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Community Economic Development in Manitoba

Theory, History, Policy,
and Practice

By Sara Wray Enns

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**Community Economic Development in Manitoba:
Theory, History, Policy, and Practice**

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Forward

Community Economic Development (CED) in Manitoba is ever changing, morphing and evolving. This paper on the other hand is not. These pages contain the history and practice of CED leading up to, and including the summer of 2017.

This paper was written throughout 2016–2017. During that time, much of the CED landscape changed. This was primarily due to the election of the Progressive Conservative Government in 2016 and the loss of the New Democratic Party of Manitoba, after 17 years of holding power. With this change in government came a change in the level of support for CED and changes in the way funding was distributed. These changes are not historically unprecedented, and the paper will discuss the fluxes of political support for CED over the course of more than 50 years.

Some of the changes in CED are noted, but upon the completion of this paper many organization's futures were up in the air. By the time you are reading this there will certainly be additional changes to the CED landscape. For an up to date understanding of each project or organization mentioned in this paper check their websites, give them a call or contact the CCPA-MB office.

This snapshot shows the breadth of CED work in Manitoba across industries and across time. It illustrates the strengths and shortcomings of this style of economic development, and it offers a road map for those interested in leading their community through convergent economic development.

Introduction

Manitoba is a province of economic growth and economic disparity. It is a province with low unemployment rates, diverse development and incredible resource wealth (Brandon and McCracken 2016: 3). On the flip side Manitoba has high rates of economic and social exclusion. In 2011 between 105 000 and 164 000 Manitobans were living in poverty (Bernas 2015: 13). Manitoba has continuously had some of the highest child poverty rates in Canada (ibid: 15), the highest homicide rates (Statistics Canada 2015), and it has been called the most racist city in Canada (Maclean's 2015). This paradox of development and disparity is not without hope. In Manitoba there is also a rich set of grassroots organizations intent on tackling poverty, racism, crime and disparity.

These groups, institutions and initiatives have looked to the process of Community Economic Development (CED) as a means of creating broader social and economic inclusion. CED does not focus on the creation of profitable businesses alone. It also seeks to improve local communities through stable employment, improved health, a better physical environment and community control of resources. The practice of CED is prevalent in Manitoba encompassing economic activity from catering to construction, from the

car you drive to the gas you put into it (Social Purchasing Portal Winnipeg 2016).

This paper explores the theory, policy and practice of CED in Manitoba. The history of Manitoba's CED culture is featured. The current robust and diverse CED environment in Manitoba is highlighted. Successes and failures are discussed in order to show where CED has room to grow in the future while keeping in mind the difficulties in its implementation.

The Neechi Principles, a set of principles for CED developed in Manitoba, serve as the framework for CED in the province and the principles are also discussed in this paper. They are concise, holistic and demanding. They have become the authority of how CED differs from standard economic development in Manitoba.

The CED community seeks to offer a solution to the problem of economic disparity through holistic, locally determined and democratically controlled development. By filling gaps in the capitalist system CED can allow those who have been left behind to participate more fully in social and economic life. CED also has the potential to change the system of production entirely, shifting focus from the individual to the collective (Silver and Loxley 2007: 6–8).

The Problems of Capitalism

In order to understand why CED is necessary we must first look at the roots of poverty and inequality. How can such strong development and distinct impoverishment walk hand in hand? Colonialism and the unbalanced growth of capitalism have major systematic implications on the rates and demographics of poverty. It is by looking at these that we can start to carve out solutions to this disparity.

An effective way to view capitalism is through the analogy of athletic competition. Let's imagine capitalism as being similar to a marathon. In a marathon, everyone who trains will become more fit, whether they win or lose the race. Similarly, capitalism totes the benefits of competition even for the loser. Through the pursuit of individual self-interest and the work of the invisible hand everyone will benefit, or so it is claimed (Silver and Loxley 2007: 3). Not everyone can participate in a marathon, however, and similarly not everyone can participate in capitalism. In the case of a marathon we can see this in the examples of a runner with a torn ligament and an individual who is unable to walk. The individual who can't walk is excluded from the race at the start. The individual with a torn ligament will only see their injury get worse if they try to compete. Similarly, many face systemic exclusion — because of race, gender, class or location of residency — that makes entering into the capitalist system difficult or impossible. Many, once they enter the market, find themselves floundering. Where they fail in the competitive market they may however find success in a cooperative environment.

There are two aspects of capitalist production that, causing uneven patterns of growth, have particular relevance to CED in Manitoba. The first is capitalism's tendency towards increasing scale. There is a push for bigger institutions to produce more items, at a lower cost. This causes a concentration of production in the name of higher efficiency, giving certain locations jobs,

resources and wealth while leaving other areas without. Capitalism also tends to shift production to places with low regulation and low wages while maintaining ownership in financial hubs. This causes the benefits from local labour and resource development to be siphoned away to other communities. This siphoning of resources and concentration of production create distinct geographical patterns of wealth and disparity. They can also lead to strong economic growth occurring in conjunction with high rates of economic disparity. This can in turn cause poor health outcomes, low rates of social participation, community breakdown and a lack of empowerment (Silver and Loxley 2007: 3–4; Loxley and Lamb 2007: 197).

Development strategies that seek to fight the uneven growth of capitalist production with more capitalism miss the point. This has been long recognized in the left leaning CED community, and it is a perspective that is increasingly gaining traction in the mainstream (Silver and Loxley 2007: 5). CED initiatives like co-ops and social enterprise have become prevalent in Manitoba, with traditionally pro-market organizations drawing attention to the benefits of this kind of economics: one example being the inclusion of a Social Enterprise Category in the Winnipeg Chamber of Commerce's annual Spirit of Winnipeg Awards (CCEDNet 2016).

The Importance of Community Economic Development in Marginalized Communities

In order to promote truly holistic development CED must go beyond poverty. Without looking at marginalization from both social and economic perspectives the potential of CED is lost. In Manitoba CED has been used to tackle the inequality faced by many marginalized communities. CED often must work hand in hand with grassroots movements towards things like racial equality, gender equality and equality for those identifying as LGBTQ*. In order to properly ad-

dress marginalized communities CED needs to integrate into these movements and take on advocacy roles (Silver and Loxley 2007: 23).

Manitoba's Indigenous Population, Colonialism and Community Economic Development

Manitoba Community Economic Development needs to take into consideration the particular strengths and challenges of the Indigenous population. The Indigenous communities within Manitoba have faced many challenges including ongoing colonialism, high rates of poverty, unemployment, diabetes and the intergenerational trauma caused by residential schools (Wood, Loney and Taylor n.d.: 8; MacKinnon 2015c: 38, 40; Silver 2015: 58, 63;).

Personal heritage and self-worth have been systematically stripped from Canada's Indigenous population through colonization in the forms of residential schools, Child and Family Services, the justice system and the education system (Silver, Ghorayshi, Hay and Klyne 2007: 70–71). In response to this the promotion of traditional culture and the education into colonial history need to be focuses of CED practice. There needs to be emphasis on rebuilding social

relationships while forming community anew. There also cannot be a sole focus on economic development. A holistic understanding is necessary involving emotional and spiritual improvement as well (ibid: 76–78).

In *Social Enterprise and the Solutions Economy*, produced by AKI energy, the recognition of Canada as the owner of these problems is made explicit, as well as the power Indigenous communities have to create positive solutions:

These problems do not originate in Aboriginal communities — they belong to the rest of Canada, who are deeply implicit in their creation. But increasingly, it is Aboriginal communities who are taking a lead role in finding creative, positive solutions and building the stronger, healthier communities of tomorrow. (Wood, Loney and Taylor n.d.: 8)

There has been consistent creativity and dedication to CED and community betterment from the Indigenous community. This is evident in the development of the Neechi Principles and the work done by Indigenous run social enterprises (Wood, Loney and Taylor n.d.: 12–13). It is clear that the Indigenous population faces its challenges, but it is equally clear that these challenges are being met head on with community focused innovation.

