from the federal plan, could be done too hastily without knowing the potential ramifications to both Manitobans and the business community.

In addition, MCC is concerned about by the Federal government allowing each province to create their own policy we are taking a patchwork approach that will have an overall impact on competitive across Canada.

It is clear that Canada should not be acting alone on carbon pricing. However, as an exporting nation, both Canada and Manitoba need its key trading partners to also commit to an equitable carbon pricing system to preserve the competitiveness of our country's exports. With the uncertain direction the Trump administration on global warming and climate change, assuring we are all on the same page remains challenging, if not impossible.

The implementation of carbon pricing through a carbon tax is a blunt tool to significantly reduce greenhouse gas emissions and could have a substantial impact on the economy and many of our province's vital industries.

Addressing climate change, protecting the environment and supporting economic development is a process that requires collaboration between all stakeholders. To achieve these goals, we need to foster the development of partnerships between government and industry rather than unilaterally imposed decisions that affect us all.

MCC understand the approach the provincial government is being pressed into making, but believe Manitobans should be more engaged and educated on the potential impact any (provincial or federal) program will have and why it is needed. The goal should be to make a case for a change, along with creating a viable plan for Manitoba.

***Resolution:***

**That the provincial government:**

- **Pause any further development of a “Made in Manitoba” carbon solution until a suitable business case and economic impact assessment of its cost and impact are shared with Manitobans.**

**In the event that proper consultation is conducted, that the provincial government:**

- **Be clear and transparent on how any approved Manitoba carbon price will be collected and dispersed.**
- **Work with stakeholders in Agriculture, Transportation, Construction, Energy, and Mining to ensure consensus on any approved Manitoba carbon price.**
- **Collaborate with the business community, international institutions, and governments to ensure any proposed, and approved carbon plan works toward a common target for emissions reduction and exemptions to benefit, not stunt sector growth.**
- **Set aside 35 per cent of collected monies for a fund to be used by businesses to develop, expand, and implement plans to make Manitoba a global leader in sustainable technology and energy.**
- **Support incentives for business energy efficiency and conservation to reduce our emissions and remain competitive internationally, and that a plan is pro-actively managed. Incentives programs should include a focus on small and medium-sized commercial enterprises and municipalities.**
- **In developing a made-in-Manitoba plan, base their policies on energy efficiency, support the development of economically viable non-carbon-based and alternate energy supplies, recognize and provide credit for early action, and develop a realistic plan and targets to reduce GHGs using longer-term technology changes.**

*Submitted by Manitoba Chambers of Commerce*

# Manitoba Pork Supply

## ***Issue:***

The ability of Manitoba's pork sector to develop and grow to utilize its full productive capacity is being restricted by legislation and regulations brought in over 17 years by the previous provincial government because of non-science based claims of protecting the environment and addressing local public acceptance issues. This sector is completely in agreement with tasking science-based actions to protect the environment, and has done so. The sector has additional processing capacity for approximately 1,300,000 hogs but would need to build the equivalent of 100 new barns or some combination of new and expansions of existing facilities. This expansion would provide over 500 new permanent jobs on-farm and in processing plants. While the new provincial government has indicated the Moratorium on Building new hog barns has been lifted, they need clear public support from the business community for their efforts to cut red tape and unnecessary regulations to encourage this new investment of potentially up to \$300 million in Manitoba.

Also, while the sector has invested millions of dollars in public education programs over the past twenty years the general public still has a poor understanding of the industry and how it has embraced the latest in management practices and technology to address issues such as manure management, animal care and its impact on local communities.

Bill 17, The Environment Amendment Act, introduced on April 10, 2008, fundamentally placed a permanent ban on building or expanding hog facilities. The Bill was enacted because of a belief that Hog Barns had significant negative impact on the Aquatic ecosystem of Manitoba Lakes and in particular, the algae blooms on Lake Winnipeg.

