



Meeting with
The Honourable Gord Mackintosh
Minister of Family Services & Housing

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Executive Summary

Departmental Issues

1. Increased Funding for Housing

- The demand for affordable housing is prevalent throughout Manitoba since low-income households are not limited by geographic boundaries.
- It is important to consider demographic changes since the increasing population of seniors has augmented demand for various housing types such as independent living, assisted living, life leasing, companion care, supportive housing, intermediate personal care homes and personal care homes.
- The Province's grant for municipalities to develop supportive housing is beneficial, however increasing construction and labour costs require an increase to the grant allocation.
- In addition, accessibility of program funding has been an ongoing municipal concern and new housing programs must be accessible by both rural and urban municipalities.
- To ensure that programs effectively address the housing needs of low-income individuals across Manitoba, the low-income threshold should be adjusted to account for regional discrepancies such as the high cost of purchasing goods in northern Manitoba.
- The Provincial Government must also raise housing concerns on the national stage and encourage the Federal Government to develop a national housing strategy including a commitment of long-term funding.
- The Federation of Canadian Municipalities is urging the Federal Government to renew its funding commitments and develop a national housing plan to ensure that sufficient affordable housing is available across Canada.

Therefore, the AMM urges the Provincial Government to ensure that housing programs are available province-wide and address the specific needs of demographic groups, such as seniors.

2. Rural Child Care Services

- Studies consistently show that the provision of local child care opportunities has a direct impact on increased regional economic development.
- It is estimated that every \$1 spent on child care in Manitoba generates \$1.58 worth of economic activity.
- Part of the reason that child care facilities struggle to meet the demands of Manitoba families is that not enough people are attracted to a career in early childhood education. Current wage levels are certainly an obstacle in this regard.
- The Province should assess the extent that child care demands will be met by its recent commitments and be prepared to address any outstanding gaps in a timely manner.

Therefore, the AMM urges the Provincial Government to enhance support for new and established child care facilities by increasing capital and operating grants, as well as offering incentives to increase the number of early childhood educators trained in Manitoba.

General Issue

1. Water Issues

- Water management is one of the most important issues facing Manitoba today and we believe it is important that all Ministers understand the significance of the current direction to municipalities.
- Municipalities certainly agree with the Province on the high level goals and visions laid out so far. However it is how the Province is looking to move forward in arriving at these goals that has raised concerns for municipalities.
- Conservation districts (CDs) have become the delivery mechanism of choice for water initiatives in Manitoba, however the funding for CDs has never been equal to the expectations that have been placed upon them. The *Framework for the Future* document advocates for a scenario where the Province will provide little additional funding, while increasing the expectations for CDs.
- There is real concern that the proposed changes to the funding mechanisms will seriously erode the importance of local priorities, ultimately leading to the erosion of local authority.
- By being forced to use the vast majority of the CD budget on provincially directed initiatives, there will be nothing left to deal with local priorities.
- We are also very concerned with the approach taken by the department in trying to gain feedback on the document. The questionnaire is misleading in that it does not deal with these fundamental issues, and instead focuses on support for the very general goal statements.
- We are hopeful that although the Province has moved forward unilaterally on this initiative, there is still opportunity to find a workable solution that benefits everyone.

Departmental Issues

1. Increased Funding for Housing

The demand for affordable housing is prevalent throughout Manitoba since low-income households are not limited by geographic boundaries. Although there are place-specific demands based on local demographics, there are many more province-wide commonalities in terms of the need for greater investment in alternative housing systems for low-income individuals and families. Therefore, municipalities appreciate the Provincial Government's recent evaluation and modification of its housing strategy and are looking forward to the additional benefits that will accrue to a wide range of communities. As the Province moves forward with the implementation of this new strategy, it will be important to ensure that programs are accessible in all areas of the province while addressing the needs of Manitobans.

For instance, general demographic trends are affecting demand for housing in all areas of Manitoba. In particular, the increasing population of seniors has augmented demand for various housing types such as independent living, assisted living, life leasing, companion care, supportive housing, intermediate personal care homes and personal care homes. There are also specific safety issues associated with a growing senior population that must be addressed. Municipalities are appreciative of the recent expansion of the SafetyAid program which will improve the resources available to seniors choosing to live independently. In addition, a flexible set of programs is required to ensure that municipalities and developers can provide an appropriate housing supply for this growing demographic. The AMM anticipates that the Age-Friendly Initiative will provide valuable feedback that should be used to inform future Provincial program development for seniors' housing in Manitoba.

