Challenging Old Ideas: Manitoba's Partnered Approach to Social Policy and Governance

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CHALLENGING OLD IDEAS: MANITOBA'S PARTNERED APPROACH TO SOCIAL POLICY AND GOVERNANCE

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Abstract
The Province of Manitoba is uniquely positioned to explore social policy and governance innovation at the sub-national (provincial) government level. The combined strength of its provincial economy and the progressive agenda of its government have created fertile ground for innovation. Manitoba has seized the opportunity to challenge outmoded and ineffective governance and policy approaches and experiment with new, holistic, respectful and community-driven process models.

In this paper we will discuss the governance mechanisms Manitoba uses to effect change and innovation. These are demonstrated by three areas of process innovation implemented by the provincial government: community economic development, results-based budget planning and early childhood development. The goal has been to encourage social change as a partner with the community and to help policy makers understand and respect the complexity, interconnections and changeability of social needs.

By fostering a dynamic community dialogue and viewing policy as something that is alive, flexible and always evolving to fit community needs, rather than remaining static, space is created for a new policy holism to emerge. Although in its infancy, this new perspective is proving to be a balanced, responsive and effective approach that respects the needs of client groups, community organisations, government and taxpayers.

Introduction
Since the end of World War II, provincial governments in Canada have grown larger and more cumbersome as the welfare state developed. For decades Canada provided social services that shaped national identity, notably portable health insurance, employment insurance, welfare, public housing, public education and low-cost post-secondary education. Services ballooned and were based on what governments thought might be needed. Insufficient attention was given to excessive costs and public debt.

With the fiscal crisis and rise of neo-conservative governments in the 1990s, the pendulum began to swing in the opposite direction: deficit spending was brought to an end and there

1 Minister of Finance, Government of Manitoba
2 Manitoba Finance, Corporate Policy Coordination and Information Management Unit
3 Please see appendix for a more detailed description of Manitoba’s geography and history.
was a significant contraction of health and social spending and programming. Governments focused on reducing taxes and cutting costs, to the detriment of health and social services.

Efficiency-oriented governments became risk averse—risk became synonymous with waste—and the neglect of social and health policy and programs reached a breaking point for the public. A new demand emerged for governments to find a balance between cost effectiveness and better social and health programming standards.

In order to meet this challenge and forge a path on which financial and social needs are in balance, it is necessary for governments to take calculated risks and experiment with new approaches that may fail. A realistic pace of growth, based on evidence of success, combined with broader collaboration and a more refined direction of programs, has not only created space for innovation, but has itself become an innovative complex of interdependent processes.

Over the last nine years Manitoba has taken risks and sought innovations in a number of ways and at different levels. Government has come to respect the complexity, interconnections and changeability of social needs, statutory obligations and opportunities for rethinking its policy toolkit. It had success in linking the input of executive levels of government, departments, community, clients, experts and evidence via new bodies such as the Healthy Child Manitoba Secretariat, and has eschewed policy in isolation in favour of a more dynamic collective approach. By reconsidering the opportunities for tools such as legislation and budgeting, Manitoba is exploring new territory for focused, results-based funding of holistic collaborative and responsive programming that finds that balance and meets social needs at a reasonable cost.

**Making policy in Manitoba**

In recent years Manitoba has changed fundamental policy development processes to facilitate social innovation and meet the social needs and fiscal standards demanded by the public. Three areas where innovative process change is occurring include: legislative, executive (Cabinet) and fiscal (budgeting).

**Legislative**

The legislative process in Manitoba is balanced to allow input from the public at all levels of development. First, legislation is generally developed in response to public concern and after careful study and consultation that may include pilot exploration with programming. Once written and approved by Cabinet, the public is notified that legislation will be introduced into the Legislature for the first reading. Notice gives the public an opportunity to review the legislation and voice their concerns before the second reading.

At the second reading, the Bill is accepted or rejected in principle by the House and referred to the Committee Stage. At this stage an all-party committee gathers to hear from the public and review the legislation clause by clause. The public can present their views and suggestions either in person or in writing, and these submissions are considered during the review. Motions to amend clauses may then be made, and the bill may be changed accordingly. Once finished, the committee refers the bill back to the Legislature for the report stage. At this stage the House approves referral to the third reading. If the bill advances to the
third reading, the House then may debate provisions of the proposed bill, usually briefly, and generally it is then approved. That said, if the House is not satisfied that the amendments are complete or thorough they may vote it back to committee.

The complexity and time involved with passing legislation makes consultation during its drafting stage most important. Manitoba is streamlining this process by working on strategies and piloting programs before passing legislation. This approach allows an issue to be more thoroughly understood and public concerns and needs to be taken into account before setting it into law. By approaching legislation from a place of experience and collaboration, not only is the process of passing laws facilitated, but also its quality and sustainability are much improved.

Executive

To foster interconnectivity, traditional line department and central agency relationships have been transformed. Cabinet committees such as the Healthy Child Committee, Community Economic Development Committee and Aboriginal Issues Committee drive collaboration between departments. This is also facilitated by changes in central agency mechanisms such as the Treasury Board that has established a program review and continuous improvement function through its staff secretariat to focus on cross-departmental and agency outcomes.

Innovation is growing so that these mechanisms have not only traditional research and analysis functions built into them, but they also foster collaboration, consultation and a dialogue of multiple voices and interests. Analysis is being reinvented to provide tools for developing frontline insight into what the community wants and needs, and marks a change from past work done largely in isolation.

One such tool is the Budgeting for Outcomes (BFO) approach. This approach solicits programming that is directed, based on best practice and expert evidence, has grown out of collaborative input and consultation, is tailored and developed for its holistic benefits, and has specific outcomes planned. As an example, in its initial phase, BFO funded initiatives based on greenhouse gas emission reductions. Departments were given the opportunity to work within a new framework in which results were the focus rather than incremental program responses.

In light of changes and attempts to innovate the fundamental tools of governance, we will discuss three examples in which program process innovation has occurred. Fundamental to these innovations is consultation of experts and interested parties to provide the context for collaborative and responsive government policy and programming. The examples are the legislative process and the very successful Healthy Child Manitoba Strategy, the Executive or Cabinet process and how it has directed a collaborative Aboriginal Economic Integration, and the budgeting process, Budgeting for Outcomes, and how it has been used to help reduce greenhouse gas emissions. We will discuss the Province’s attempts to balance the provision of quality social and health services at a reasonable price by pursuing new models of holistic, collaborative, community directed and evidence-based programming.
Three areas of policy process innovation in Manitoba early childhood development (ECD)

Manitoba is having great success in its work on early childhood development. It is using a holistic approach guided by legislation that combines budgeting based on results, vertical and interdepartmental cooperation, community collaboration, expert research and best practice. The Healthy Child Manitoba Strategy is an excellent example of how legislation is used to ensure accountability and mandate processes and standards, and within those parameters uses guiding principles of holistic parent–child centred programming to guide its work.

