
**MANITOBA'S ECONOMIC GROWTH
ACTION PLAN****Background**

The *Framework for Economic Alignment and Growth Report* by Deloitte was released in March 2018. The framework report made three key recommendations:

- Confirm economic development goals and objectives, to develop a provincewide plan.
- Expand the program review in Manitoba Growth, Enterprise and Trade to all economic development programs delivered by the Manitoba government.
- Consider establishing a dedicated arms-length economic development organization.

The province recruited two of Manitoba's most accomplished business leaders to lead the government's efforts to craft a modern approach to economic development. Dave Angus, president, Johnston Group Inc. and former CEO of the Winnipeg Chamber of Commerce, and Barb Gamey, co-founder and CEO of Payworks, led a comprehensive public engagement with over 500 representatives of business, industry, economic development organizations, Indigenous groups and academia.

Angus and Gamey's report, *Growing Manitoba's Economy*, articulated themes important to all sectors of the economy such as skills development, sector growth, access to capital, Indigenous economic development and competitiveness. The Manitoba government will prioritize the report's recommendations for short-, medium- and long-term action in a phased implementation plan. Immediate actions respond to the issues heard most throughout the engagement process – government needs a transparent, consistent and timely decision-making framework; a co-ordinating body with a 'how can we help' attitude; alignment across departments and agencies; and programs that respond to the needs of business and industry.

Immediate Actions:**Phase 1 of the *Economic Growth Action Plan* – transform the delivery of economic development****Economic Growth Committee of Cabinet**

A new Economic Growth Committee of Cabinet (EGCC) will oversee a whole-of-government approach to growing the provincial economy. The EGCC will ensure the government's approach to economic development is comprehensive, aligned across provincial departments and agencies; based on sound evidence, research and analysis; and designed to deliver on key outcomes. Committee members are:

- Growth, Enterprise and Trade Minister Blaine Pedersen (chair);
- Agriculture Minister Ralph Eichler;
- Infrastructure Minister Ron Schuler;
- Indigenous and Northern Affairs Minister Eileen Clarke;
- Sustainable Development Minister Rochelle Squires;
- Reg Helwer, MLA, Brandon West;
- James Teitsma, MLA, Radisson; and
- Jon Reyes, MLA, St. Norbert.

Manitoba Economic Development Office

The new Manitoba Economic Development Office (EDO) in Manitoba Growth, Enterprise and Trade will lead major economic development initiatives and investment projects. The EDO will collaborate and co-ordinate across government departments, agencies and organizations to advance the interests of business and industry.

Regional and Strategic Partners

Seven regional and strategic partnerships will be established to simplify program delivery and to be more responsive to the needs of Manitobans.

Four regional partner organizations will deliver targeted economic development programs and front-line services in northern Manitoba, rural Manitoba, the Winnipeg capital region and the city of Winnipeg.

- Northern Manitoba – The Communities Economic Development Fund, a Manitoba Crown corporation, will co-ordinate economic development programming in northern Manitoba and lead implementation of the Look North initiative.
- Rural Manitoba – Rural Manitoba is geographically and economically diverse, with industrial activities that include agriculture, manufacturing, construction and a spectrum of service industries. A new regional organization will be established to deliver economic development programming in rural Manitoba. This process will be led by the Manitoba Chambers of Commerce and Association of Manitoba Municipalities.
- Winnipeg capital region – The Winnipeg Metropolitan Region represents the municipalities that make up the Capital Region Partnership, mandated by The Capital Region Partnership Act, to promote tourism and sustainable economic development in the capital region. A partnership agreement will be developed with Winnipeg Metropolitan Region to lead economic development delivery in the municipalities that surround Winnipeg.
- Economic Development Winnipeg (EDW) – EDW is the key economic development organization for the city of Winnipeg. With key framework mandates that include Tourism Winnipeg, and YES! Winnipeg, EDW provides market data, assistance and support to grow Winnipeg's economy by helping to make business success in Winnipeg easier and more attractive, and encouraging more people to come and see what Winnipeg has to offer.

Manitoba will also lever the capabilities of three strategic partner organizations to deliver programming related to innovation, trade and investment, and tourism.