The Theoretical Underpinnings of Community Economic Development in Manitoba

The Neechi Principles — Drawing the Roadmap for Manitoban Community Economic Development

Community Economic Development is a term that has many different meanings, definitions and applications. Within Manitoba CED has been applied with great diversity. The province does however have a distinguishing set of principles that draw CED work together. These are the Neechi Principles, which practically, succinctly and clearly set forth guidelines for doing CED (Loxley 2010e: 217)

The Neechi Principles outline a series of holistic development principles that work beyond the traditional definitions of economic prosperity, where profit is the main goal. Instead they propose that the economic decisions of production, consumption and investment need to first consider the potential benefits to the community. These benefits are not exclusively monetary. Social outcomes such as improved health, human dignity, skill development, stability and positive environmental effects, need to be of concern.

These are rigorous and demanding principles that when put into practice have the potential to radically change a community. With these principles as a foundation, CED transforms development from being a process financed, controlled

and serving outside investors into a process that encourages communities to take development into their own hands. Outside supports may be needed, but the way those supports serve the community is to be determined by the community, with the community in mind (Silver and Loxley 2007: 6).

The Neechi Principles were developed in the early 1980s through a set of training initiatives for Métis and Indian economic development and finance officers. The trainees from the program led a series of community planning meetings in 1985 in Winnipeg's inner city. The meetings identified the need of Indigenous focused services in the inner city. One of the needed services was a grocery store that would sell healthy and traditionally relevant food. Neechi Foods Co-Op, an Indigenous workers' co-op in Winnipeg's inner city, was an answer to this need and it focused not just on providing food but also promoting skill development, improving community health and fostering cultural pride (Loxley 2010d: 171–172).

Convergent Economic Development

The economics behind the Neechi principles can be traced back to an attempt at CED in Manitoba's Northern communities, *The Northern Man-*

The Neechi Principles of Community Economic Development

- 1. USE OF LOCALLY PRODUCED GOODS AND SERVICES** • purchase of goods and services produced locally • circulation of income within the local community; less income drain • stronger economic linkages within the local community • less dependency on outside markets • greater community self-reliance • restoration of balance in the local economy
- 2. PRODUCTION OF GOODS AND SERVICES FOR LOCAL USE** • creation of goods and services for use in the local community • circulation of income within the local community; less income drain • stronger economic links within the local community • less dependency on outside markets • greater community self-reliance
- 3. LOCAL RE-INVESTMENT OF PROFITS** • use of profits to expand local economic activity • stop profit drain • investment that increases community self-reliance and co-operation
- 4. LONG-TERM EMPLOYMENT OF LOCAL RESIDENTS** • long-term jobs in areas with chronic unemployment or underemployment • reduced dependency on welfare and food banks • opportunities to live more socially productive lives • personal and community self-esteem • more wages and salaries spent in the local community
- 5. LOCAL SKILL DEVELOPMENT** • training of local residents • training geared to community development • higher labour productivity • greater employability in communities with high unemployment • greater productive capability of economically depressed areas
- 6. LOCAL DECISION-MAKING** • local ownership and control • co-operative ownership and control • grassroots involvement • community self-determination • people working together to meet community needs
- 7. PUBLIC HEALTH** • physical and mental health of community residents • healthier families • more effective schooling • more productive workforce
- 8. PHYSICAL ENVIRONMENT** • healthy, safe, attractive neighbourhoods • ecological sensitivity
- 9. NEIGHBOURHOOD STABILITY** • dependable housing • long-term residency • base for long-term community development
- 10. HUMAN DIGNITY** • self-respect • community spirit • gender equality • respect for seniors and children • aboriginal pride • social dignity regardless of psychological differences, ethnic background, colour, creed or sexual orientation
- 11. SUPPORT FOR OTHER CED INITIATIVES** • mutually supportive trade among organizations with similar community development goals

(Ccednet n.D.: Neechi principles)

itoba Development Strategy of the 1970s. This was a provincial project that, though never implemented, had a significant impact on the culture of CED in the province (Loxley 2010d: 93). It introduced the idea of convergent economics, where local need is met by local supply. Community need is identified by active community participation. The ultimate goal is community control of economic outcomes (ibid: 171–172).

The convergent economic development emphasized in *The Northern Manitoba Development Strategy* relies heavily on the work of C.Y. Thomas. Thomas' work was meant to be applied to small developing nations that were on the path to socialism. It was thought that his analysis would be relevant to small isolated communities in Northern Manitoba as many of the causes and symptoms of underdevelopment were the same (ibid: 98).

Thomas' analysis is rooted in economic dependency theory. It sees underdevelopment as being caused by external ownership and a lack of self-sufficiency. The goods produced by the community are destined for export, often with the profit from the exported goods leaving the community. Simultaneously, goods that the community needs are being imported, the profit of these imported goods leaving the community as well. This creates an economic divergence between what is supplied and what is needed. It creates a dependence on the external trading partners (Loxley 2010d: 98; Lamb 2007: 64–66).

This dependence shifts the power of decision making to outside the community. Communities don't control economic surplus (profits). This means they are at the mercy of decision makers whose interest lies elsewhere. This leads to problems that bleed out of the realm of economics and into the realm of social inclusion and participation. With no control of economic resources political control is diluted, self-esteem is affected and the community begins to see poorer social outcomes (Loxley 2010b: 46).

For Thomas, the solution to this problem comes from a shift towards self-reliance and community control of economic outcomes. Its foundational tenet is to *converge local need with locally supplied goods and services*. This may sound intuitive to some, but many aspects of this idea are counter to what is traditionally held fast by those trained in classic economic theory (Loxley 2010d: 98; Lamb 2007: 64–66).

By using the word *need* instead of the classic *demand* there is a distinct break from standard economic theory. *Demand*, in the framework of classical market analysis, is what individuals are willing to pay for. *Demand* is limited by each individual's personal budget and therefore reflects any inequalities in income distribution existing in the community. *Need*, on the other hand, is not attached to market demand, it is not what people can pay for. Instead *need* describes the aspects of life that lead to a full, healthy and

inclusive existence — monetized or not. Some *needs* are traditionally found in the market, such as food, shelter and clothing. Low incomes may mean that individuals cannot *demand* what they *need* of these market entities. *Need* goes beyond the market and also encompasses aspects of life such as clean air, opportunity to recreate, the ability to care for children and the elderly and good mental health (Fernandez 2007: 51; Loxley 2007a: 13–14; Loxley 2010b: 27–29).

In classic economic analysis, the effective and efficient distribution of resources is determined through prices set by supply and demand. Consumers will use their buying power to demand the goods they want from suppliers. These suppliers in turn will supply goods to the consumer at a price that allows for the most profit — lowering the price to sell more units or raising the price to make more profit per unit. When demand is taken out of the equation these price signals will no longer work. Suppliers won't know what to supply in what quantities. Instead community consultation and local participation are required to find out what the community needs and what resources it might have to fill that need (Loxley 2010d: 112; Fernandez 2007: 51).

Convergent theory does not only distinguish itself by using the word "*need*". The internal focus of economic development and the scale of production that it implies are unique. Convergent economic theory has a place for trade but, unlike many models of economic development, this is not the focus. Instead communities are to focus inward. Local economic activity is to be favoured even if the monetary cost is higher. This is because of the increase in self-sufficiency as well as the social benefit of community ownership and local employment (Lamb 2007: 58–72).

When planning production for local consumers, the market will be smaller than a market planned for exports. Large scale production has often been viewed as the way forward. By increasing the number of things made the average cost goes down. Small scale production

on the other hand focuses not on bringing costs down but on creating connections throughout the local economy. By having many connected small scale businesses supporting one another a robust and resilient community economy can be developed (Lamb 2007: 68; Loxley 2010b: 50; Loxley and Lamb 2007: 203).