Ensuring the best possible outcomes for children is a priority of the Manitoba Government and is enshrined in *The Healthy Child Manitoba Act* that affects all departments. Improving child well-being and reducing child poverty are broad objectives that inform policy development. Considerations of child well-being from a population health perspective help us to understand the benefits of a holistic approach.

For example, population health research shows that child health is influenced by many factors: income, social status, support networks and physical and social environments. By considering how these factors affect children, we gain a broader perspective of where there are gaps, barriers and challenges for at-risk groups. Such an approach can address the diversity of influences without losing sight of the goal of child well-being. Further, the holistic approach is substantially informed and guided by the advice and input of parents, community partners, public agencies and the provincial government, as set out in *The Healthy Child Manitoba Act*. Central to this perspective is that community partners not only participate at the developmental stage, but also during implementation and evaluation and are active in the feedback process.

In this context, Manitoba developed a child-centred policy framework to guide its ECD work. ECD sets children’s foundations for learning, behaviour, and health—all of which are crucial for positive outcomes. ECD is also an example of the collaboration that brings together parents, children, community organisations, school divisions, health professionals and governments to plan community activities based on local needs. In ECD, child-centred community structures and mechanisms inform policy and program planning and implementation.

The parent–child centred approach brings together community strengths and resources through partnerships or coalitions of groups from different sectors. This approach promotes and supports community-based programs and activities for children and families. Parent–child centred coalitions support existing activities and initiate new activities that reflect each community’s diversity and needs. Again, the Act requires that community coalitions be consulted on programming.

Manitoba has developed a unique approach to ensure the implementation of a comprehensive framework for child well-being. In March 2000, the innovative Healthy Child Manitoba Strategy was established as the government’s long-term, evidence-based, cross-departmental prevention and early intervention strategy to achieve child well-being goals.

The Healthy Child Manitoba (HCM) approach is to integrate the knowledge, experience, resources and energy of community partners, to tap into partner groups within the child sector and also to partner groups within senior levels of government (e.g., Deputy Minister
Committee and a Cabinet Committee). Because of its cross-departmental nature, HCM has an external team of policy and research experts at its disposal. As mentioned, this structure is enshrined in legislation—a unique commitment in Canada.

The Healthy Child Manitoba Office coordinates strategies and initiatives across government. These include Healthy Schools, a program to promote school- and community-based physical activity and wellness initiatives for children and teens; Roots of Empathy, a program to counter bullying in schools; the Healthy Baby program, to help mothers during pregnancy and the early years with financial assistance and substantial education about early childhood development; and the new Positive Parenting Program. This multidisciplinary approach has brought Manitoba national acclaim from the Centre of Excellence on Early Childhood Development and the Health Council of Canada.

Manitoba is committed to partnerships that bring together parents, children, community organisations, school divisions and health professionals to plan community activities based on local needs. The strength of this commitment is why coalitions are a legally required element of ECD. More specifically, Manitoba has created child-centred community structures and mechanisms, for example, Parent–Child Centred Coalitions, the Council of Coalitions and the Provincial Healthy Child Advisory Committee. There are 26 parent–child centred coalitions in the province made up of 23 regional coalitions (11 regions outside Winnipeg and 12 community areas within Winnipeg) and three cultural organisations. Using modest government funding, coalitions offer a wide range of activities that focus on supporting parents, nutrition, literacy and building community capacity to support healthy families. Activities vary by region, depending on local needs and priorities. Coalitions are the ‘eyes and ears’ of policy makers and provide input and feedback that informs the government of community and client group needs. Similarly, coalitions provide vital information to the community.

Consultative approach
Activities vary by region, depending on local needs and priorities. Relationships with coalitions are symbiotic and serve as a liaison between communities and government. Additionally, a number of family resource centres across the province receive parent–child funding under this initiative. The parent–child centred approach includes community-based initiatives that offer programs to support and educate families with young children.

A poor start not only threatens or delays a child’s development in their early years, but it also frequently leads to a chain of poor outcomes in adulthood that place greater stress on the individual and society. Conversely, a positive start not only results in healthy, happy kids today, but it has also been proven to reduce the likelihood of chronic disease in adulthood.

Budgeting and ECD
Each year the Province appoints an interdepartmental committee that reviews ECD expenditures across government to understand how and where government is spending on programs targeted on children younger than six. Programming is analysed with an eye to ECD and categorised as prevention, promotion or treatment intervention. There are opportunities to improve health and well-being by prevention and promotion, so reducing or eliminating problems before they occur.
Once programming is inventoried and analysed, a shortlist of the proposed programs is created. Success in this context is based on evidence collected from performance measurement and indicators. Manitoba is currently developing a holistic measurement strategy that will marry data collected from departments and programs. This approach will help us to better understand the program results.

These data will also help identify gaps that need to be addressed. Findings that reveal weaknesses in some favoured programs, and perhaps strengths in unpopular programs, may challenge the government.

Despite the targeted approach, universal investments such as the Manitoba Child Benefit will continue under the HCM strategy. Universal and targeted ECD investments are complementary parts of a comprehensive policy response. Universal investments support the well-being of all children, while targeted investments support vulnerable children, or those considered to be at risk of poor outcomes.

Other examples of legislation as a mechanism for social innovation

From the holistic perspective, policy makers understand that other pressures can undermine the effectiveness of successful outcomes such as child well-being. Complementary legislation helps to reduce the stressors that may otherwise undermine success. For instance, in December 2006, Manitoba passed legislation to regulate the practices of payday lenders and their rates for interest and fees for payday loans, as well as for cash cheques. These protective measures are the first such amendments in Canada and will help to protect vulnerable consumers who have difficulty accessing finance.

The Payday Loans Regulation was registered in the summer of 2007 and will come into effect once the Canadian Parliament passes final amendments to federal legislation. Manitoba has also introduced legislative amendments to The Business Practices Act to protect consumers who may be taken advantage of by unscrupulous business operators when buying used and new vehicles. Similar amendments were passed to revise The Consumer Protection Act and the Prepaid Purchase Card Regulation to prohibit expiry or fees associated with prepaid gift cards, gift certificates or vouchers, or cards for which money is exchanged for the future receipt of goods or services. So-called service fees have in the past been levied and have eroded the value of the cards.