Municipalities have indicated that the Province's new low-income housing strategy appears to address many of the existing housing concerns in Manitoba. In particular, municipalities look forward to the improvements and renovations of Manitoba's public housing stock since this will enhance communities and ensure that low-income individuals do not live in low-quality conditions. As well, municipalities have identified a need for increased supportive housing units and the Province's conversion of 82 existing units to supportive public housing units is an

important advancement in this regard. The Province must also consider further methods of encouraging municipalities to invest in supportive housing projects. The provision of a municipal grant for supportive housing is beneficial, however increasing construction and labour costs minimize the effectiveness of these grants. For these projects to be economically viable, the Provincial strategy should include additional funding for municipal supportive housing projects.

In addition, accessibility of program funding has been an ongoing municipal concern throughout previous affordable housing programs. In order to be effective, housing programs must be accessible by both rural and urban municipalities. Previous programs had inherent barriers such as highly complex applications and short application timeframes. This created disadvantages for municipalities with limited resources and resulted in funding that consistently focused on large urban centres. While there are certainly significant demands for affordable housing in large urban municipalities, there are also critical housing needs in other areas of the province that should not be neglected. Furthermore, while low-income housing rates are consistent across the province, the cost of basic necessities varies depending on the region. For instance, it is more expensive to purchase goods in northern Manitoba, which results in reduced purchasing power for low-income individuals in northern communities. To ensure that programs effectively address the housing needs of low-income individuals across Manitoba, the low-income threshold should be adjusted to account for such regional discrepancies. The success of the current strategy will be impacted by the extent to which it supports low-income housing in all areas of Manitoba.

The Provincial Government also has an important role in securing a Federal commitment to fund affordable housing in Manitoba. There have been major issues with Federal funding in the past and the absence of a national housing strategy remains an ongoing concern for municipalities. All orders of government must work together to ensure that housing programs and funding mechanisms are effective since each order of government is responsible for a unique aspect of housing programs. Predictable funding from the Federal Government is essential to support the project development and program implementation of Provincial and municipal governments. The Federal Government has received recommendations regarding the extension of federal programming and the need for a national housing strategy through the 2007 report of the Standing Committee on Finance – *Canada: Competing to Win*. The Provincial Government must

also raise these concerns on the national stage and encourage the Federal Government to follow through on these recommendations since Manitoba communities will benefit from a national housing plan.

The Federation of Canadian Municipalities (FCM) has also raised the need for a national housing strategy and the AMM is supportive of these efforts. Specifically, FCM is urging the Federal Government to renew its funding commitments and develop a national housing plan to ensure that sufficient affordable housing is available across Canada. To highlight the affordable housing needs of Canada's communities, FCM released its National Action Plan on Housing and Homelessness in January 2008. The report recommends an increase to current spending levels where costs would be shared by the Federal and Provincial/Territorial governments, with municipalities also playing an active role through local strategies. The key outcomes of this plan are to rehabilitate and modernize 30,000 homes (private and social housing), help 2,000 chronic homeless persons transition into housing, and help 55,000 more households reduce high housing costs while adding to the number of affordable units available. This report emphasizes the widespread nature of affordable housing needs and demonstrates the economic importance of addressing these issues.

The shortage of affordable housing is a pressing issue for communities, however municipal governments cannot address this complex social issue with the current revenues and policy tools that are available at the local level. The increasing challenges of sustainable development, community development, infill development, adaptive reuse, and the addition of secondary suites have created a need for enhanced cooperation and coordination among the Federal, Provincial and municipal governments. Through such a process a national strategy can be developed to encourage flexible, local, long-term solutions so that all Manitobans can be assured decent, affordable housing.

Therefore, the AMM urges the Provincial Government to ensure that housing programs are available province-wide and address the specific needs of demographic groups, such as seniors.

2. Rural Child Care Services

Manitoba is facing a severe shortage of child care spaces that is directly related to insufficient capital and operating funding for child care facilities. Low wages for early childhood educators have led to a critical staffing shortage which jeopardizes the provision of high quality child care services. Although child care is not a direct municipal service, municipalities have a vested interest in enhancing the accessibility of child care since there are key impacts on community well-being. Studies consistently show that the provision of local child care opportunities has a direct impact on increased regional economic development. For this reason, the Provincial Government must follow through on its commitment to improve access to child care services.