These connections between small scale businesses are called linkages. When trying to design a convergent economy it is best to focus on industries that will create a lot of these linkages. Thomas' strategy starts by focusing on what he calls basic goods. Basic goods have a wide range of use in local industry, and are usually inputs into final products rather than the final products themselves (Loxley and Lamb 2007: 201). An example of a basic good is timber. This timber is milled then used for construction, furniture manufacturing, and artistic pursuits. These basic goods will vary from region to region based on what is locally available and what is locally needed. Some examples include cement — used for construction and infrastructure, grain — turned into bread, cattle feed and whiskey, or accounting — managing a wide range of local industries (Loxley 2010d: 111,112).

Small scale production is one of the strengths of convergence theory, but it is also one of the aspects that makes it hard to implement. Because small scale production is often more expensive — especially in the infancy of convergent economic development — consumers may find themselves seeking the cheaper imported goods. This price hurdle can be overcome through the development of a community culture that prefers locally produced goods. Subsidies and trade restrictions can also bolster the fledgling industries until they are strong enough to fly on their own (Loxley 2010b: 50–52; Lamb 2007: 72).

In convergent economics production looks inward not outward. The questions become “How can we produce what we need?” instead of “How can we get what we need from someone else?” (Loxley 2010b: 45–47)

Some Challenges of Community Economic Development

One of the big challenges in the practical application of CED is enabling truly democratic and locally based decision making. One reason for this is that meaningful cross-community input can be threatened by pre-existing power dynamics. Established inequalities in a community are likely to create tension between groups or cause disengagement from those not holding power. CED can also become ineffective if structures are too patronizing, bureaucratic and lack ongoing and effective consultation. This is especially the case when CED projects rely on state funding administered in technocratic and condescending ways. In these cases, development practices can entrench established inequalities (Sheldrick 2007: 96–98; Silver and Loxley 2007: 9).

The private marketplace has left behind the communities that need CED. This means their funding will need to come from outside the private marketplace (Loxley 2010b: 29–34). Finding external funding provides a range of challenges. Looking for economic independence while relying on external governments and foundations can still shift the power balance back to the people with the cheque books (Silver and Loxley 2007: 10). Political environments change, and with them the priorities of government. This can cause instability as well (Loxley 2007a: 22–26). Navigating changing priorities while maintaining independence and a local focus needs care and thought (Silver and Loxley 2007: 10).

CED is complex, as is the economic environment it creates. Education is needed in order for people to understand the benefits of CED, how to create truly holistic development, and in order to equip the community with the skills needed to support and maintain the initiatives set forward. This education must be conducted in a way that is tailored to the needs of the community. This is not necessarily how academic and instructional institutions are designed to think, and provides some difficulty (ibid: 10).

The State and Community Economic Development

The ways in which a state can support CED initiatives are incredibly broad. Policy support can come from using CED principles in state run agencies, using legislation to encourage the starting up of CED projects, and partnering with CED initiatives to deliver services. State financial support can come from providing loans, core funding and tax credits for investment in CED. Allowing CED projects to share space with public organizations can help lower overhead costs for projects. Incubators for CED initiatives can also foster creativity and lower costs by providing shared space, administrative support and connections to other organizations. Sheltering CED markets and preferentially purchasing CED products and services can be a low cost way that governments can support CED. Providing training and expertise can help CED projects start up (Loxley 2007a: 22–24).

Regardless of the kind of support received from the government, CED proposes a different interaction between state and community. Market economics says the state should be concerned with creating profits, not where those profits go after they are made. CED on the other hand says that the state should consider who is being employed and what is being done with the profits. Additionally, CED emphasizes local autonomy

and community involvement, making decisions more democratic, participatory and developmental (Sheldrick and Warkentin 2007: 211).

The Subsidization of Community Economic Development

There is reason to think that integrated small scale production doesn't necessarily mean higher costs of production. The general case however is that in small scale production each unit will cost more to manufacture. This means in order for CED to be competitive it will need to find supports. State subsidization is one way of gaining this support. The state has reason to support CED because of its potential to improve social outcomes. This not only improves the lives of constituents, it also has the ability to reduce social spending by the state (Lamb 2007: 68, 72). Subsidizing CED will sometimes look equivalent to providing the same supports afforded to traditional businesses, which benefit from tax exemptions, government run training initiatives, subsidization, and the promotion of products in and out of the region (Loxley 2007a: 22–26).

When subsidizing CED, more projects funded simultaneously may have a greater positive

outcome than one project at a time. If there is a robust, interconnected CED sector each dollar spent on a subsidy for one organization will have a ripple effect on the rest of the sector through the economic linkages created (ibid: 80).

Justification of Subsidies

There are many ways to make the economic argument for subsidizing CED projects. Looking at government revenue compared to government expenditures provides the most politically powerful justification. If it can be shown that the CED project will provide a long term increase in revenues compared to expenditures, the project will be fiscally viable and should move ahead. This is called the Fiscal Impact approach (ibid: 76).

To illustrate how this works let's look at the example of a CED project focusing on employment. If employment increases, government spending on social assistance and employment insurance will be reduced. Incomes will increase, which leads to higher income tax collection. The increased incomes also stimulate more consumer spending, allowing for more business development. On the other hand, governments will have to spend more on infrastructure, such as roads, sewers and garbage collection, to support the growing economy. In this example, it makes sense to subsidize CED when the revenues created in the long run are greater than the cost of the subsidy itself and the cost of the added infrastructure needed to support the economic expansion (ibid: 77–80).

One shortcoming of the Fiscal Impact approach is that it doesn't take into account the general social benefit of a CED project. A CED initiative may improve health, happiness, cultural capacity and individual opportunity. None of these things show up on a fiscal balance sheet. This means that subsidies may be worth justifying beyond what a Fiscal Impact model would suggest. The difficulty with the models that take into account the social impact is that they tend to

be more complicated and harder to sell to politicians and government staff (ibid: 79).

Types of Subsidies for Community

Economic Development

The kinds of subsidies governments are able to provide CED can be sorted into three categories. There are labour subsidies, capital subsidies and price subsidies. Price subsidies include market protection (such as tariffs and restrictions on imported goods) and preferential purchasing (buying CED products and services even though they are more expensive). Labour subsidies come in the form of training initiatives, reduced taxes for job creation and direct wage supports. Capital subsidies come in the form of grants, soft loans and preferential tax treatments for CED capital investments (Loxley 2007b: 111).

When possible, CED initiatives should seek to diversify their funding across governments and beyond. A large amount of funding comes from the state, but this funding is vulnerable to political shifts. Even within the same elected government, departmental priorities change with new appointments and new political inclinations. Funding diversification can be accomplished through searching out opportunities with federal, provincial and municipal governments. Private foundations such as the United Way and Winnipeg Foundation have been increasingly more receptive to supporting projects that search for solutions to ending poverty, and CED has found support here. There have also been foundations and funding organizations developed specifically for CED projects such as Community Ownership Solutions and SEED Winnipeg (Loxley 2010e: 222).

If many CED projects are funded simultaneously they may have a greater positive outcome than if only a single CED initiative is funded. If there is a robust, interconnected CED sector each dollar spent on a subsidy for one organization will have a ripple effect on the rest of the sector through the economic linkages created (Lamb 2007: 80).

Issues and Difficulties with Government Supports

Unfortunately, there is a paradox of intent with the subsidization of CED. CED is based on the philosophy of self-reliance. Accepting subsidies makes CED projects accountable to external powers and therefore means the loss of some autonomy. However, given the current market environment CED would not survive under its own devices and subsidies are needed (Loxley and Lamb 2007: 205).

Dependence on the state puts CED organizations in a position of vulnerability. Even something as simple as changes in the application process for a grant can create demanding administrative burdens on small organizations. Additionally, when the state gets involved there is a chance that the goals of the CED project may fall by the wayside as the state's goals take precedence. Projects that started from the community, with the community in mind, may have their mandates shifted (Loxley 2007a: 24–25).