Generally the work of legislation is supported by complementary activities. For instance in the context of payday lending legislation, the Community Financial Services Centre was created to respond to the needs of low-income families that traditionally cannot access mainstream banking services and, as a result, rely on pawnshops or pay for financial services offered by payday lenders. This Centre helps bridge the gap in accessibility experienced by vulnerable and low-income citizens, and prevents payday legislation from marginalising at-risk groups and forcing them to seek illicit financial activities.

Community Economic Development Committee of Cabinet

A fundamental responsibility of government is ensuring that the business environment is healthy and can provide the jobs and opportunities that help people and communities to prosper. In fact, evidence shows that a healthy economy and healthy population go hand-in-
hand. Of particular concern to the Province is, first, the state of rural and northern communities where neglect, the advent of industrial agriculture and decline of the family farm and some resource industries has led to people migrating out of rural areas. Second, the Province is concerned about disadvantaged neighbourhoods in need of social and economic renewal.

Community economic development (CED) is a community-based approach to economic development that focuses on the creative ideas, dedicated efforts and innovative partnerships of community residents and organisations, CED practitioners, businesses, researchers, educators and government to improve local socio-economic conditions. A whole-of-community approach fosters meaningful and long-term local social, economic and environmental change.

CED seeks to balance broader social needs with more traditional economic objectives. The government’s guiding vision is to support local efforts to build safe, healthy and diverse environments, thereby contributing to a better quality of life for all Manitobans. As is consistent with the holistic and collaborative models described previously, Manitoba’s view is that the most effective approach to CED goals comes when communities lead their own revitalisation strategies. The goal of these strategies is to create stronger, healthier and more resilient communities and local economies. To do this, the province helps communities develop and implement CED strategies based on community ideas and resources.

In 1999, Manitoba Premier Gary Doer established the Community and Economic Development Committee of Cabinet (CEDC). This committee of ministers guides the overall direction of the government’s CED efforts. Since 1999, community members have been advising the government on the best approaches for supporting CED. In 2001, Manitoba approved a CED policy framework and a CED model to assist government departments to align their programs and policies to support CED. The framework and model are centred around ten core CED principles:

1. local employment
2. local ownership and decision making
3. local economic linkages
4. reinvestment of profits back into the community
5. local knowledge and skills development
6. positive environmental impact
7. health and well-being
8. neighbourhood stability and community cohesion
9. human dignity
10. interdepartmental and intergovernmental collaboration.

The government is committed to consulting with the community and supporting community-based plans that respond to local needs and strengths. Community input will help inform government programs, policies and legislation to ensure that CED has the solid

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4 These were adapted from a list of CED principles from Neechi Foods Co-Op Ltd., an Aboriginal worker cooperative in Winnipeg (Neechi Foods Co-Op Ltd. (1993) It’s Up To All Of Us). Similar CED principles have been widely adopted by CED organisations across the province.
framework needed for future community success. Manitoba’s CED initiatives complement other government strategies and initiatives, such as the Northern Development Strategy, Growing Opportunities for Rural Manitoba, Healthy Child Manitoba, and the Green and Growing Strategy.

**Manitoba communities leading the way**

Manitoba’s leading role in community economic development was recognised in 2002, when Winnipeg was selected to host the Canadian Community Economic Development Network National Conference and Annual General Meeting. Hosted by SEED Winnipeg, the national conference brought together hundreds of CED activists, professionals, educators and policy makers to share and learn from each other. The Manitoba Government led a government dialogue session to discuss the best ways for funders and policy makers to support CED initiatives.

CED in Manitoba has drawn national research support to the province to investigate CED in the new economy and is supported by the Social Sciences and Humanities Research Council. The Manitoba Government has participated as a research partner in the Manitoba Research Alliance on CED in the New Economy that has sponsored more than 40 different research projects. CED contributes to a brighter future by helping to build community capacity and community infrastructure.

The Manitoba Government recognises that successful and sustainable communities must be able to manage their own revitalisation, and be able to realise the benefits of creating positive change. Building community capacity—the ability to identify needs and opportunities and then lead change—is a central element in the government’s approach to the CED and to the CED organisations it funds.

Representational diversity in government—from the civil service to Executive Council—is not only a commitment of Manitoba, but is vital for ensuring that policy issues and programming decisions respond to the needs of communities in Manitoba. Cabinet is no exception, and the Premier strives to maintain a representative Cabinet that can give a voice to the Province’s many communities and cultural groups. Nowhere is this more evident and necessary than the Community Economic Development Committee of Cabinet.

The Chair of the CEDC advisory committee is the Honourable Rosann Wowchuk. She represents a rural constituency and is Minister of Agriculture, Food and Rural Initiatives and Deputy Premier. Acting as co-chair is the Honourable Eric Robinson, an Aboriginal representative of the northern riding of Rupertsland and Minister of Culture, Heritage, Tourism and Sport. Rural and urban constituencies, both genders and Aboriginal and immigrant perspectives are represented on the committee.

Furthermore, representative diversity among decision makers and in the public service has been supported by the Civil Service Diversity Policy that has helped ensure that 10 per cent of Manitoba’s Civil Service is comprised of those who self-identify as Aboriginal. At senior government levels, a cabinet minister and the Speaker of the House are Aboriginal and originally from northern Manitoba, as are many of the senior managers within Government. The Province has also supported six regional health authorities to develop Aboriginal employment strategies.
CED and Aboriginal economic integration

As a result of history and continued federal neglect of standards for education, nutrition, housing and basic infrastructure, Aboriginal people in Canada face many barriers to their well-being. In the 2006 Census, Manitoba’s Aboriginal population made up 15.5 per cent of the provincial population of 1,133,510, an increase of 16.9 per cent over the 2001 Census. Fifty per cent of Manitoba’s Aboriginal population lives in cities, the highest rate in Canada. Ten per cent of Manitoba’s urban population is Aboriginal. Others live in the 63 First Nations communities across the province, many of which are isolated northern communities, 14 of which are not serviced by all-weather roads. Not all communities have reticulated sewer or water services. Manitoba’s north covers 560,000 square kilometres and has over 81,000 residents, of whom 65 per cent are Aboriginal.

Projections show the Aboriginal population is growing at a rate nine times that of the non-Aboriginal population. Currently one in four children under age 14 is Aboriginal, and by 2017 one in three children will be Aboriginal.

Manitoba’s Aboriginal population is a significant and celebrated part of its identity, its future, and the very cultural fabric that makes it unique. However, Aboriginal people are more likely to live in poverty and are disproportionately represented in health, justice and child welfare systems. The 2006 Census found that Aboriginal people have a median income of $15,246, 40 per cent lower than the $24,194 median income of non-Aboriginal Manitobans. Challenges for northern and Aboriginal communities include:

- geographical isolation
- transportation
- communication
- networking
- access to basic essential services
- employment opportunities
- infrastructure
- social conditions
- access to education.

