

From: Joanne Laroche
Sent: Monday, October 24, 2016 2:51 PM
To: Finance, Minister
Subject: TR: TR: Envoyé de mon iPad

The following is a written submission by the presenter, Louis Allain from CDEM, for the 2017 provincial budget meeting on October 26th:

Introduction

Issues and recommendations to enhance the fiscal management of the Province.

A presentation for the consultation of budget 2016, October 24.

Our presentation has two specific objectives:

- 1) To reiterate our desire to maintain a strong partnership with the Province of Manitoba.
- 2) To propose concrete initiatives that could be included in the new budget.

We applaud the Government's initiative to consult widely the different stakeholders involved in the economic development of the province. CDEM (Conseil de développement économique des municipalités bilingues du Manitoba) is part of a lead Canadian organization, RDÉE Canada working for the economic development of Francophone communities.

As part of a key partner of both levels of government and at the municipal level in delivering results to the bilingual communities, CDEM and its network of CDC's (Community Development Corporations) have demonstrated the leveraging effects of their actions. Having developed close relationships with many government departments and collaborated on large scale projects, we think that your strategic review of existing programs that are no longer delivering results is legitimate.

Efficiencies to save money: For this portion, we will only make general recommendations. Recurring and core funding is essential for those who can demonstrate the economic impact and the overall economic effect of their activities. Therefore, it is important to maintain and to protect front line services with those who have the capacity to operate at the grass root level. Duplication of services is one issue but it would also be beneficial to modernize and to coordinate the current accountability model in order to optimize the process and to reduce bureaucratic burdens. Such an approach would also maximise a better use of the resources that are dedicated to local economic development.

We recommend that you provide more money to those who provide more results and that have efficient ways of reaching the local SME and local economic organisations such as the CDC's.

What regulations do you believe are preventing growth opportunities in Manitoba economy?

Deregulation with the aim of reducing the regulatory burden on the market economy comes with a load of surprises. Arguably however, in some instances it prevents growth in the economy. For example, for the Fresh Water Marketing Board, it was obvious that your initiative was well thought of. They were dealing with a commodity that was aimed at international markets and we think that the deregulation will offer new opportunities and investments in our communities. In

other instances, local agricultural commodities such as milk, eggs and poultry largely benefit from their local boards.

Good regulation is always associated with higher economic growth and in this instance, we hope that things can be expedited for the Fresh Water Marketing Board. In the transition period, it will be key to identify promising and innovative projects directly within the affected communities in order to assure their sustainable development.

Areas in which we should look for opportunities to manage expenditures growth:

To do so, measurable data would offer a good base for a dialogue on the issue. In the sector of economic development, we find a lot of duplication in the urban area. On the contrary, rural communities need more resources than capacity to take advantage of business opportunities.

Low cost opportunities for innovation to encourage greater economic growth to position our province to compete and prosper over the long term:

Incidentally, low cost innovation has always provided opportunity and a competitive advantage to SME's. We just have initiated an innovation center that will work with start-up companies. Linked with a mentorship program, this new initiative will be the driving force for innovation in our communities. The key for innovation is the commercialization of a new product and idea that will help solve the needs of a community. Organizations that have strong sectors in the green economy associated with a territory are well positioned for helping SME's to access those markets. By example, Stéphane Gauthier from La Broquerie has been able to commercialize his biomass heating units over a larger area thanks to a need survey study we have conducted over Western Canada. The first heating plant was developed at Providence College. We have all kinds of new initiatives that are emerging from the green action plans and those are Manitoba made and come from the bottom of the pyramid. But planning and implementing green initiatives in Bilingual communities is a major challenge that needs a human infrastructure. It is clear that greening the local economies is not only an environmental necessity, it also presents an interesting opportunity to stimulate the growth and prosperity of these communities. Based on the project's history of Eco-West, a sector of CDEM, 65 partnerships were developed over the past three years and 40 communities with projects worth 15 million were implemented.

In agriculture, further development in the area of transformation and commercialization is required. We are very fortunate to benefit from the Portage Food Development Center. They are a key partner in exploring the development of new products and in their commercialization. They play a pivotal role in that field and it is important that the province provides resources for product development.

Finally, in a world where the tourist industry is constantly evolving and modernizing, we have in Manitoba an incredible opportunity to offer attractive and competitive tourist products and to market them accordingly. The new Francophone and Metis strategy will provide a new offer that will be linked to a national corridor.

How can the government further encourage private sector growth and leadership in our province's northern economy?

After the closure of the paper mill in Pine Falls, we developed an integrated development plan for the forest management of the area. This systemic approach was done with many stakeholders in partnership with University of Manitoba and of University of Québec in Trois-

Rivière. IP Innovation from Montreal is also involved with new innovative ways to optimize the utilization of the wood fiber. All kinds of ideas from cross laminated wood to biomass products are part of the model that should provide a sustainable solution for the economy of that region.

The next step is to move forward with a protocol of negotiation that would offer the First Nation access to the Forest Management. The private sector is waiting and we hope that this 365 million dollar project will go ahead.

We are very hopeful that the Government of Manitoba's Budget 2016 will significantly address the needs of all Manitobans keeping in mind what all groups have to offer. Through those extensive consultation, we are confident you will properly identify issues that are crucial for our prosperity.

Obviously, to identify the issues is the first step and to have a concrete effect on the communities, it will be important to match government resources with those of leading organizations in economic development. It is by creating sustainable partnerships with organizations that can deliver programs and projects directly on the ground that the government will ensure that it can respond in real time to the emerging issues and economic opportunities.

Louis Allain

Executive Director (CDEM)