There are ways to address these issues. Diversification of funding mitigates the authority of each funder, providing more autonomy for the CED organization. Long term funding agreements can allow for experimentation without the fear of losing funding if a new idea doesn't work. Creating networks of CED organizations and social enterprises can be used to prop one another up in times of need. If one CED initiative becomes unfeasible other initiatives can fill its place. If, however the sector is not robust and resources are spread thin the failure of one

project can leave gaping holes in service for individuals (ibid: 25–26)

Another difficulty with state support of CED is the goal to have participatory, community driven projects. Governments exist with hierarchical, top down structures. Switching this mentality to find direction from below instead of from above is incredibly difficult. This can be seen in the current funding structure where short term grants include large reporting burdens. The intention is that the receiving organizations are then accountable to the granting body, and subject to the outcomes the granting body wants. Accountability from the bottom and control from the top creates an imbalance of power in the name of bureaucracy (Sheldrick 2007: 96–97).

Consultation, engagement and consensus building all take time. With the administrative burden of finding and maintaining funding, time is taken away from internal democratization. When time is instead used to find, and maintain funding, organizations tend to be less democratic and activist and instead become more bureaucratic (ibid: 97).

There is also the risk that government investment in CED initiatives can undermine their own unionized workers. Governments may opt for CED as a delivery method for services because the cost is cheaper than it would be hiring unionized government workers. This cheapening of costs and undermining of organized labour needs to be taken into account. CED needs to be able to lift people out of poverty, not be a vehicle for the maintenance of it (Loxley 2007a: 24).

Government Support for Community Economic Development in Manitoba's Past

The policy framework for CED in Manitoba has been identified as being amongst the best in Canada. The Manitoba government has had an active role in fostering CED initiatives, particularly since the election of the NDP under Gary Doer in 1999. This support has not only provided physical means to CED initiatives, it has also provided legitimacy for the movement (ibid: 8), the Government of Manitoba's curiosity in and willingness to pursue CED initiatives and experiments, starting as early as the 1950s, has contributed substantially to CED thought in Manitoba today (Charron 2010: 4, 8; MacKinnon 2006: 28).

Government support for CED in Manitoba is however not beyond reproach. There have been distinct challenges for the CED movement working with elected governments, and these challenges must be acknowledged moving forward (Sheldrick 2007: 108–109).

Community Economic Development in Manitoba in the 50s and 60s

The first time Manitoba's development goals took on ideas of community input and self-determination was in 1958. This shift in development focus came after a survey about Manitoba's

Indigenous population. The recommendations from this survey advocated for the creation of a Community Development Program geared to the needs of the Indigenous population. The recommendation was that this program should be designed in such a way to help people solve their own problems (Loxley 2010a: 152–153).

In the same year, Indian Affairs and the Manitoba Government first initiated the Manitoba Community Development Services. This was a coordinated effort between levels of government to improve the living conditions of Manitoba's Indigenous People. It was decided to assign community development officers to a handful of Northern communities. The officers would focus on bolstering economic development and social organization. These were areas which were seen to lack government support and were necessary to lay the groundwork for greater health, welfare and education investment. The introduction of these officers had varying results across communities, and the success seemed to be predicated on the economic conditions of each community prior to implementation. Despite varied results, however, it was generally seen to be a successful project and it was the first time Community Economic Development was substantially real-

ized in Manitoba (Fernandez 2005: 61–62 and 2007: 43–44).

In the 1960s a variety of community development initiatives continued in remote communities across the province through the Manitoba Community Development Services. During this time, some structural weaknesses started to become apparent, weaknesses that continue to make contemporary CED difficult. There were coordination problems between the province and the federal government. The province was in control of the resources but the federal government was in charge of the Indigenous population. Industrial development was proceeding without local participation, despite the introduction of Community Development Officers. This continued to leave gaps of poverty in otherwise booming locations. Community Development was considered on a regional scale, but this didn't take into account locally available resources, and traditional values were not considered when evaluating needs. The government's interests conflicted with those of the CED practitioners. Community development workers tried to inspire more independence, self-worth and dignity in marginalized, particularly Indigenous, communities. They did this through educating communities about the historical context of their marginalization. The government did not see this in a positive light but saw the community development workers stirring up discontent among the Indigenous populations. (Fernandez 2005: 65–67 and 2007: 45).

Reviewing the Manitoba Community Development Services and noting its weaknesses showed a movement towards a contemporary understanding of CED. In 1964, by Professor J.G. Dallyn, highlighted four suggestions for the continued work of Community Development Officers in Manitoba:

- 1) Motivate community members and determine their felt needs;
- 2) Develop new leaders;
- 3) Develop new community organizations;

4) Increase use of government services.

(Fernandez 2005: 64–65)

Though certainly not a complete convergence strategy (increased use of government services can be contrary to self-reliance, for example) we can start to see the themes of modern Manitoban CED emerge. The focus on community participation to determine community needs in point 1 particularly highlights a move towards modern CED. Points 2 and 3 are also in line with Neechi style CED by advocating for the development of local skills and local organizations.

These early experiments in CED showed where policies and practice might be more effective in the future. It was in this period that there started to be awareness that Community Development should be owned by the people it is meant to serve, using CED officers as catalysts and not directors. The community should obtain access to its resources instead of having those resources siphoned away. CED should recognize and stem from communities' standing values. Governments need to effectively be able to coordinate through multi-level organization and there is an important place for pilot projects to test out new ideas (Fernandez 2005: 65–67 and 2007: 45–46).

The FRED Interlake Agreement

In 2015 Seagram's put Manitoba on the map. Crown Royal Northern Harvest, a Manitoba made whiskey, made it to the top of Jim Murray's Whiskey Bible. Beating out scotches that had been established hundreds of years ago, this was a huge step for the rye category of whiskey and an even bigger step for Manitoba (CBC Manitoba 2015). What people don't know is that Community Economic Development played a role in this process. The Seagram's workers in the Interlake region of Manitoba learned a tremendous amount about the manufacturing of world class whiskey through decades of hard work and experimenting with recipes. In those decades, we have equivalently learned a tremendous amount about Community Economic Development and

how it can take shape in Manitoba through hard work and experimentation.

The Seagram's distillery was established in 1939 (ibid) but received substantial support from the decade long *Fund for Rural Economic Development Agreement (FRED)*, an agreement between the provincial and federal governments. FRED ran from 1967–1977 and was reported to have taken the Interlake from being an impoverished region with poor economic outcomes to being a region with recognizable economic growth and stability. FRED invested in infrastructure, and natural and human resource development. Whiskey was one of the industries promoted, which created a higher demand for locally produced rye. The diversity in investment spanned from spirits to fishing, garment making to agriculture. The infrastructure development not only contributed to economic growth, but the quality of lives of the residence improved alongside it (Fernandez 2005: 67–68 and 2007: 46–47).

Just as the makers of Crown Royal's Northern Harvest surely learned from the successes and failures of each batch, CED has learned from the successes and failures of each initiative. In this case, the successes of the project are worth focusing on. In the case of FRED community participation was necessary though different stakeholders and funders had conflicting interests — in this case the tension was particularly felt between each level of government — provincial, federal and local. Human resource development was incredibly important, as was taking a long term view of development, in this case ten years. The analytical work to appropriately invest in key areas was also very important. The way in which FRED was laid out guaranteed stability regardless of political shifts (Fernandez 2005: 68–69 and 2007: 47).

Manitoban Community Economic Development in the 70s

The NDP came to provincial power in 1969 and released their policy framework in *Guidelines for*

the Seventies. These were a set of policy guides tackling areas from regional development, to health, housing and economics. The *Guidelines* provided a progressive framework for Manitoba policy work with many aspects of convergent participatory Community Economic Development emerging throughout the document. In fact, it is in this document that the Manitoba Government first uses the term “Community Economic Development.” However, with more bark than bite, the guidelines can be seen to be only of limited success (Fernandez 2007: 48, 69 – 70, 77).