Compounding these challenges is the fact that most First Nations communities and 91 per cent of the northern population fall under federal jurisdiction as provided in The Indian Act and are outside of the reach of Provincial policy and services.

Manitoba’s Northern Development Strategy and a strategic policy lens called Strengthening Aboriginal Participation in the Economy, overseen by CEDC, has guided the creation of new economic partnerships and integration of policy across departments. Manitoba’s Closing the Gap strategy commits Government and Aboriginal organisations to achieving targets for education, employment, healthcare, and community development. This section will focus on sample collaborative work undertaken to meet these targets. As typifies the holistic approach to policy, work on Aboriginal CED is understood for its symbiotic contribution or effect on other areas of government policy, such as ECD.
Aboriginal education

Manitoba has worked in collaboration with communities to understand and address the education needs of northern communities. A number of successful efforts to improve access include: creation under northern governance of the University College of the North (UCN); increases in bursaries and access programs; investments in higher Aboriginal enrolment; and completion rates and expansion of Aboriginal apprenticeship opportunities.

Manitoba has sought to expand education and training for poorly served communities. Improving access to education has given community members the opportunity to develop the skills they need to support themselves, the growing local economy and community governance. Early results of these initiatives are encouraging. Aboriginal student enrolment in post-secondary education has increased. College enrolments are up 43.6 per cent since 1999 and university enrolments increased by 5.4 per cent between 2003/04 and 2006/07 (greater than the 4.4 per cent general increase).

UCN is an innovative community training provider that educates learners in their home community through collaboratively developed programs that address local human resource needs. Established in 2004, the University College of the North’s vision is rooted in the teachings of Aboriginal peoples as it strives to be ‘devoted to community and northern development and reflect the Aboriginal reality and cultural diversity of northern Manitoba’. The college holds that its students are ‘integral to the economic and social development of northern Manitoba, the province, and our nation’. The University is characterised by a culture of openness and inclusiveness and respects Aboriginal and northern culture. For instance, Aboriginal elders are present on the campuses to provide social and cultural support to students.

UCN has 2,250 students registered in over 40 programs in 14 locations throughout the North. UCN’s programs include an Aboriginal midwifery education program, a civil technician certificate, training for healthcare aides, licensed practical nurses and registered nurses, the Restorative Justice and Conflict Resolution Diploma and Cree language courses.

One popular and unique program developed from community collaboration is the Bachelor of Midwifery offered through the Aboriginal Midwifery Education Program. This offers midwifery students a blend of traditional Aboriginal and Western methods of practice, and includes both classroom and clinical components. These midwives provide culturally appropriate birthing services, primarily to remote and northern Aboriginal communities in Manitoba, in Nunavut and the Northwest Territories. Manitoba has also strongly supported nurse training and trade apprenticeships to ensure that communities have the specialists they need to provide services at home.

Manitoba’s Aboriginal Education Action Plan, introduced in 2004, has increased funding for Aboriginal academic grants, funded Aboriginal education research, expanded Aboriginal Adult Learning Centres, supported industry Aboriginal Liaison Officers, and facilitated more community-based training for Aboriginal communities.

ACCESS programs were created in the 1970s, the first time the New Democratic Party was elected, to enhance accessibility and successful completion of post-secondary education in Manitoba by under-represented groups. Aboriginal people are one of the targeted groups. ACCESS has established a strong record of educating professionals in the fields of health,
social work, law, engineering and education. In 2006/07, the new intake in the ACCESS programs was 254 students, of whom 193 (or 76 per cent) self-identified as Aboriginal.

In 2003, the Province doubled the enrolment of the inner-city social work program at the Winnipeg Education Centre by adding an additional 25 seats for Aboriginal students in the Bachelor of Social Work program. This initiative is in direct response to the recommendations made by the Aboriginal Justice Inquiry.

Red River College has introduced a community economic development program focused on inner-city residents of Winnipeg. This is part of a tri-college diploma between Red River College, Assiniboine Community College and the University College of the North. Each institution has a focus: urban, rural and northern. The program has both a certificate exit point and a diploma exit point.

Restructuring of the child and family services system in consultation with communities, and as recommended by the Aboriginal Justice Inquiry, has resulted in First Nations and Métis peoples developing and delivering Aboriginal child welfare services. The province is funding a community-based full-time training program for 150 Aboriginal child and family service workers.

The Hydro Northern training initiative was developed in consultation with First Nations and is a partnership between the Manitoba and federal governments and Manitoba Hydro to support a $60 million pre-project training initiative for Northern hydroelectric developments, a major element in the government’s Northern Development Strategy. Some 1,400 trainees have participated in pre-project training for hydro developments, including Wuskwatim, Conawapa and Keeyask. Many students are pursuing adult upgrading, designated trades and non-designated trades training. Aboriginal partners are building community capacity by planning and delivering community-based training.

Manitoba has worked in cooperation with communities and industry to encourage the hiring and training of Aboriginal apprentices for the construction of capital projects. From 2000 to 2006, the number of self-declared registered Aboriginal apprentices rose from 350 to over 1,200.

Economic opportunities
The Wuskwatim hydro project is being developed by Manitoba Hydro in an equity partnership with Nisichawayasihk Cree Nation (NCN) that will give NCN ownership of up to one third of the generating station. This is in addition to training, employment and business opportunities. To date, NCN has negotiated contracts to build access roads, provide catering and security services and cross-cultural support, creating 150 jobs over the next two years. NCN businesses have been awarded nearly $150 million in contracts related to Wuskwatim construction.

Presently there are 400 people working on Wuskwatim construction, approximately two thirds are of Aboriginal descent, proof that pre-project training is working and leading to employment. Manitoba Hydro has also made significant strides internally towards Aboriginal employment, almost tripling the number of Aboriginal employees from 300 to 820. More than 14 per cent of Manitoba Hydro employees are Aboriginal people (more than 40 per cent of northern jobs are held by Aboriginal people).
Manitoba’s commitment to develop the Conawapa hydro dam and Keeyask (Gull) generating station will see financial, training, employment and spin-off business opportunities for surrounding First Nations communities, along with training and employment opportunities for many other Aboriginal residents of Northern Manitoba.

The Manitoba Floodway Authority, the agency responsible for expanding the Red River Floodway to protect against a 1 in 700 year flood, has developed various initiatives in collaboration with the Aboriginal business community, to help ensure that Aboriginal workers and companies are hired for the expansion project.