One of the biggest factors in community sustainability is economic development. Without a thriving local economy to supply goods and services, provide employment opportunities, and support development, municipalities will face considerable challenges in attracting and retaining residents. High quality child care services are a critical part of a thriving economy due to the extensive spinoff benefits they generate. It is estimated that every \$1 spent on child care in Manitoba generates \$1.58 worth of economic activity. This occurs as the wages earned by families using child care and those employed in the child care sector are ultimately spent in the larger economy, thereby supporting economic development in the region. In Manitoba, 0.49 jobs are created or supported by every one full-time child care position. This translates to a significant increase in the earning power of families using child care. As well, child care facilities make local purchases of food and other supplies which support the viability of other businesses. There are also long-term economic and social benefits attributed to the early child development stimulated by high quality child care facilities. Since there are strong links between child care services and economic development opportunities, municipalities are keenly interested in expanding the availability and accessibility of child care services. The Province should support child care services in light of the economic development potential by increasing capital and operating funding for new and existing child care facilities.

Furthermore, in order for economic development initiatives to be effective they must create attractive, well-paying jobs. Part of the reason that child care facilities struggle to meet the demands of Manitoba families is that not enough people are attracted to a career in early

childhood education. Current wage levels are certainly an obstacle in this regard. There are limits on the fees that parents can feasibly pay since the cost of child care should not deter labour force participation. Therefore the economic and societal benefits of child care must be promoted through increased Provincial support. Improving the Provincial contribution to wages and benefits offered to early childhood educators would assist in addressing the staffing needs faced by Manitoba's child care sector.

The 2007 Throne Speech indicated that the Provincial Government will fund an additional 2,500 licensed child care spaces in the next two years, which will assist in meeting the existing demand. As well, municipalities appreciate the Province's commitment to focus on the need for qualified personnel by establishing a new training and recruitment fund, as well as increasing salaries. The nature of these commitments requires significant lead time to impact the quantity of child care spaces, therefore a high priority must be given to fulfilling these commitments as soon as possible.

As well, the Province should assess the extent that child care demands will be met by the recent commitments and be prepared to address any outstanding gaps in a timely manner. On average, Manitoba currently has only enough child care spaces to accommodate 14.3 per cent of children aged 0-12 years. According to the Province's child care website, there are now approximately 26,000 spaces in Manitoba. Adding 2,500 spaces therefore represents an increase of less than 10 per cent and still provides only enough spaces for just over 15 per cent of children aged 0-12 years. While there may not be a need to provide spaces for every child under the age of 12, the extensive waiting lists maintained by child care facilities are a clear indication that the current space available is insufficient.

This critical need requires attention by the Provincial Government in the form of a long-term plan to address the needs of child care facilities throughout Manitoba. The Province had previously developed a five-year plan to address accessibility, affordability and quality issues related to child care. This plan expired in 2007 and a renewed commitment to addressing the long-term needs of the child care sector is required.

Therefore, the AMM urges the Provincial Government to enhance support for new and established child care facilities by increasing capital and operating grants, as well as offering incentives to increase the number of early childhood educators trained in Manitoba.

General Issue

1. Water Issues

Each year the AMM includes a top issue as a general agenda item for its meetings with all individual Cabinet Ministers. This year the AMM Board is taking municipal concerns with the current Provincial direction on water-related issues. The reason we are taking this issue to all Ministers is to let each Cabinet Minister know the importance of this issue to municipalities and our primary concerns. We believe this is one of the most important issues facing Manitoba today and we believe it is important that all Ministers understand the significance of the current direction to municipalities.

The AMM has always been a willing partner on water initiatives whenever asked. The AMM was one of the most vocal advocates for the creation of a single department to deal with water initiatives. The AMM has also participated on a number of provincial direction-setting initiatives, including the Manitoba Water Strategy. Municipalities know firsthand the importance of properly managing water and have always been willing to do what is needed. Clean drinking water, safely managed wastewater, and proper drainage and water management are all priorities for municipalities, just as they are for the Province.

Municipalities certainly agree with the Province on the high level goals and visions laid out so far. However it is how the Province is looking to move forward in arriving at these goals that has raised concerns for municipalities.

Throughout the last number of years municipalities have been raising concerns with how all of the new directions announced by the Province will be funded. Most recently the Province released *Framework for the Future*, a discussion document on the future of conservation districts in the province, which is most alarming. Conservation districts (CDs) have become the delivery mechanism of choice for water initiatives in Manitoba, however the funding for CDs has never been equal to the expectations that have been placed upon them. This document advocates for a scenario where the Province will provide little additional funding, while increasing the expectations for CDs.