In 2008, the Moratorium, which had been in place since 2007, was lifted in all areas of Manitoba except southeastern Manitoba, the Red River Valley, and the Interlake but subject still to special provisions in the legislation. These included implementation of regulated phosphorus thresholds, a ban on winter spreading of manure, and sufficient land available to spread manure in an environmentally sustainable manner, which was acceptable in principle with the sector. However, the government imposed a requirement that any new barn or expansion, must use anaerobic digesters system to treat manure. These systems are prohibitively expensive to build and operate and don't work under Manitoba conditions. In effect, the government had reimposed the moratorium. Barn building virtually stopped.

Because of the lack of support from the provincial government at the time, changes in the economics of the sector, and trade issues with the USA, the production of hogs dropped from 9,500,000 to 8,000,000. This lack of supply has had a significant impact on the economy of Western Manitoba and has restricted future development of spinoff manufacturing opportunities. For example, Maple Leaf Foods' Processing Plant in Brandon, Manitoba has been working at approximately 65-70% of capacity over the past nine years. The demand for pork products in world markets continues to increase each year by almost Canada's total production. The plants are currently short of products demanded in key markets such as Japan and China.

## **Manitoba Pork Supply (cont'd)**

In addition, the increased hog supply could add increased market potential for a Soybean processing plant built in Manitoba. Currently, the pork industry in Manitoba imports from the US about 200,000 tonnes of soy meal. In 2016 there about 1.7 million acres of soybeans all which were exported to crushing plants outside of Canada.

There is an opportunity to build such a plant in Manitoba to supply soy meal to the livestock industry and create more value-added agricultural production, which in turn will create more jobs and incomes to support our health and education programs. The plant alone could potentially create 75-100 jobs in the Westman Region.

Today's government understands the importance of the pork industry to our economy and potential future growth. It clearly realizes that to meet demand, new finishing barns would need to be constructed to better balance farm production capacity with the existing processing plant capacity. Further, it recognizes that the sector needs to start replacing the existing stock of barns as they age and reach the end of their productive cycle. To replace all of the existing barns at today's costs, it is estimated the sector would need to invest over \$1.7 billion over the next ten years. This would have a huge economic impact on rural and urban Manitoba in greater new wealth and job opportunities.

The new provincial government has indicated that it is prepared to make significant changes to encourage new investment in the pork sector while retaining all the science-based measures to ensure that the environment is properly protected. It has also indicated that municipal governments will still have a vital role to play in assuring livestock production will be a key component in their planning processes.

Unfortunately, two recent applications for barn construction which had been evaluated and recommended as meeting provincial requirements even under the unduly restrictive regulations of the previous government, were not approved by their respective local municipalities. This is a clear message that the new government needs to move forward with its plans to amend the existing regulations and approval processes.

This is an industry full of potential but continues to be at risk for even maintaining current levels of economic activity.

## **Manitoba Pork Supply (cont'd)**

### ***Resolutions:***

**That the provincial government:**

- **Work with Manitoba Pork to promote the true science-based environmental impact of the industry in Manitoba;**
- **Endorses the building of new and replacement barns to meet the demand for hogs in Manitoba by further reducing red tape, unnecessary regulations, and approval procedures, including science-based environment requirements;**
- **Along with Manitoba Pork, work with the Association of Manitoba Municipalities on gaining a better understanding of the benefits of retaining and expanding on-farm pork production in rural municipalities; and**
- **Manitoba Pork proactively works with existing and new producers to identify ideal barn sites, science-based environment requirements, and work closely with all stakeholders to grow and develop the pork sector in Manitoba.**

*Submitted by Brandon Chamber of Commerce*

## Proposed Planning Act Changes for Cities Outside of Winnipeg

### *Issue:*

Municipalities outside of the City of Winnipeg, are governed by the Manitoba Planning Act (The ACT), which provides the framework and regulation of authority and approvals for development across the province. The ACT, when legislated, took into consideration that a majority of municipalities outside of the City of Winnipeg did not possess the professional skills and expertise required to carry out strategic land planning and as such put in place a structure of Planning Commissions and Provincial Approvals, in order to govern zoning bylaws, conditional use and subdivision approvals. In June 2005, the Province of Manitoba enacted the Planning Act in order to establish provincial land use policies to guide the sustainable land use and development in the province. The Act governs all municipalities outside of the City of Winnipeg and provides the framework for planning and zoning activities.