A key initiative is the Aboriginal ‘Set-Aside’, which was established to reconstruct the 45 km long West Dike. Under this initiative, only companies that are 51 per cent Aboriginal owned and have one third Aboriginal workers are eligible to bid for the work. The set-aside initiative was designed to address some of the challenges facing the Aboriginal construction industry. For example, rather than contracting to one or two large firms and passing smaller companies by, the contracts were broken into over 30 different contracts of various sizes, and an option was developed to waive bonding for some of the smaller contracts. In the last two years, 17 tenders worth approximately $28 million have been awarded and more than 500 people have been employed on the set-aside, 40 per cent of whom self-identified as Aboriginal. To date, all of the contracts have come in on time and on budget.

First Nations are very interested in training to prepare them to work in the mining industry. The new Northern Manitoba Sector Council is working with the mining industry to identify their training needs. San Gold is currently producing from two gold mines in the north and has hired approximately 220 staff so far. Of these, 60 per cent (130 persons) are from local First Nations and Métis communities. Virtually the entire $1 million per month payroll stays in Manitoba, and 75 per cent of payments to vendors and contractors stay in Manitoba. San Gold also has a comprehensive training program in surrounding communities.

Manitoba has also worked closely with Entitlement First Nations, the Treaty Land Entitlement Committee and the federal government to accelerate settlement of Treaty Land Entitlement (TLE) claims. TLE restores treaty land to First Nations and fosters service agreements with municipalities. To date the Province has transferred 167,054 hectares of Crown land to the federal government for them to use in TLE settlements. The federal government has committed to transfer at least 60,000 hectares annually over the next four years to restore treaty land. Manitoba has also committed to improving community infrastructure and accessibility for remote communities, including new airport road access, new airstrips, and the first section of an all-weather road up the East Side of Lake Winnipeg.

Manitoba supports the Métis Build a Business Program, delivered by SEED Winnipeg—a non-profit micro-financial organisation—and the Louis Riel Capitol Corp, to train Métis clients in a business development program that is customised for Métis people.

The First People Economic Growth Fund ($20.5 million over five years) is a partnership initiative of the Province of Manitoba and the Assembly of Manitoba Chiefs. It was established as an independent not-for-profit corporation funded by provincial gaming revenue. The fund is designed to support First Nations business development and ultimately help close the gap in the standard of living between First Nations and non-Aboriginal Manitobans.
In addition to collaborative approaches, the Province is committed to supporting local community revenue generation to allow communities to develop their own local policy and programming governance. For instance, the Tobacco Band Assessment program provides a 100 per cent rebate on all taxes levied to 56 out of 63 Manitoba First Nations for use in community, social and economic development. Approximately $17 million was provided in 2007/08 to these bands and the program has been a source of community revenue for over 13 years. Additionally, most First Nations recognise that the increased price of tobacco discourages consumption and contributes to improved health for band members.

Legislation was passed in June 2006 to give Manitoba First Nations a broader taxation authority that could provide additional sources of revenue for band purposes. Under such arrangements, Manitoba is prepared to share 100 per cent of provincial tax revenue paid by First Nations communities, including fuel and sales tax, with interested First Nations. We have received expressions of interest from a number of First Nations. These are currently being discussed.

Other successful CED examples

Neighbourhood Renewal Corporations (NRCs) are located in Winnipeg (West Broadway, Spence and the North End), Brandon and Thompson, and help build capacity within their neighbourhoods for planning and implementation of community-driven revitalisation strategies. NRCs are also instrumental in the successful delivery of Manitoba’s Neighbourhoods Alive! program. Neighbourhoods Alive! is a unique renewal program that supports CED efforts in 15 designated neighbourhoods, including 2008/09 expansion of the program to Dauphin, Flin Flon, Portage la Prairie, Selkirk and The Pas. The program focuses on:

- housing and physical improvements
- employment, training and economic development
- education and recreation
- safety and crime prevention.

A unique and celebrated aspect of the Neighbourhoods Alive! program is Lighthouses, a youth crime prevention fund launched in 2001. Lighthouses provides after school recreation, education and social opportunities that build stronger relationships between youth, communities and the police and justice systems to prevent crime. It uses schools, recreation centres and other community facilities after hours for sports, arts, music and social activities organised by community stakeholders and youth. Today, Manitoba has 50 Lighthouses—five more are being added in the 2008/09 fiscal year—that offer safe and fun places for youth to go outside school hours. In 2006/07, there were 28,596 hours of programming and 129,664 youth visits.

Economic Development Council for Manitoba Bilingual Municipalities (Le Conseil de développement économique des municipalités bilingues du Manitoba) (CDEM) works in partnership with 16 Francophone and bilingual municipalities in Manitoba to organise, encourage and stimulate community and economic development in bilingual municipalities. With its approach to CED, the CDEM is a front runner in ensuring the economic vitality of the communities it serves.
Community Development Corporations (CDCs) are located in 95 communities throughout the province. CDCs serve as local vehicles for community and economic development and work in partnership with local municipalities. The corporations provide planning, development and financing support to community projects.

The East Side Planning Initiative was launched by the Manitoba Government to engage east side communities in wide area land use planning for this unique region of the province. This planning process gives local people a meaningful say in decisions that bear on present and future uses of the area. The government is committed to working with east side communities on their priorities for land use planning and sustainable development, including United Nations designation.

Building financial capacity is increasingly a focus of CED. The Manitoba Government partners with SEED Winnipeg on financial literacy training and asset building programs, such as Individual Development Accounts that help low-income people acquire economic assets such as education and home ownership.

The Winnipeg Poverty Reduction Council is a group of community leaders appointed by the United Way who are committed to cross-sectoral initiatives to reduce poverty in Winnipeg. The Council is a model for community action through collaboration, and initiatives include work to help people learn about personal finances and savings (assets), improve educational opportunities for Aboriginal youth, enrich support for elementary schools in low-income high-risk neighbourhoods, and help maintain inner-city recreation centres.

**Budgeting for outcomes (BFO)**

Budgeting for outcomes (BFO) is a budgeting approach Manitoba is experimenting with on a pilot basis that demonstrates that social issues can be effectively addressed within a responsible fiscal framework. In fact, it is evident that a marriage of social and fiscal policy is plausible and may be mutually reinforcing.

The BFO approach gives departments an opportunity to use collaborative input and evidence to build a strong program that qualifies for funding from outside the department’s budget. BFO requires that projects be developed by first focusing on goals, and then using a targeted process or path to achieve them. The path is accountable because it is developed using a holistic, collaborative, community directed and evidence-based approach. As with other areas of policy and model testing, BFO will be evaluated for its performance and developed accordingly.