Health took a key role in the *Guidelines*. The definition of health included not just healthcare but also adequate income, shelter, nutrition and education. It was understood that all Manitobans deserved access to essential services that provided good health, but that major investment was needed in remote areas in order for there to be equality between the urban and rural access to health services (Fernandez 2005: 72–73).

The *Guidelines'* policy regarding Northern Manitoba recognized and tried to address the duality in development between the urban centres, where there were high levels of economic growth, and the remote, Indigenous communities that were seeing declining socio-economic conditions. Reviews of previous projects implemented in the North showed a need for training and education as well as strong connections with local people to industry. It also showed that development should take place at an orderly pace and that economic rents from resource development should go to the community (Fernandez 2005: 76 and 2007: 49–50).

To achieve this goal, it was recommended that political participation be broadened in the North. This involved improving local governance structures, including elected band and community councils. The specific focus of this move was to address the feeling of disconnect between Northerners and the Manitoba government, as well as to allow more local control over capital in the North (Fernandez 2005: 76).

The guidelines did not offer concrete planning. It was a framework document and many of the policy suggestions were not implemented. There was also a distinct lack of community focus in urban areas, where development was lumped into one regional strategy. This being said, these guidelines offered a progressive framework for development and an adequate description of the root of inequality in Manitoba (Fernandez 2005: 74–75).

The Great Northern Plan

The *Northern Manitoba Development Strategy* was an organized articulation of the progressive policy ideas in the *Guidelines for the Seventies*. The strategy was developed by the Manitoba government to tackle underdevelopment at its roots. It saw underdevelopment in Northern and remote Indigenous communities as being caused by colonialism and found a solution in C.Y. Thomas' Convergence Strategy, described earlier in this paper in *The Theoretical Underpinnings of CED in Manitoba* (Fernandez 2007: 51; Loxley 2010d: 96). The plan was never implemented but had a distinct impact on how community economic development took shape in Manitoba. It is here that we first see a modern version of Community Economic Development emerging and this plan is cited as being the foundation for the Neechi principles (Fernandez 2005: 83; Loxley 2010d: 171)

The strategy involved the participation of Indigenous Northerners through the continued involvement of the Manitoba Indian Brotherhood and the Manitoba Métis Federation. Additionally, there were two public hearings before a full proposal was written. During these public hearings, the community indicated that improved living conditions, dignity and job creation were the most important priority. Forestry was identified as a key basic industry as it could produce timber, pulp and particleboard to be used for mining, construction, and furniture building. Forestry resources within 25 km of the commu-

nity were to be specifically for the community's use. The construction industry was seen to be important to creating local demand for inputs such as windows, trusses, furniture, doors etc. that could be manufactured locally. Agriculture, geared towards self-sufficiency, was seen as being critical not just to economic development but to improved health outcomes through improved nutrition (ibid: 115–119).

This strategy outlined a practical way in which people-focused CED could work. It was however never implemented, and from this failure many important lessons were learned. Thomas' strategy was designed for countries transitioning to socialism. The fundamental principles of creating participatory resource distribution didn't fit in with the capitalist supported state. Profit was not effectively diverted from the capitalist resource extractors of the North, so the project remained state funded. When a fiscal crisis emerged, and the province's belt started to tighten, funding to this project was cut. Community leaders were affected by their personal aspirations in line with the capitalist accumulation already in place. This meant that they did not necessarily wish to participate in moving towards community ownership. There were also divides between the Northern Indigenous population and the white working class. The latter viewed their goals to be separate and at odds with the Indigenous population and in retrospect more focus should have been given to obtaining support from the Northern urban white working class (ibid: 120–126)

Effective community participation was another issue with this project and the question of what constitutes effective community participation became an issue. The project lacked participation, which in turn caused a lack of community ownership. In chronically impoverished communities hope can be muted and an understanding of what can potentially be achieved may not be fully realized. To this effect there was disagreement as to whether or not education about the

history of underdevelopment in the North and its colonial past was needed for locals to truly grasp the context of their disenfranchisement. Some practitioners believed that education was a necessary piece before community members could truly articulate their needs, while others believed that consultation needed to be solely listening to what locals had to say about their situation as they currently saw it (ibid: 122–123)

Even though the Great Northern Plan was never implemented, it did leave an important legacy and its importance to the understanding of CED in Manitoba and beyond cannot be exaggerated. As the project was losing traction in the halls of the Manitoba Legislature it was gaining traction amongst Indigenous people, who started to see the benefit it might have to them. In response to the deteriorating conditions in the North, the Manitoba Indian Brotherhood and the Manitoba Métis Federation took renewed interest in the project after both organizations went through political shifts. Because of the plan, convergent economic development has gained traction amongst the Dene in the North West Territories and the Nishga in BC. The application of convergent theory to a Manitoban context would inspire the economic foundation to the Neechi Principles years later (ibid: 127–129).

The Core Area Initiative

The Core Area Initiative was a response to rapidly declining conditions in Winnipeg's inner city. (Fernandez 2005: 133). Investment by all three levels of government was carried out over the course of 10 years from 1981–1991. This tripartite agreement invested \$196 million into the area over the course of the decade. The money went into social projects such as employment

promotion, housing, industrial development, small business development and physical redevelopment (Fernandez 2005: 134).

The reviews of the Core Area Initiative are mixed. There were a handful of successful employment projects, with the creation of 1,968 jobs and 2,241 individuals benefiting from training, but the supply of labour seemed to increase at a faster rate than the demand for it. Crime, poverty rates and unemployment all increased. It is argued that things would have been worse without the Core Area Initiative and that the true cause of the rise in poor social outcomes was due to increased immigration to Winnipeg's core. The unemployment rate rose between 27.7%–31.5% but the labour force grew by 67% (Loxley 2010a: 177–178).

Much of the money from the Core Area Initiative went into projects like the development of the Forks, Portage Place and the Exchange District. This was important for attracting additional private capital to the area, but did not address problems of poverty, unemployment and poor housing conditions (Fernandez 2005: 136). There was also a lack of community participation especially in the initial phases of the initiative, with much of the consultation happening afterwards in an attempt to gain support for a renewal of the project (ibid: 137).

On the other hand, the coordination of the three levels of government was a distinct success. Both funding and policy development responsibilities were shared. This allowed for a focus on spending and the prevention of duplicated programs. The spreading of responsibility over the three levels also provided a level of political stability. The project continued despite political changes at each level of government (ibid: 138 – 139).

Contemporary Integration of Community Economic Development into Government Policy

The 1990s was a decade of little state support for Community Economic Development. The state's implementation of government services was seen to be contrary to CED ideals and goals. There was not a desire to foster self-determination or community participation. Instead programs were implemented from the top down with little community involvement (Sheldrick and Warkentin 2007: 212).

The failure of the state to adequately address the needs of the impoverished created a coherent CED vision in the community. A small but diverse and dedicated CED sector began to develop without state support. It was a sector cobbled together from various organizations with mandates to help the underprivileged. State funding was sparse, but the sector was propped up by the dedication of many volunteers. During this time groups such as the Choices network, SEED Winnipeg and Assiniboine Credit Union became critical supporters and incubators of CED framed ideas and projects (Sheldrick and Warkentin 2007: 209–210; Charron 2010: 4–6).

When the NDP government took power in 1999 things started to change. With a traditionally left leaning mandate, an inclination for collective action and engagement in the party by the CED

community, participatory, convergent CED started to be taken more seriously (Charron 2010: 4–6).

The Manitoba Community Economic Development Lens and Community and Economic Development Committee of Cabinet

One of the distinct CED supports that was offered by the province of Manitoba under the NDP government was the implementation of a CED Lens. This was a policy tool for implementing CED perspectives into government. The hope of this lens was that it would provide a coherent and supported approach to CED (Kostyra 2006: 22–23).