While a number of cities across the province have taken an active role in developing their planning capabilities, including putting in place development plan processes, guidelines, hiring professional planners, etc., they are still required to conduct business under the existing Planning Act. As a result, there is a level of redundancy in the system, creating delays in planning and zoning approvals, slowing down the development process and expending unnecessary time and money in resources, both at a municipal and provincial level.

The City of Winnipeg is exempt and is governed under its own charter, giving them a different level of autonomy and flexibility in which to set forth, the framework of approvals and processes to best govern their planning activities. They were afforded this responsibility due to maturity of their planning activities at the time the Act was enacted.

Over the years, a number of municipalities have matured in their own planning capabilities, and as a result, this has created a number of redundancies both at a municipal and provincial level. **See Appendix A for a detailed outline of the sections of The Planning Act and the associated impact.**

It is recognized that The ACT plays an important role in ensuring consistent planning standards, practices and approvals across the province. One of the critical components to building a community or province is ensuring that individuals, organizations, and companies understand we are “open for business.”

The Development Services Division and Economic Development Department of the City of Brandon raised these same recommendations under the Province of Manitoba Red Tape Reduction Task Force in support of this principle.

## **Proposed Planning Act Changes for Cities Outside of Winnipeg (cont'd)**

In order to attract new business development to the province, it is important to recognize the investment many municipalities have made in positioning themselves to take on a larger role in their own planning and development and to seek out areas of redundancy, in order to be able to provide an economic advantage to attracting economic growth into the province.

### ***Resolution:***

**That the provincial government makes the following changes to The ACT:**

- **Zoning By-law and Secondary Plan Amendment Process** - Amend the process for adopting or amending a Zoning or Secondary Plan By-law so that 1st reading is not required allowing for an application to go directly to a public hearing.
- **Subdivision approval authority** - Amend the subdivision regulations to allow a City with a professional staff complement (P.Eng and/or RPP) its own subdivision approval authority.
- **Variance or Conditional Approval Process** - Amend the process to allow a City with a professional staff complement (P.Eng and/or RPP) to delegate the initial approval authority to its administration for variances or conditional use.

*Submitted by Brandon Chamber of Commerce*

# Mobile Coverage for Rural MB

## **Issue:**

Despite major cellular providers claiming to have impeccable mobile coverage, servicing a majority of the province, there are still vast regions of the province (in 'covered areas' and along highway routes), that continue without mobile services. Having limited or no service to major routes and communities in the province not only segregates/ostracizes businesses and people in our province but also reduces our national economic competitiveness. Even though nearly 60% of Manitoba's population live within the limits of Winnipeg and Brandon where optimum mobile coverage is supplied, everyone who travels outside of those limits will lose mobile cellular connection depending on where they are in the province.

Local residents in rural communities know, if they have service in town, they will lose or have spotty service outside of town OR; don't have any cellular service at all. Residence know where cell service is lacking or nonexistent but major cellular provider network maps on their websites would have you believe they have it covered.

Providing consistent mobile services along highways in rural Manitoba will make the province more economically competitive. Landlines are becoming a service of the past, and mobile capabilities are becoming an essential service for business. The pace of not just e-commerce but m-commerce (mobile business), is advancing daily. Increasing the reach of cellular services along these routes and to the communities that reside along these routes makes them more attractive for business. Businesses can be more inclined to travel and perhaps set up new shops in these communities. Having adequate mobile services can lead aspiring entrepreneurs to generate new business and/ or current businesses can expand.

The agro-business sector residing across all rural Manitoba proves to be at a disadvantage. Farmers and local producers should have similar advantages to urban businesses in regards to connectivity in their line of work. Safety is another concern whereas workers are typically isolated in remote locations without adequate means of communication should a situation arise.