While BFO is not new, Manitoba’s approach has been tailored to our provincial context and is a competitive process in which departments are able to apply to Treasury Board for programming funds based on the outcomes they offer. A team of inter-departmental representatives who are knowledgeable in the field of the proposal, and representatives of the International Institute for Social Development, convene to review and analyse the applications. Project submissions are considered and scored first individually, and then as a collective. Committees discuss scores and determine a consensus in ranking projects.

Projects are scored for: (1) their relation to an existing government commitment; (2) their potential to reduce greenhouse gases; (3) whether they provide value; (4) whether they contribute to a green economy; (5) their degree of innovation; (6) their potential for leveraged
funding from other sources; and (7) discretionary points for additional factors fitting with government priorities (e.g. conservation, green economy, innovation, poverty reduction, economic benefits, etc.). Funding recommendations are then provided to Treasury Board.

**BFO and climate change**

An example of a BFO project that demonstrates a potential for a mutually enhancing marriage between responsible fiscal policy and responsive social policy is the Low-Income Energy Efficiency program. Climate change will have a significant impact on Manitoba’s agriculture, fisheries, transportation, infrastructure, public health, homes, communities, and cultural identities. If it is not slowed, climate change will come faster than the Province can adapt to it. While the national government has not lived up to its Kyoto Accord obligations, Manitoba remains committed to do so, and is considered internationally to be a leader on climate change action.

Beyond Kyoto, Manitoba’s detailed action plan to reach its proposed legislated Kyoto target by 2012 was released in April 2008. The climate change plan was developed with significant community and business input gained from workshops and the Climate Change and Green Economy Conference held in 2007. While the Province has many programs intended to help reduce greenhouse gases, this one is innovative in that its goals are multifaceted and include residential energy efficiency and reduction of greenhouse gas emissions by low-income neighbourhoods. It includes community renewal and jobs training for at risk residents.

Manitoba is known for extremes of weather. During winter, temperatures can drop below daytime highs of $-18^\circ C$ for weeks on end, and evening temperatures can frequently drop to $-40^\circ C$. In summer, temperatures can reach daytime highs of $35^\circ C$ for days on end, with high humidity—the record is $50.3^\circ C$. These extremes can adversely affect quality of life and increase energy expenditure by those with poorly insulated houses.

To help improve the energy efficiency of Manitoba’s existing housing stock, Manitoba Hydro—a utility that provides electricity and natural gas and that is owned by the Province—introduced the PowerSmart program for average homeowners. While very successful, evaluation of usage and analysis of findings show that the programs are not well used by low-income people and neighbourhoods. At issue is that while generous, Hydro’s program provides funding for materials only and does not address barriers to take-up by low-income residents. Disincentives or barriers to energy efficiency retrofitting in low-income neighbourhoods include contractors avoiding work in certain neighbourhoods, a high proportion of rental houses and government paying utility bills indirectly through social assistance.

Given these barriers, and the success of Neighbourhoods Alive!, a new approach was developed as a BFO pilot. The first of its kind in Canada, the Low-Income Energy Efficiency pilot program is attempting to achieve the following outcomes: (1) access and improve housing stock in low-income neighbourhoods; (2) train inner city residents to be job ready; (3) improve energy and water efficiency; and (4) contribute to neighbourhood revitalisation.

The program has components that enable it to tackle single- and multi-family projects, regardless of whether the occupant owns or rents the home. Within it are the elements of
project management, auditing, accountability, labour costs and incentives to encourage landlords with low-income tenants to retrofit. A staff year is also available to facilitate applications, support community business plan development, plus perform program oversight and accountability and, depending on results, possibly program expansion.

Of particular interest in the context of social innovation and holistic policy development is the fact that this BFO project was developed, proposed and implemented by Manitoba Science, Technology, Energy and Mines (STEM). STEM is the science-based technical department that its name suggests. In using a holistic lens to develop its climate change programming and understand the social complexities at work, STEM has found a gap in services and developed a pilot project that is innovative and accessible.

Manitoba’s Low-Income Energy Efficiency project will help community groups assist low-income families apply for Hydro’s province-wide low-income program and Natural Resource Canada’s ecoEnergy Program. Hydro funding will offset the material costs of retrofitting houses and includes insulating floors and basements to increase usable living space, re-insulating energy inefficient attics and walls, upgrading and improving plumbing to reduce leakage, and improving water efficiency using, for example, low-flush toilets and water-efficient shower heads.

By using a targeted budget approach, the program has elicited multiple results. Training outputs were developed to improve employability and equipment and labour outputs (insulation, windows, etc.), improved quality of life, the state of housing and contributed to renewal of the neighbourhood. A staff year output provided administrative support to facilitate, evaluate and, if successful, grow the project. The long-term outcomes include neighbourhood revitalisation, a skilled local workforce and reduced energy consumption leading to a lower environmental impact.

For example, the Centennial neighbourhood is one of the poorest in Winnipeg and is designated a housing improvement zone by the City of Winnipeg and a Neighbourhoods Alive! area under CED. As a designated area it becomes eligible for housing and community improvement funds from the Province. Under the Low-Income Energy Efficiency pilot, a ‘BUILD’ board was established for ‘the greening of Centennial’. It is made up of community volunteers who had many years of experience in the housing, construction and employment sectors. BUILD is a non-profit training social enterprise that is a stepping stone from which Aboriginal and inner-city residents can gain skills in the construction field so they are better qualified for construction jobs. In this pilot project model, applications for funding were requested from community organisations and reviewed by an interdepartmental working group led by the Director of Energy Policy.

The efficiency benefits in Centennial will ultimately depend on the existing insulation levels, air leakage and water use efficiency. That said, it is estimated that on average, each home will see a reduction in their annual energy bills of $300. It is also estimated that each family will see their water bills reduced by over $200 per year for a total annual cost saving of over $500 per family. As well, many basements will be insulated under this project, so giving families more living space.

The local training component is supported by existing provincial funding. The required social infrastructure to support the development of the crew and the longer-term phases of
the project are being funded by community partners such as the United Way, the Winnipeg Partnership Agreement and the Winnipeg Foundation. The materials needed for the energy efficiency upgrades are provided by Manitoba Hydro through PowerSmart and through the Winter Heating Cost Control Heating Act. The Province is funding the installation of low-flush toilets.

While this project is still considered to be a pilot, its initial success led to the November 2007 expansion to Brandon—a city about 200 km west of Winnipeg—and the Brandon Community Renewal Corporation. In the Centennial neighbourhood the project is viewed as a success and the community and partners would like to see this model expanded to more homes in Centennial, and to other low-income neighbourhoods and First Nations across the province. However, the costs and benefits of this pilot will be assessed before it is expanded further.