The NDP government formed the Community and Economic Development Committee of Cabinet. The secretariat of this committee was divided into 9 project areas, with one project officer charged with CED. This project officer established and chaired an interdepartmental working group. Out of this group stemmed the CED Lens, meant as a tool to find opportunities for CED to be applied (Kostyra 2006: 23; Sheldrick and Warkentin 2007: 212–213).

This lens held a lot of promise but was operationally difficult. There was improved support

for CED within government, however overall the lens had limited reach and effectiveness. The departments that were most likely to consult with community, such as Labour and Immigration as well as Aboriginal and Northern Affairs, did so whereas the departments concerned with traditional economics maintained skepticism about the tactics of CED. Overall the program lacked participation by community groups. The lens was developed internally, and though experts from the community were involved, they became internalized and community engagement once again became difficult. There was still a top down power structure with CED organizations, starved for funding, bowing to concerns by government. The lack of a real budget and no sole lead on the lens diffused the responsibility for the initiative making it hard to act on (Sheldrick and Warkentin 2007: 213–216; MacKinnon 2006: 28).

The CED lens did not live up to its expectation, but it did offer a few successes. Awareness about CED was disseminated through the provincial government, however this awareness was limited and those who were sympathetic to CED tended to have little authority to impose its principles on projects. By acknowledging and validating the Neechi Principles, consensus was reached on what CED should be (Fernandez 2005: 151; MacKinnon 2006: 28). It was the first time CED held such a prominent role in provincial strategy and there was greater acceptance and exposure of the practicalities and possibilities of convergent CED (Charron 2010: 8). The principles of CED were integrated into the procurement of a handful of provincial contracts. Projects of note include the Limestone Training and Employment Agency, the Hydro Northern Training Initiative and the Manitoba Floodway Authority, which trained Indigenous people for work in the construction of major infrastructure projects (MacKinnon 2015b: 108–109). More on this can be found in the Community Benefits Agreements section.

Neighbourhoods Alive!

Neighbourhood groups started to come together to seek their own solutions to neighbourhood deterioration in the late 1990s. The West Broadway development Corporation (now the West Broadway Community Organization), the Spence Neighbourhood Association and the North End Community Renewal Corporation were birthed during this period. Their resources were scarce however and their operations relied heavily on volunteerism. In 2000, the newly elected NDP created the Neighbourhoods Alive! program which provided support for these organizations and helped establish more like them (MacKinnon, 2015: 9).

Neighbourhoods Alive! was coordinated by the Housing and Community Development department, to facilitate the revitalization of selected neighbourhoods (EKOS Research Associates Inc. 2010: 1). Operating with a community led model the program adopted a set of CED principles, close to the Neechi principles, with a focus on holistic development, increased economic linkages as well as community based decision making and ownership (ibid: 5). Three long term goals were established in line with Neechi style CED. The goal was to help communities develop:

1. leadership and capacity to maintain sustainable neighbourhoods.
2. enhanced social, economic, physical, cultural and environmental conditions.
3. adequate, affordable, safe, quality housing to meet their needs. (*ibid*: 2)

To obtain these goals three core programs were developed. The Neighbourhood Renewal Fund provides funding for investment in economic development, investment in public space and community wellbeing initiatives; the Neighbourhood Development Assistance provides support for Neighbourhood Renewal Corporations; and the Neighbourhood Housing Assistance promotes homeownership and home improvement (ibid: 1–4).

This program's community foundation lies in the implementation of Neighbourhood Renewal Corporations. These locally administered corporations develop their own priorities through the creation of Neighbourhood Renewal Plans. This gives each Neighbourhood Renewal Corporation the ability to develop their own priorities (ibid: 1,3). After the development of the Neighbourhood Renewal Plans the corporations are tasked with reviewing project proposals received by Neighbourhoods Alive! and proposing and implementing projects to fulfill Neighbourhood Renewal Plans in partnership with other community organizations (ibid: 5). The Neighbourhood Renewal Corporations are equipped with a small grants fund to provide up to \$5,000 to local community groups (ibid:4). Having the financial means to support local goals is a distinctly decentralized approach to community development. It puts weight to the communities' priorities and allows for funding decisions to happen closer to the front line initiatives.

The program has grown since its conception and in 2016 there were 13 different Neighbourhood Renewal Corporations across the province in Winnipeg, Brandon, the Pas, Dauphin, Flin Flon, Portage la Prairie, Selkirk, and Thompson (Coalition of Manitoba Neighbourhood Renewal Corporations. 2016: 5). By 2016 the Neighbourhood renewal corporations combined had engaged 558,027 community members, invested over \$8.9million dollars in housing, created 1226 jobs garnering more than \$4.6 million in community wages, and hosted over 11 thousand community events (ibid: 7).

Overall residents of the neighbourhoods have perceived an improvement in their neighbourhoods. This has been through physical improvements, such as raising housing quality, and through building a stronger sense of community. The battle is not over yet though, and many of the same issues, such as safety and low incomes, still persist (EKOS Research Associates Inc. 2010: 68; Silver, McCracken and Sjoberg 2009: 24).

The difficulties with the implementation of Neighbourhoods Alive! echo the difficulties found elsewhere in the CED and non-profit worlds. Though Neighbourhoods Alive! receives dedicated core funding through the province it is often not enough. The administrative task of finding and maintaining additional funding, staying engaged with the community, and making sure the complex goals of each Neighbourhood Renewal Corporation are addressed is extensive. This puts an incredible burden on Executive Directors who also are tirelessly trying to find staff for the various projects that are funded through the NRCS. These complex and demanding administrative responsibilities often lead to staff burn out or departure to a sector with better resources. More administrative capacity to support the executive directors would decrease the fragility of the Neighbourhood Renewal Corporations and improve their capacity (EKOS Research Associates Inc. 2010: 71; Silver, McCracken and Sjoberg 2009: 29–30)

The lead up to the 2017 Provincial budget illustrates the instability of changing political tides in CED funding. With a shift of government from the NDP to the Progressive Conservatives there was general unease about what might happen to Neighbourhoods Alive! funding. In the fall of 2016 a hold was put on Neighbourhoods Alive funding as a review took place (Winnipeg Free Press 2016: December 1; Winnipeg Sun 2016: November 30). As the budget release date approached many of the Neighbourhood renewal corporations were unsure of whether they would receive funding past their March 31st year end. Layoff notices were given and plans to shut down were developed (CBC Manitoba 2017: April 10; Winnipeg Metro 2017: March 21). Funding was maintained in the 2017 budget, but the details were not given and the continued lack of communication led to tremendous stress and uncertainty for staff and management of organizations that rely on Neighbourhoods Alive! support (CBC Manitoba 2017: April 20).

Community Benefits Agreements

When large infrastructure and resource extraction projects are put forward often the goals of Community Economic Development are far from the minds of developers. Communities adjacent to the projects often feel the negative social, environmental and cultural effects of the project while the economic benefits are felt far away. Profits move to headquarters far from the project, workers with specific skill sets are brought in from outside the area and their wages stay with them when they leave the area. Meanwhile flooding, quarrying, mining, and deforestation cause environmental degradation, dislocation and degradation of cultural landscapes in the areas where these developments are taking place (MacKinnon 2015b:102; Gross, LeRoy and Aparicio 15, 43, 51). This tends to catch up to developers by creating tense social and political circumstance.

In order to ameliorate these negative effects, developers can use community benefit agreements. Community benefit agreements are agreements between communities and developers of major projects. Developers agree to provide benefits to a community affected by development in return for the communities' support for the project. They ensure that development in a community benefits the community and not just outside interests (Gross, LeRoy and Aparicio 2005: 9–11).