## **Resolution:**

**That the provincial government encourages major cellular providers to:**

- **Survey their coverage areas and properly service the major routes in the province (highways). Getting "boots on the ground" to actually assess the routes and determine where added services are required;**
- **Plan towards 100% mobile coverage on every piece of paved highway by 2027;**
- **Implement consistent and reliable coverage. No drop of cellular coverage which means having access to mobile calls and mobile data internet at all times along highways; and**
- **Granting rural business similar m-commerce advantages to urban businesses. Giving them the platform to expand, become more efficient and also added safety.**

*Submitted by Dauphin Chamber of Commerce*

## **Cost Effective Solution to Personal Care Bed Shortage**

### *Issue:*

The Manitoba Government has identified a shortage of personal care bed as an issue across the province and mandated the addition of 1,200 additional beds over the next 8 years. There are examples of underutilized health care facilities in the Province that have the capacity to assist in addressing this shortfall, with limited financial consequences to the province. As such, there is an opportunity to maintain skilled jobs at these facilities through re-purposing sites to accommodate other pressing health care needs, while saving precious tax dollars.

One such example is the Manitoba Development Center (MDC), located in Portage la Prairie and is an accredited residential care facility for adults with a mental disability. The Center provides care, supervision and developmental programs for approximately 160 residents.

The MDC has become a quality care facility providing some of the best expert care and expertise in the Province to one of the most difficult and challenging populations, with extraordinary care and compassion. Transitioning residents into the community has reduced the number of residents over the years; however there will always be residents in need of continuous 24/7 care, although at a much reduced rate than in the past. As a result, there is under used capacity; both by way of expert care and expertise as well as underutilization of existing beds.

The buildings and land continue to be maintained and it is apparent that within the coming decade the current use of the facility will be unnecessary; however other service needs continue unabated. As such, the overall capacity of the site allows for other options which would be very cost efficient to be considered.

A Task Force was established in late 2015, consisting of broad representation across the City, including business, labor, health municipal government and the Province. This Task Force meets periodically to develop recommendations for long term options to utilize the valuable resources of MDC for the future and has met with the Province on a number of occasions. A similar approach could be used for other such facilities in the Province.

### *Resolution:*

#### **That the provincial government:**

- **In consultation with Key Stakeholder needs consider the future needs and directions of underutilized health care facilities and make a long-term plan to maintain or restructure these much-needed facilities; and**
- **Freeze any further job reductions at underutilized health care facilities until a repurposed need and direction be established.**

Submitted by Portage la Prairie Chamber of Commerce

## **Increasing Road Sign and Advertising across Manitoba**

### *Issue:*

Travel across any highway west or south of Manitoba and you will find road signs that provide those going with updates on distance, gas stops, restaurants, accommodations, and things to do in each upcoming stop. Travel across Manitoba, and you will notice some signage, but certainly not with the same frequency or as detailed as what you can find elsewhere.

The tourism industry's future looks bright in Manitoba with the re-investment by the Government of Canada, Destination Canada, and Travel Manitoba to promote to the US, a large tire traveler market. Government and industry have increased investment in tourism marketing; product development and visitor services; Provincial sites and parks infrastructure; extending the tourism season, and developing a vision for our tourism destination. Highway Signage should provide motorists with safe directional information for the types of services and attractions they are seeking, such as:

- Places offering accommodation, food, fuel and washrooms;
- Places to explore and experience Manitoba's culture, history, nature, events and adventures; and
- Distance to the next centre.

The Manitoba Regional Tourism Network (MRTN), is a collaboration of the six rural Regional Tourism Associations (RTAs) in Manitoba, and partially funded by the Province to develop and promote tourism experiences in conjunction with rural businesses, municipalities, and the industry. They have brought similar suggestions through research-based and consumer-focused in providing safe, clear directional signage that communicates and strategically promotes the attractions and services available in the regions.