Similarly, the Island Lakes Energy Efficiency pilot initiative is working with Island Lakes communities and Manitoba Hydro to use locally produced materials and support local training and employment to retrofit houses with a focus on energy efficiencies.

Discussion
Manitoba’s innovative program approach to social policy is built on the foundations of holism, collaboration and partnership, community direction and accountability and developed under the guidance of socially minded legislation, a diverse Cabinet and an environment of responsible but changing fiscal policy. While in its infancy relative to previous policy development models, the marriage of responsible social and fiscal policy is already showing promise indicated by the positive results and growth described in this paper. Further review of programming based on outcomes will enable the Province to address social issues by building on the success in innovation demonstrated by empirical evidence, while minimising risk to a level palatable to taxpayers.

Flexible and broad perspectives offered by a diversity of representatives opens the door for new considerations and innovative solutions that address real needs and set the scene for improvements in social policy. In Canada and internationally, the Province is seen as unique due to its approach to early childhood and community economic development. Its approaches to Aboriginal policy and climate change have garnered praise from other provinces and offer an innovative policy lens that seems to be successful in challenging the swinging pendulum of past governance and establishing balance.

Thanks to its commitment to a holistic policy lens, Manitoba recognises that social themes such as child well-being cannot hope to be understood in isolation, let alone adequately addressed, without strong connections and partnerships in the community and active collaboration with parents and children. Connections to the community and the participation of departmental policy makers and all levels of government ensure that policy makers develop flexible, inclusive, respectful and evidence-based programming to meet evolving parent–child needs and improve child well-being in general. With targeted investments in prevention and promotion of well-being, social policy becomes an active vehicle to achieve outcomes, as opposed to a passive and intervention-based mechanism to deal with negative, undesirable outcomes or crises. In the case of early childhood development, evidence shows
that prevention and targeted investment can improve the quality of life and reduce risks to well-being. A child’s formative years are imperative to future education, well-being and health.

With evidence of success, Manitoba is able to develop evidence-based and success-focused growth in programming that supports the long-term outcomes of ECD. Well-being of both individuals and communities, in this perspective, comes from a long-term commitment to ECD.

Aboriginal issues demonstrate the need for government to be a partner and advocate and facilitate access to collaborative responses that are respectful and appropriate in the light of significant social, economic and historic challenges. Strong representative partnerships and dialogue are the engines to move us forward on the path to a successful future. From those partnerships have come numerous initiatives to help improve access—both financial and geographic—to education for all Northerners. Targeted training and ownership opportunities in economic ventures close to northern communities, such as hydro projects, help communities develop local economies to grow and create means to break the cycle of poverty. By fast tracking land transfers to the federal government to address outstanding treaty obligations, and by lending its own voice to the federal apology to First Nations for residential schools and historic assimilation policy, Manitoba is showing its respect, support and commitment to truth and reconciliation and the long overdue closing of the gap.

Manitoba’s low-income and inner-city neighbourhoods and communities must be further engaged and helped to revitalise their communities to ensure long-term opportunities for renewal are realised. By being connected and actively participating in community work to foster and improve community social and economic contexts, especially for vulnerable citizens, the spirit of community pride and solidarity can help overcome neglect and stagnation.

For many years, policy has been driven by external financial pressures and cost cutting rather than consideration of the effectiveness of the work undertaken, either in the short- or long-term. By shifting focus onto identifying gaps and making program decisions based on evidence of success in Manitoba, and creating balanced legislation, the government challenges and revitalises its own house vis-à-vis policy, budget models and decision-making. These policy renovations offer leadership and support to facilitate innovation in government departments and on many other fronts.

In the case of climate change, examination of program take-up has located opportunities for working toward multiple outcomes that would likely have been overlooked under the old model. It has introduced a social perspective to a discipline and department that is traditionally quantitative, and connected partners in new collaborations that are unprecedented. The Community Economic Development Policy Framework and Budgeting for Outcomes approach holds promise for bridging these gaps and freeing up valuable resources to be used where they will do the most good.

While each innovative approach discussed in this paper has demonstrated its promise, and we hope to build on success, they are all in their infancy. The long-term success of innovation in improving Aboriginal child welfare, increasing University College of the North enrolment and graduation rates, or sustaining the key networks of Early Childhood Development,
depends on government and community commitment to renewal, training and support as well as continuation of economic stability that may at times be affected by external influences.

**Website Resources**

**Aboriginal Resources**
Aboriginal and Northern Affairs (Manitoba) <www.gov.mb.ca/ana/index.html>
Lighthouses <www.gov.mb.ca/justice/lighthouses/>
Aboriginal Education Action Plan <www.edu.gov.mb.ca/abedu/action_plan/>
Restructuring Manitoba’s Child and Family Services System <www.gov.mb.ca/fs/childfam/cfs_restructuring.html>

**Climate Change Resources**

**Community Economic Development**
Community Economic Development (Manitoba) <www.gov.mb.ca/ia/programs/neighbourhoods/toolbox/ced.html>
Community Schools Partnership Initiative <www.edu.gov.mb.ca/cspi/>
Manitoba Hydro. Power Smart Program and Incentives <www.hydro.mb.ca/saving_with_ps/psmart_overview.shtml>

**Early Childhood Development Resources**


*Context and History of Manitoba*


*Other resources*

Assembly of First Nations (Canada) <www.afn.ca>

Assembly of Manitoba Chiefs <www.manitobachiefs.com>

The Canadian Encyclopedia <www.canadianencyclopedia.ca>

Manitoba Métis Federation <www.mmf.mb.ca>

Wikipedia <en.wikipedia.org/wiki/Manitoba>
Appendix One

Manitoba context

Manitoba is one of Canada's 10 provinces and has a population of 1,193,566 (2008). Located in central Canada, it is the eastern-most of the three Prairie Provinces, or four Western Provinces.

The south-central part of the province has been shaped by successive prehistoric glaciations and features numerous waterways that have provided natural transport routes for thousands of years, and rich fertile soils that are well suited to agriculture. The climate ranges from humid continental to semi-arid steppe in the far south-west.

Manitoba’s north is a vast and sparsely populated boreal forest on the Canadian Shield, or granite rock shelf that extends across several provinces. Much of the northern climate is subarctic and the province borders on the Territory of Nunavut. The north-east of the province borders on Hudson Bay and Manitoba is the only Canadian province with an Arctic deepwater seaport at Churchill. The Port of Churchill is the closest Canadian port to Asia. The north is home to remote communities established as reserves for First Nations or as a result of mining, forestry or hydroelectric industries.