Manitoba Hydro: Limestone Training and Employment Agency

In the case of Manitoba Hydro, the Manitoba crown corporation in charge of energy and hydroelectric development, years of disregard for Northern Indigenous communities caused resentment, animosity and distrust towards the provincial government. This cumulated in a series of multi-million dollar lawsuits. It became clear that the status quo was not the way forward and changes had to be made (MacKinnon 2015b: 103). Manitoba Hydro started to develop

training and employment initiatives for Northern and Indigenous communities, they took on a more active role in ensuring communities had economic opportunities, and they created systems of joint ownership in hydroelectric projects (Loxley 2010f: 144–146).

One of the first attempts at community benefit agreements on large scale projects in Manitoba was during the construction of the Limestone Hydro Project. Construction took place from 1985–1992 on the North Nelson River. With a focus on local skill development, the Limestone Training and Employment Agency was established to coordinate training and employment of Northerners, particularly Indigenous Northerners, for jobs relating to the Hydro Project (MacKinnon 2015b: 103).

This was the first training program of its kind on Manitoba and an attempt at the CED principle of local skill development. It increased the number of skilled Northern workers, workers who may not have otherwise gone through with training of this kind. There was a focus on capacity building and a long term outlook to the project. This had a lasting impact on the community, extending beyond the completion of the hydro project (MacKinnon 2015b: 107–108). Linkages created additional spin off jobs in the community. These jobs varied from security services, to catering to trades such as welding. With less time needed to train for these jobs, even those not receiving intense training were able to benefit from the project (MacKinnon 2015b: 104).

The Limestone Hydro Project was a step in the right direction, but it also had many shortcomings. The project seemed to promise jobs, but it was never directly set up to do this. Training did not create employment. This caused tensions between training and hiring. There was a tension between the goals of the business community, who wanted more experience from their workers, and the goals of community development, which sought to ensure Indigenous and Northern works reaped the benefits of employ-

ment when they were freshly trained (MacKinnon 2015b: 106–107). Local decision making was not a focus of the project. Northerners weren't involved in the system design and the training was administered by a centralized Southern administration (MacKinnon 2015b: 103).

Manitoba Hydro: Hydro Northern Training and Employment Initiative

Another set of community benefit agreements between Manitoba Hydro and Northern communities came at the outset of construction on the Wuskwatim Generating Station on the Burntwood River and the Gull (Keeyask) Generating Station on the Nelson River in 2000 (MacKinnon 2015b: 108). These agreements were much more robust, and many more aspects of community economic development including local decision making and local ownership and control of projects.

These projects go well beyond training. They offer involvement in the planning process, the incorporation of traditional knowledge in the planning and evaluation of each project, and opportunities for local First Nations to own part of the hydro facilities after completion (Loxley 2010f: 145; MacKinnon 2015b: 112).

Training opportunities are offered by the Hydro Northern Training and Employment Initiative, which hopes to train Indigenous workers for not just hydro projects but for long term employment. This is administered through the Wuskwatim and Keeyask Training Consortium, a partnership between Manitoba Hydro, five Northern First Nations and the Manitoba Metis Federation. Learning from the criticisms that the Limestone project was too centralized and too focused on the South, the Wuskwatim and Keeyask Training Consortium doesn't directly provide training. Communities apply for these funds to deliver training in ways that suits them (Loxley 2010f: 145; MacKinnon 2015b: 109).

This project showed progress from the Limestone project. There was more community in-

volvement in administration, a chance for local ownership, and a deeper consultation process that takes into account traditional knowledge. Despite this many of the same shortcomings appear. One notable shortcoming in both projects was that training did not necessarily lead to referral and recruitment of local and Indigenous workers. This was particularly disappointing as communications around the project seemed to indicate this would be the case (MacKinnon 2015b: 110).

Manitoba Floodway Authority

The improvement of the Manitoba Floodway in the early 2000s sought community benefit agreements broaden its social and economic impact. This project didn't have the same incentives for community benefit agreements as remote hydro projects, however the province saw this as an opportunity to help groups who were underrepresented in the work force gain skills and employment. Targeted groups included Indigenous people, women, those working with disabilities and members of visible minorities (MacKinnon 2015b: 114).

In order to fill the equity requirements of the project the Floodway Training Initiative was established. The training provided was designed to fill the immediate needs of the Floodway project itself, but was also forward looking, training for occupations where there were anticipated labour shortages in the future. The initiative hoped to develop long term employment for its trainees while also providing for the immediate needs of the floodway project (MacKinnon 2015b: 115).

Shortfalls of this project echo the Manitoba Hydro projects in Northern Manitoba. In each of the cases contractors worked to beat the system, find loopholes to get out of filling equity requirements. This negated the intent of drawing people into the workforce and offering new trainees relevant work (MacKinnon 2015b: 118).

East Side Road Authority

In 2009, the Manitoba Floodway Authority expanded its mandate to take on the development of a road on the east side of Lake Winnipeg (Manitoba Floodway and East Side Authority 2014: 5). The vision of the road was to connect 13 first nations to an all season road. This would reduce costs of food and goods imported to the communities, allow for more economic development in industries such as tourism and recreation, and create a more reliable transportation network (ibid: 16). The project tried to maximize the economic benefit to the communities involved while respecting both the adjacent Indigenous communities and the environment (ibid: 6). To date, \$80 million has been invested into First Nations communities through the East Side Road Authority's community benefit agreements with 13 communities (CCEDnet and Government of Manitoba 2015: 16, 19).

This project, like the others, has not been without its frictions and political instability. After the election of the provincial Progressive Conservatives in 2016 the Premier showed his readiness to discard the community benefit agreements associated with the East Side Road Authority. An auditor's report on the project came out with mixed interpretations. Some called the report "scathing" in its review of the project and others claimed this was an overstatement — the report pointed out project shortcomings, but did not give reason to terminate the community benefit agreements (Winnipeg Free Press 2016: September 20; Winnipeg Free Press 2016: September 21). Despite varied interpretations the report was used as an excuse to dismantle the East Side Road Authority. The project was shifted to Manitoba Infrastructure and the East Side Road Authority's Executive Director and most of the 80 staff were laid off (Winnipeg Free Press 2016: September 13). Again, here we see a structural weakness in provincially funded CED development projects — they are at the mercy of political will and sentiment.

The Manitoba Community Enterprise Development Tax Credit

In order to encourage the flow of capital and investment to community enterprise, the Manitoba Government set up the Community Enterprise Development Tax Credit. This offers a 45% income tax credit for investment up to \$60 000 in community based enterprises. The investment can come from individual investors or Corporations who pay out 25% of their wages and salaries to Manitoba residents (Government of Manitoba 2014).

Before the Community Enterprise Development Tax Credit the province administered a Grow Bond program to fund rural development. The provincial government guaranteed the principle of investments made to rural enterprise. There was a high rate of business failures under the Grow Bond program, which was attributed to the guaranteed payback of the principal investment. When an enterprise started to struggle, it became financially beneficial to let the business fold instead of finding solutions to the problem. Because investors would be able to regain their principle if the enterprise failed they did not adequately assess risk. The provincial government ended up spending the time assessing projects that they had hoped investors would. In response to this, the Community Enterprise Development tax credit was seen as a way to encourage investment while still ensuring investors carried due diligence in researching the feasibility of investment. (Loewen and Perry 2010: 22–23)

This tax credit was administered by the provincial department of Agriculture, Food and Rural Initiatives and was initially used mainly for rural development projects. It later became important to urban enterprises and co-ops including Pollock's Hardware Co-op, Neechi Foods Co-op, and Peg City Car Co-op (Bernas and Reimer 2013: 15).

The Conservative Budget 2017 - Support for CED in a Changing Political Environment

After 17 years of the NDP holding power in the provincial legislature and Community Economic

Development having a distinct place in provincial policy, the Manitoba Progressive Conservatives took over the political majority in 2016. The 2017 budget represented the first time this new government was able to put their own stamp on how provincial funds were distributed.

The roll out of the 2017 budget came with a tremendous amount of uncertainty from community groups. Many community groups did not know whether their funding from the province would be continued into the 2017–2018 year. This led to staff layoff notices and nervousness from boards and managers (CBC Manitoba 2017: April 10; Winnipeg Metro 2017: March 21).