In the last year and a half, the Manitoba Chambers of Commerce, after notification from the Rosenort Chamber, met with then Minister of Highways and Infrastructure, Steve Ashton, on a matter of concern to Rosenort and their surrounding Rural Municipalities. In 2015, Rosenort Chamber requested a highway "amenities sign" to help promote their community and businesses to the busy highway travelers on Highway 75. The proposal made its way to Manitoba Infrastructure personnel but moved extremely slow, with minimal communication or firm confirmation. During that meeting with Ashton, he was clear that the legislation was clear and he would follow it to the letter. This left the community without a chance to bring further visitors to the local businesses.

## **Increasing Road Sign and Advertising across Manitoba (cont'd)**

*Resolution:*

That provincial government updates the Advertising Sign Policy to:

- **Require signs to provide accurate and adequate information for finding destinations, services, local festivals, and events;**
- **Have a consistent requirement for legibility, letter size, and fonts, symbols;**
- **Location for quick and easy visibility; and**
- **Create a minimal impact on the visual integrity of the landscape; and**
- **Conducting province-wide information sessions with key stakeholders; presenting findings of the research to stakeholders; highlighting the preferred approach; seeking input and direction for an implementation plan.**

*Submitted by Manitoba Chambers of Commerce*

# Strengthening Labour Market Information for Business Competitiveness

## *Issue:*

You can make numbers say whatever you want. But when the numbers are outdated or not focused in the right area, the information builds and becomes an outdated representation of what the numbers say. At this time, Manitoba is currently operating in a data vacuum. Insufficient labour market information (LMI) limits effective funding, policy making as well as program design and delivery.

Labour market information is a shared responsibility between federal, provincial and territorial governments. Although the federal government has retained the responsibility of being the primary producer of LMI, provinces have had a greater role in LMI following the devolvement of labour market programs to the provinces/territories that came as a result of bilateral Labour Market Development Agreements (LMDA).

In Manitoba, the Ministry of Growth, Enterprise, and Trade (GET) is lead on LMI for the province. The GET site provides information and reports on trends in the labour market. GET publishes "*The Manitoba Current*," an online publication providing information on current trends and the future outlook and trends for work in Manitoba. There also exists a monthly document, "*Manitoba Monthly Help Wanted Dashboard*." This document posts industries in which jobs are were available and filled. Much like the collection of LMI, each publication is outdated by the time it reaches those who visit the LMI site on the Government of Manitoba website, making the information available but not practical for use.

A primary concern for Manitoba business is the lack of available local and occupational level LMI. There are significant gaps in information on job vacancies across the province; currently, data can demonstrate when a province is experiencing shortages but not precisely where labour is needed within regions or what specific skills are in demand. In Don Drummond's 2014 report on LMI, he cites that one of the biggest challenges is that labour market survey results are often only available on a provincial basis and are aggregated into a small number of industries, masking dissimilarities between individual occupations.

It is essential that Manitoba advocate for better and more localized information. The federal government has announced changes to two Statistics Canada surveys, expanding the sample sizes of both the quarterly Job Vacancy Survey and the National Wage Survey to report at the level of economic regions, rather than provincial and territorial levels. However, economic regions are as large geographically as the province of Prince Edward Island and will not provide data at a local level. The example of the UK Commissions' Employer Skills Survey should be examined and advanced by the province to the federal government. The first survey in 2011 gathered answers from more than 91,000 businesses across different sectors, giving the UK government local, reliable and timely information.

There is also need to make provincial data more accessible. Information is not always coordinated or shared in an easily accessible and digestible manner for employers, job seekers, and decision makers. Manitoba might benefit from British Columbia and its WorkBC website; the site contains a list of job openings across the province, analysis of the provincial labour market, and the results of employment surveys among post-secondary education graduates (including information on where jobs are in demand).

## **Strengthening Labour Market Information for Business Competitiveness (cont'd)**

BC also has a distinct strategy of partnerships and active networks across the province to improve coordination of LMI including a cross-ministry LMI roundtable committee bringing together various ministries involved in LMI. The work of this committee has allowed for strengthened provincial provision and dissemination of LMI.