To the east, south of Hudson Bay, Manitoba borders the province of Ontario, and to the south it borders the US states of North Dakota and Minnesota. To the west, Manitoba borders the province of Saskatchewan.

Lake Winnipeg is the tenth-largest freshwater lake in the world, and lakes cover approximately 14.5 per cent or 94,241 square kilometres of the province. The east side of Lake Winnipeg (commonly referred to as ‘east side’) is home to some of the world’s last remote and intact watersheds and boreal forest. These eastern rivers are pristine, with no major developments along them. First Nations and the Province have proposed a United Nations (UNESCO) Heritage Site to protect these lands for the future. The capital city, Winnipeg (population 633,451), is located in the south-east, surrounding the forks of the Assiniboine and Red Rivers.

The original inhabitants of Manitoba were the ancestors of the province’s Aboriginal people (First Nations, Métis and Inuit). These inhabitants were members of different cultural groups that resided on the post-glaciation lands as far back as 11,000 years ago. Cultural groups emerged regionally and changed over time. These different groups subsisted by various means such as hunting, gathering and horticulture. For instance, living in the south where maize could be grown and buffalo hunted was quite different to the hunting, trapping and fishing economy of the boreal north.

The European fur trade in the 17th century brought the first significant contact with fur traders or voyageurs. Iroquoian (e.g., Ojibwa) and Algonkian (e.g., Cree) used European weapons to extend their territory across Manitoba, hunt bison on a grand scale and gain strength in the fur and pemmican trade. Their populations were decimated by diseases such as smallpox. European and First Nation unions resulted in the birth of children that would form a new and unique cultural and political nation known as the Métis.

After the introduction of the fur trade, the next major economic and social change came when Lord Selkirk brought the first agricultural settlers—people of Scottish and Irish
descent—to the area just north of present day Winnipeg in 1811. Agricultural growth was impeded by the Hudson’s Bay Company’s control over the colony and its preference of the fur trade over agriculture.

Numbered treaties were signed in the late 1800s with the chiefs of various First Nations groups, or bands. These treaties made promises—not fully honoured—to bands to provide land for every family, medicine chests, yearly payments and more. The Métis were excluded from these treaties. The Canadian government started the subsequent reserve system under pressure from churches to ‘civilise’ First Nations and a desire to settle land and rebuff US expansionism.

Reserves are small parcels of land that serve as home territory for First Nation bands and as provided under the federal *Indian Act*. The federal government maintains fiduciary responsibility for First Nations living on reserves. Federal policies of assimilation and the remoteness and economic isolation of most reserves eliminated many bands’ ability to maintain self-sufficient economies. Attempts to culturally assimilate through religion-based residential schools left a legacy of abuse, neglect and hardship that has negatively affected communities and the lives of many Aboriginal people for generations.

In 1870 Manitoba was born from the Red River Settlement and land acquired from what is now Nunavut. By 1890, wheat had become a mainstay of Manitoba’s and, within a few years, Winnipeg was the fourth largest city in Canada. Winnipeg became a western boom town and centre of the grain trade. The financial district ballooned and the city attracted millionaire investors, immigrants and railways.

By the time of World War I, it was expected that Manitoba would have a population of three million, but growth stalled as the economy slowed and funds were directed to the war effort. Outside the city, the number of farms continued to grow until World War II, when people began to leave rural areas to seek jobs in the cities where manufacturing was emerging as the new economic opportunity. On the farm, the industrialisation of agriculture and the decline of the family farm has continued to drive rural depopulation to this day. Similarly, issues with *The Indian Act*, crushing poverty and a lack of jobs on or near reserves have led to a migration of many Aboriginal people—First Nations and Métis—to cities in search of work. Due to the poor education system mentioned earlier, and lack of opportunity to train and build skills, as well as racism and other factors, many Aboriginal people who move to cities live in poverty, often in overcrowded housing. Children are considered at risk of suffering poor well-being and are more likely to be involved with government-provided social services.

According to the 2006 Canadian census, the largest ethnic group in Manitoba is English (22.9%), followed by German (19.1%), Scottish (18.5%), Ukrainian (14.7%), Irish (13.4%), French (13.1%), First Nations (10.6%), Polish (7.3%), Métis (6.4%), Dutch (4.9%), although almost a fifth of all respondents also identified their ethnicity as Canadian.

Politically, Manitoba is a member of the Canadian federation. As a sub-national government, the province has a legislative assembly of 57 elected members. There are three political parties represented in the House: New Democratic Party, Progressive Conservative Party and the Liberal Party. The executive branch is formed by the majority party—currently the New Democratic Party under provincial party leader Premier Gary Doer.
The provinces and the federal government have distinct areas of jurisdiction. That said, the federal government is responsible for collecting revenues—including income taxes—for itself and on behalf of provinces and territories. The federal government is then responsible for redistributing funds, including through the Canada Social Transfer and the Canada Health Transfer so that provinces can supply health, social and post-secondary education services.

With the post-war advent of the welfare state, provinces shared the costs of a fixed set of social services with the federal government through the Canada Assistance Plan (CAP 1966–1995). In 1977 the Established Programs Financing (EPF) was introduced as a transfer funding arrangement for health and post-secondary services. Declines in the CAP and EPF funding escalators began in the late 1980s, and in 1995 CAP and EPF were eliminated and a block transfer introduced in the form of the Canada Health and Social Transfer (CHST). In 2003 the CHST was split into the Canada Health Transfer and the Canada Social Transfer.

The federal government also provides equalisation funding to some provinces to ensure that all Canadians have access to reasonably comparable services at reasonably comparable levels of taxation, regardless of where they live. This funding essentially equalises the tax revenue bases across the country.

Even with recent increases to CHT and CST, federal reductions in social spending via transfers have affected provincial governments’ ability to fund social services and post-secondary programming. For instance, post-secondary education spending will not match its peak of the 1990s (prior to federal cutbacks) until 2009/10 in real dollars and not adjusted for inflation. Support for social services is not expected to be restored to its 1990s peak until 2013/14, and again, that is not adjusted for 15 years of inflation. Simultaneously, the public likes tax relief and businesses demand competitive tax regimes in order to compete both domestically and internationally.

The contraction of federal funding during the time of fiscal restraint and economic recession of the 1990s was met with a similar contraction within the provincial government. At that time, social programming was centrally controlled, top down with cost constraints as a key motivator. With the decrease in revenues there was a corresponding decrease in services.

The new millennium brought with it a stronger economy and a new government with a progressive agenda of social and economic rejuvenation. Public fatigue with social service and health service issues of the 1990s, a strong economy and continuing inadequate federal funding have created an opportunity for Manitoba to explore new approaches to governance and policy, and challenge assumptions of past social policy and budgeting models.