One of the greatest strengths of CDs is that they are locally driven, with boards comprised of local residents making decisions based on local priorities. However there is real concern that the proposed changes to the funding mechanisms will seriously erode the importance of local priorities, ultimately leading to the erosion of local authority. This new proposal is to link limited provincial funding with provincial priorities, taking away a local CD's ability to use provincial funding for locally decided priorities. By being forced to use the vast majority of their budget on provincially directed initiatives, there will be nothing left to deal with local priorities. While we certainly expect there to be similarities between provincial and CD priorities, any flexibility in addressing local priorities will be lost.

These are very fundamental issues that need to be discussed and dealt with in order for the CD program to work in Manitoba. However we are very concerned with the approach taken by the department in trying to gain feedback on the document. The questionnaire is misleading in that it does not deal with these fundamental issues, and instead focuses on support for the very general goal statements. We feel the information gained from the questionnaires will only provide part of the picture, while many of the more fundamental issues are not addressed.

The AMM has a long history of working together with the Province, and over the last few years we have worked closely on numerous issues. While often we have differing opinions about what is best, we have been able to work together to find solutions to challenges and with the end result being what is best for all Manitobans. We are hopeful that although the Province has moved forward unilaterally on this initiative, there is still opportunity to find a workable solution that benefits everyone.

Appendix A – Active Resolutions

Resolution Number 16/07

Topic: Rural Childcare Services

Sponsor: RM of Rosburn (Midwestern District)

Department: Manitoba Family Services and Housing

WHEREAS childcare is an essential element of rural infrastructure, helping rural families to combine work and family, enabling parents to earn off-farm income, and thus strengthening the rural economy;

AND WHEREAS childcare services promote farm safety, and can mitigate out migration and population decline;

AND WHEREAS childcare services have significant local economic impacts in the short-term, as every \$1 spent on childcare generates \$1.58 of economic benefits through ripple effects; childcare services create employment for early childhood educators; and the spending from every 2 childcare jobs supports another full-time job, in addition to enabling parents labour force participation;

AND WHEREAS high quality childcare services also generate significant economic effects in the long-term, by promoting children's development, school-readiness, and helping children who are disadvantaged by poverty;

AND WHEREAS over half of mothers in rural areas are in the paid labour force, and face barriers to paid employment when childcare services are absent;

AND WHEREAS licensed childcare services exist for just 14 per cent of Manitoba children aged 0-12, parent fees are high and subsidies are restrictive, and trained early childhood educators are scarce, due to low wages and benefits;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to provide more capital and operating grants for smaller rural operations to establish local childcare services and through encouraging the provincial government to provide incentives to increase the pool of trained early childhood educators in rural areas.

Resolution Number 17/07

Topic: Increased Funding for Supportive Housing

Sponsor: RM of Brokenhead (Eastern District)

Department: Manitoba Family Services and Housing

WHEREAS the Province of Manitoba has provided a grant program for municipalities to develop supportive housing units;

AND WHEREAS the municipalities are finding that the amount of the grants are inadequate for the projects to be economically viable;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba for an increase to the grants provided to municipalities by the Province for the development of supportive housing units.

Resolution Number 19/04

Topic: Low Income Housing

Sponsor: RM of Lac du Bonnet (Eastern District)

Department: Manitoba Family Services and Housing, Finance Canada

WHEREAS a need has been determined for low income housing in Manitoba;

AND WHEREAS the last government initiative addressed only the needs of the major urban centres;

AND WHEREAS rural areas and urban centres are deserving of equal consideration;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial and Federal Governments to participate in a fair and just program facilitating low income housing in all rural and urban areas.

Resolution Number 58/01

Topic: Rent Control

Sponsor: RM of Alexander (Eastern District)

Department: Manitoba Family Services and Housing

WHEREAS the rental controls imposed on rental units affects the community by discouraging construction of new units and also affects the upkeep and repairs on existing units which affect the quality of life for renters;

AND WHEREAS the federal government has lowered the capital gains which would assist in the development and construction of rental housing;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province to review the policy for rent controls in a manner which would encourage construction of new units in the province.

Resolution Number 38/03

Topic: Funding for Seniors Independent Living Program

Sponsor: Town of Virden (Western District), City of Portage la Prairie (Central District)

Department: Manitoba Health and Healthy Living

WHEREAS there is insufficient funding provided to the Regional Health Authorities by the Provincial Government for Seniors Independent Living Programs;

AND WHEREAS this is a service provided to seniors to allow them to remain living in their own homes;

AND WHEREAS this service costs the Department of Health substantially less than seniors residing in personal care homes;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government for additional funding for the Seniors Independent Living Programs across the Province.