Beyond a lack of internal collaboration in the province, there is insufficient intergovernmental coordination and sharing of information between the province and the federal government. The timeliness of data would be enhanced if provincial and federal governments were willing to extract LMI from the wealth of data already collected from Canadians for other purposes while ensuring the protection of private information. This includes evidence from income tax, employment insurance (EI) and social assistance purposes. Provinces do not have access to postal codes and National Occupational Classification (NOC) codes for EI recipients. This type of information regarding which regions and occupations are experiencing changes in employment would allow Manitoba to build more responsive training programs.

The other key component is the buy-in from business to share and make their data available to develop a better sense of where the needs are. As it stands, the ability to get access to this information is simply not there. Whether it is a lack of trust from business or a lack of incentive to share the information, the infrastructure and information already exist, but it needs to be determined who is doing it well so it can be replicated. Labour market policies and programs also suffer from a lack of standard performance measures linked to employment outcomes. Based on existing metrics, it's hard to evaluate program effectiveness. A collaboration between business and government is needed to establish a new framework to address deficiencies in the quality and sharing of information and strive to adopt a standard set of performance measures that can be applied to all future-funded employment services.

### ***Resolution:***

#### **That the provincial government:**

- **Work with business and education sectors, on a strategy to establish a new governance framework to address deficiencies in the quality and sharing of LMI and one that aims to create a set of standard performance measures for program evaluation;**
- **Use LMI to better focus towards targeting of students and market-ready individuals, and new immigrants;**
- **Work with school boards to develop communication products that outline education and career paths for students.**
- **Promote existing LMI more actively and enhance public awareness of what is available; and**
- **Enhance interprovincial collaboration on LMI and consider the establishment of a cross-ministry committee to improve coordination on LMI efforts.**

*Submitted by Manitoba Chambers of Commerce*

## Sunday Shopping

### *Issue:*

As more consumers shift spending from physical stores to online merchants, e-commerce has dramatically changed the way retailers reach customers, making it faster and easier for consumers to make purchases on the fly while avoiding the hassles of going to the store.

As such, e-commerce sales in Canada by retailers reached \$7.7 billion in 2012, up from \$6.6 billion in 2011 according to the Annual Retail Trade and the Annual Non-Store Retail Surveys. At 16.3%, retail e-commerce sales grew at over five times the pace of the overall growth in retail trade (+2.9%). Retail e-commerce sales accounted for 1.5% of total retail sales in 2012, up from 1.4% in 2011. Those soaring numbers have a huge impact on the way consumers shop, and businesses function.

Over the last decade, more jurisdictions across Canada moved toward either expanding Sunday shopping or eliminating an existing ban.

Here in Manitoba, no changes have been made. On Sundays, stores can open at 9:00 a.m. but must close by 6:00 p.m. As of summer 2016, the provincial government has indicated little interest in changing the Retail Businesses Holiday Closing Act, only saying that they will continue to seek input from Manitobans. It seems that Manitobans are speaking. Sunday has become the second-busiest shopping day of the week. The retail landscape has changed dramatically, and businesses are not only are they competing with local retailers, but they are also competing with online shopping.

Consumers and retailers – not governments – should decide who shops and who does not work on Sundays just as they do every other day of the week. Expanded Sunday shopping hours would generate job opportunities and given the status of our economy; this is a factor that cannot be overlooked.

## Sunday Shopping (cont'd)

### Current Sunday Shopping Legislation across Canada

British Columbia	Unrestricted
Alberta	Unrestricted
Saskatchewan	Unrestricted
Ontario	Unrestricted
Yukon	Unrestricted
NWT	Unrestricted
Newfoundland	Unrestricted
Nova Scotia	Unrestricted
Quebec	8 a.m. – 5 p.m.
New Brunswick	Noon – 5 p.m.
PEI	Noon – 5 p.m.
<b>Manitoba</b>	<b>9 a.m. – 6 p.m.</b>