- Innovation – North Forge Technology Exchange is an innovation-based economic development agency that provides mentorship, training and support for entrepreneurs across Manitoba. It is a collaborative network conceived by the teams behind the Eureka Project, AssentWorks, Ramp Up Manitoba and the Startup Winnipeg program. It operates Canada’s largest non-profit fabrication lab in Winnipeg.
- Trade – World Trade Centre (WTC) provides information and support to Manitoba companies looking to grow their business beyond Manitoba and provides services to international companies interested in doing business with Manitoba companies. It is a member of the World Trade Centers Association, the leading international trade network, representing more than 300 world trade centres in nearly 100 countries. WTC allows Manitoba companies to lever this global network to grow and diversify in international markets.
- Tourism – Travel Manitoba is a Manitoba Crown corporation that fosters development, growth and diversity in the tourism industry in Manitoba. It promotes Manitoba as a desirable tourist destination, provides visitor information services, and works to stimulate the growth and competitiveness of the tourism industry and to enhance public awareness of the importance of the industry.

Agriculture is a key sector in the Manitoba economy and the Department of Agriculture will continue to lead agriculture-sector specific strategies, programs and initiatives.

Economic Development Programs and Strategies

The Manitoba government will create a new Innovation Growth Program and a renewed Tax Increment Financing Framework to augment government’s existing suite of tax credit incentives for business.

- Innovation Growth Program (IGP)

The program will encourage small and medium-sized enterprise (SME) private-sector investment to develop and commercialize innovative new products. The IGP will support SMEs in the development and growth stages of the business life cycle to de-risk innovative product development, accelerate growth and strengthen SMEs financial position so they can secure future funding to build their business in Manitoba. Manitoba Growth, Enterprise and Trade will work collaboratively with strategic partners to develop the IGP criteria to ensure it meets the needs of Manitoba’s SMEs.
- Tax Increment Financing Framework (TIF Framework)

Manitoba’s new TIF Framework will strengthen the use of tax increment financing as a tool to encourage economic growth across Manitoba. Leveraging private-sector investment and ensuring a return on investment for Manitobans underpin the framework. Manitoba Municipal Relations will work with key stakeholders to develop the application process, investment priorities and outcome measurement in the coming weeks.

- **Government-wide economic development program review**

In its *Framework for Economic Alignment and Growth Report*, Deloitte recommended a review of all economic development programs delivered by the Manitoba government.

The co-chairs' report, *Growing Manitoba's Economy*, also identified duplication and fragmentation of programming across departments as a barrier to economic growth. The report recommended that policies and programming be aligned across government and with other governments and agencies to improve responsiveness to Manitobans.

Manitoba Growth, Enterprise and Trade will begin immediate work to lead a government-wide program review. The objective is to ensure programs are aligned with Manitoba's economic development goals and co-ordinated with the action plan and the new Economic Development Office. The review will also identify opportunities for collaboration across departments and with other levels of government and other agencies.

The outcome will be programs that are targeted, effective and efficient.

- **Skills, Talent and Knowledge Strategy**

Manitoba Education and Training will develop a cross-cutting framework to ensure the province has the right skills, knowledge and talent to enable a thriving economy. This strategy will build on Manitoba's strengths to provide opportunities for the existing workforce as well as develop future talent. It will support a better post-secondary education system and partnerships to improve job creation and retention, and student outcomes aligned to an ever-changing competitive labour market.

The strategy will be informed by education and employment training providers, industry stakeholders, and existing reviews and recommendations. Consultations will begin in early 2019.

Next Phases of Action:

Future phases of the *Economic Growth Action Plan* will build on these initial actions and allow Manitoba to refocus its resources to address program and service needs. Manitoba will look for opportunities to lever its resources through collaboration with other governments, the private sector and stakeholders.

The *Growing Manitoba's Economy* report recommended the development of strategies focused on sector development. Manitoba will work with regional and strategic partners to develop sector strategies to identify new opportunities for growth and ways to bridge programming needs.

The report also recommended development of programming to address specific issues: workforce development, trade development, and the encouragement of research and innovation. In the initial phase, the province will focus on a *Skills, Talent and Knowledge Strategy* that will be developed by Manitoba Education and Training. Later phases will address trade development, and research and innovation.

The government-wide program review will identify opportunities to consolidate duplicative programming. Manitoba Growth, Enterprise and Trade will work toward a suite of programming that targets specific, evidence-based needs, and establishes clear outcomes that align with the *Economic Growth Action Plan*.

The *Growing Manitoba's Economy* report recommended alignment of strategies that have implications for economic development and which support implementation of the *Economic Growth Action Plan*. Supporting strategies include the Look North initiative, a renewed provincial tourism strategy, rural economic development, *Made-in-Manitoba's Climate and Green Plan* and red tape reduction.