In October 2016, The Winnipeg Chamber of Commerce and Retail Council of Canada, commissioned a province-wide omnibus poll conducted by Probe Research poll. The poll asked 1,000 Manitobans: *Currently, the provincial government regulates the hours of operation of retail stores. Do you personally support or oppose allowing retailers to set their own hours of operation including on Sundays? Is that strongly or somewhat?*

Results were as follows:

- Two-thirds of Manitobans *support* allowing retailers to set their own hours of operation, including on Sundays (68%, including 45% *strongly support*). Just slightly more than one-quarter *oppose* such a legal or regulatory change (28%, including 14% *strongly oppose*).
- At the province-wide level, support for allowing retailers to set their own hours more freely was weaker among those aged 55 years and over (38% *strongly support*, versus 48% among those aged 18-34 years and 49% among those aged 35-54 years).
- Respondents with children in the home were more likely than average to be *strong supporters* of less restrictive shopping hours (52% *strongly support*).

## **Sunday Shopping (cont'd)**

***Resolution:***

**That the provincial government:**

- **Allow retail outlets to extend Sunday shopping hours, at the discretion of the business owner, without government-imposed restrictions.**

*Submitted by Winnipeg Chamber of Commerce*

**DRAFT**

# Appendix A - Proposed Planning Act Changes for Cities Outside of Winnipeg

## Proposed Planning Act Changes for Cities Outside of Winnipeg (cont'd)

### Planning Act Reference #1 - Zoning By-law and Secondary Plan Amendment Process

- **Planning Act Excerpt**

*Public hearing*

74(1) ***Between first and second reading of a zoning by-law***, a board, council or planning commission must hold a public hearing to receive representations from any person on the by-law, and give notice of the hearing in accordance with section 168.

***Alteration to zoning by-law***

74(2) If, after the public hearing, the board or council proposes to alter the by-law, a second public hearing must be held in accordance with subsection (1) to receive representations on the alterations to the by-law.

***No hearing for minor alteration***

74(3) A second public hearing is not required if the alteration is a minor one that does not change the intent of the by-law.

***Adoption if no objection***

75 If no person objects to the zoning by-law at the hearing held under subsection 74(1), the board or council may

(a) give the by-law second and third reading; or

(b) pass a resolution not to proceed with the by-law.

- **Impact**

Presently all by-laws changes are required to go through first reading of council where no debate is permitted as part of the process. The intent of giving first reading is for Council to accept an application prior to notice of the public hearing being sent to surrounding residence. City of Brandon Council gives first reading to a by-law with no discussion as they rely on professional staff to ensure an application is complete.

The requirement for first reading, without going directly to a public hearing, extends the time by a minimum of two weeks for approvals and creates additional report preparation and presentation, with no measurable impact on the end result.

## Appendix A - Proposed Planning Act Changes for Cities Outside of Winnipeg

- **City of Winnipeg Charter**

The following wording in the City of Winnipeg Charter, allows for the streamlining of this process:

***Hearing on zoning by-law***

***236(3) Before or after council gives first reading*** to a proposed zoning by-law,

*(a) it must be referred to a designated committee of council;*

*(b) the city must give notice of a hearing by the designated committee of council respecting the proposed by-law; and*

*(c) the designated committee of council must conduct a hearing, and submit a report to council, about the proposed by-law.*

### Planning Act Reference #2 - Subdivision approval authority

- **Planning Act Excerpt**

***Board as approving authority***

*120 At the request of the board of a planning district, the minister may authorize the board to act as the approving authority for the area under its jurisdiction, subject to any conditions the minister considers appropriate.*

- **Impact**

Presently a city outside of the City of Winnipeg, is required to be part of a Planning District in order to retain subdivision autonomy from the province. This means that a subdivision plan is required to go through an additional approval process the Planning District Board, delaying the overall approval process by a minimum of one month. In the case where a city has professional staff and documented plans, all the work related to ensuring these plans meet municipal standards is conducted between the developer and the municipality. The requirement for the planning district to review these is redundant and takes up time and resources that could be better utilized to support other development activities.

A change to provide authority to qualified authorities at a municipal level would have no measurable negative impact on the process or the end result.

## Appendix A - Proposed Planning Act Changes for Cities Outside of Winnipeg

- **City of Winnipeg Charter**

The following wording in the City of Winnipeg Charter, allows for the streamlining of this process:

***Delegation to committee of council***

256(1) Council may by by-law

(a) authorize a committee of council or a designated employee to consider, and make decisions in respect of, applications for approval of plans of subdivision or specified types of plans of subdivision, and provide that applications for approval of plans of subdivision be referred to either the committee or the designated employee; and

(b) authorize the committee or the designated employee to approve plans of subdivision, or approve them with conditions that, under a by-law passed under subsection 259(1) (conditions for plans of subdivision), may be imposed in respect of plans of subdivision, except the conditions described in clause (d) of that subsection, without conducting a hearing respecting the application if the committee or the employee determines that the plan of subdivision conforms with section 257 and with other plans of subdivision of adjacent land.

### Planning Act Reference #3 - Variance or Conditional Approval Process

- **Planning Act Excerpt**

***Authority re minor variances***

102(1) A board or council may, by by-law, authorize a designated employee or officer to make an order that varies

(a) any height, distance, area, size or intensity of use requirement in the zoning by-law by no more than 10%; or

(b) the number of parking spaces required by the zoning by-law by no more than 10%.

***No notice or hearing required***

102(2) An application for a minor variance does not require a hearing under section 96 or notice to any person.

***Decision on minor variances***

102(3) The designated employee or officer must make an order

(a) rejecting the requested variance; or

(b) varying the application of the zoning by-law with respect to the affected property in accordance with the limits of subsection (1), subject to any conditions considered necessary to meet the requirements of clause 97(1)(b).

## Appendix A - Proposed Planning Act Changes for Cities Outside of Winnipeg (cont'd)

### ***Submissions before setting conditions***

102(4) A minor variance order must not be made subject to conditions unless the applicant has been given a reasonable opportunity to make representations about the proposed conditions.

### ***Notice to applicant***

102(5) The designated employee or officer must send a copy of the order to the applicant, along with written notice of the applicant's right to appeal the order under subsection (6).

### ***Appeal of minor variance***

102(6) The applicant may appeal the order of the designated employee or officer, and sections 94 to 100 apply to the appeal, with any necessary changes.

- **Impact**

Presently all applications for variance or conditional use are required to go through the three reading process, regardless of whether there are objections or not. At the best case, the process takes 6 weeks, however this can longer depending on the time of the year.

In jurisdictions, such as Alberta, delegation of authority has been provided to qualified professional staff whereby once a variance or conditional approval is approved, surrounding property owners are sent a notice of the approval and are provided the opportunity to appeal the decision of administration to City Council. If appealed, a public hearing is conducted by City Council where a final decision is made. Administration maintains the ability to choose not to provide approval and to seek a decision of the Planning Commission or City Council on variances or conditional use applications which may be deemed to be contentious.

In providing the authority to administration, the process would be streamlined to between two and three weeks for a majority of applications. A change to provide the authority to delegate this approval would have no measurable negative impact on the process or the end result.

## Proposed Planning Act Changes for Cities Outside of Winnipeg (cont'd)

- **City of Winnipeg Charter**

The following wording in the City of Winnipeg Charter, allows for the streamlining of this process:

***Authority respecting conditional uses***

[253\(2\)](#) Council may, by by-law, authorize a designated employee or a planning commission to consider, and make decisions in respect of, applications for conditional uses of real property or specified types of conditional uses, and applications for conditional uses of real property may be referred to either the designated employee or a planning commission as determined in accordance with the by-law.

***Authority respecting variances***

[247\(2\)](#) Council may by by-law authorize a designated employee or a planning commission to consider, and make decisions in respect of, applications for variances or specified types of variances and applications for variances may be referred to either the designated employee or the planning commission in accordance with the by-law.

DRAFT