The reality of the budget was much less damaging than expected. Though cuts were seen to community initiatives the Province maintained support to many key CED initiatives. This provides a testament to the success of CED and its potential to draw support, particularly in a gap filling capacity, from a broad political spectrum (Bernas 2017).

Of particular note in the Manitoba 2017 Budget was the recognition of the benefits of social

enterprise. The budget summary provided the following statement of support for Manitoba's Social Enterprise Strategy:

“The Social Enterprise strategy has led to a significant social return on investment where government and its stakeholders are able to observe gains.”

(Province of Manitoba 2017a: E4)

Direct mention was given to many provincial CED partnerships including BUILD (Building Urban Industries for Local Development), Manitoba Green Retrofit, and some of the renewal corporations established through Neighbourhoods Alive! The diversity of work done by the highlighted projects shows how the concepts of CED have gained traction across multiple sectors. (ibid: E4, E6)

Though this budget gives more hope than expected for CED groups the fragility of government funding and the uncertainty caused by changes in political will need to be considered. The level of provincial support of CED in the future is yet to be seen.

The Interconnected Web of Community Economic Development Initiatives in Manitoba

The CED culture in Manitoba is not limited to government intervention and direct service provision. It has percolated through most areas of life. This strong CED culture has resulted in exciting and innovative frameworks for pursuing economic activity beyond the pursuit of profits. Co-ops, social enterprises, and non-profit community initiatives are prevalent. Highlighted below are samplings of this incredibly diverse Manitoba sector. It would take another paper to give a comprehensive showing of the economic activity stemming from these projects so instead the organizations listed are meant to give a glimpse of the range of what has been accomplished and to provide inspiration for what the future of CED in Manitoba might hold.

The broad acceptance of the Neechi principles are principles that, if not easily applied, are easy to take clear direction from. This lends a clarity to CED that lessens the need for theoretical and philosophical debate (though this is not absent) and allows time to be spent instead on putting initiatives into action (Loxley 2010e: 217).

The problems of social exclusion and impoverishment are at the forefront, informing a culture of trying to address these issues. This culture has produced a strong group of individuals who

are committed to anti-poverty movements and the tenets of CED. This individual commitment is imperative when trying to go about creating positive social change. Gains in CED promotion and poverty alleviation are made gradually and it can take years, if not decades for the advocacy of CED to pay off (Loxley 2010e: 217–222).

At first glance Manitoba's CED sector appears to be a group of uncoordinated programs and organizations, but this would be a simplistic understanding of the way Manitoba has built its CED sector. In this sector both organizations and individuals play multiple roles. Working in a Manitoban community development organization involves collaboration with other organizations, individuals, and coalitions. Each organization functions autonomously, but simultaneously relies on the experience, expertise, research and community connections created by the many other organizations (Charron 2010: 14–17). One gets the feeling that it is not in fact a collection of independent groups but instead a large institution with different departments running different programs for the greater goals of the community. The Neechi Principles are referenced often, and if they are not explicitly stated as guiding principles they are often accepted as

the standard practice for community development within each organization.

Social Enterprise Supports

Social enterprise is a way of using traditional business models to run non-profits and community initiatives. Instead of a sole focus on profits there is a focus on multiple social bottom lines. This approach considers financial growth and stability hand in hand with social outcomes like sustainability, cultural development and the employment of disadvantaged workers. In 2010 and 2013 CCEDNet — Manitoba conducted surveys of 125 different social enterprises in Manitoba. Revenues from these were at least \$63.6 million with wages of at least \$34.4 million paid to over 4,450 workers (CCEDNet and Government of Manitoba 2015: 5).

Within Manitoba there are a number of initiatives that support the creation and development of this rich social enterprise sector. A collaboration between the Manitoba Government and CCEDNet Manitoba in 2015 resulted in a province wide social enterprise strategy with profiles on current initiatives and recommendations on how to forward social enterprise throughout the province (CCEDNet and Government of Manitoba 2015). The number of Social Enterprises in Manitoba is extensive and range from coffee shops and catering initiatives to construction firms and car co-ops (Social Purchasing Portal Winnipeg 2016).

These social enterprises have a number of financial and educational supports throughout the province. SEED Winnipeg provides consultation and mentoring for Social Enterprises during their development and launch. CCEDNet runs Social Enterprise Manitoba, which provides workshops on building and growing social enterprises as well as grants for organizational development. CCEDNet Manitoba also hosts Spark, a program to pair skilled volunteers willing to offer pro-bono professional services with community develop-

ment organizations (CCEDNet and Government of Manitoba 2015: 8–9, 11; CCEDNet 2016). Futurepreneur Canada has training resources geared specifically at “socially purposed” entrepreneurship and non-profit development. They provide up to \$15 000 to non-profits in startup financing (CCEDNet and Government of Manitoba 2015: 8–9, 13). The Employment Partnerships program, the Wage Subsidy program, the Canada-Manitoba Job Grant and Manitoba Works all provide funding to support the training and employment of underemployed and unemployed workers (ibid: 12).

Social Enterprises: Working with the Community and Government

Using Community Economic Development initiatives and social enterprises to roll out government programs kills two (or more) birds with one stone. By using social enterprises in the social housing sector measures have been made to create more jobs, reduce contact with the criminal justice system, increase environmental sustainability and to build more social housing in one fell swoop (Brandon and McCracken 2016: 1).

Building Urban Initiatives and Local Development (BUILD), in Winnipeg, and the Brandon Energy Efficiency Program (BEEP) both help train workers who have multiple barriers to unemployment. Both provide hands on, on the job training in addition to added skill development. BUILD provides training in first aid, math skills, literacy, financial management and life skills, which includes a combination of cultural education and at home skills in areas such as nutrition and parenting. BEEP helps participants work to achieve their high school diploma and safety certifications that add to their employability. With both of these projects on the job training focuses on the construction and renovation for Manitoba Housing and low income dwellings. An added element of environmental concern is addressed by focusing on environmental efficiency upgrades. In BUILD’s

case this currently involves installing insulation. In the past, they have also performed plumbing and cabinet insulation. In BEEP's case energy and water efficiency upgrades are undertaken and low income housing units are built (Brandon and McCracken 2016: 38–39; Fernandez 2015: 6–8).

Manitoba Green Retrofit is a construction social enterprise as well but it does not include the direct training component. Those with multiple barriers to employment are hired and learn on the job in an environment that is more supportive than the traditional labour market. Hiring successful BUILD participants, Manitoba Green Retrofit works on efficiency improvements for Manitoba Housing, property management, demolition and effective bed bug removal (Brandon and McCracken 2016: 39; Fernandez 2015: 9).

Counting both Manitoba Housing and the Manitoba Lotteries Corporation in their lists of clients, Inner City Development, formerly Inner City Renovations, was another social enterprise that employed low-income workers (Inner City Renovations 2012: Clients). With most of their work being renovations of commercial buildings in the inner city they aimed to improve their immediate surroundings while improving the incomes, job stability and skill set of their workers. Inner City Development uniquely kept its staff as permanent full time employees instead of the construction industry's norm of contract, seasonal work. Training was carried out in classrooms and on the job. There were also opportunities for advancement and apprenticeships (CCEDNet n.d.: Inner City Development Inc.; Inner City Renovations 2012: Services). Unfortunately, ICR collapsed in 2017 due to difficulties of procuring steady work and meeting completion schedules.

Aki Energy partners with Manitoba First Nations to initiate CED projects that focus on environmental sustainability and food security (Aki Energy: Home Page). They train local trades-people on the job while installing energy efficient upgrades such as geothermal heating.

This is funded as part of the Manitoba Hydro Power Smart Program. It is financed upfront by Manitoba Hydro and then paid off by the user on their monthly bill, with rates still cheaper than their original hydro bill due to the increased savings (CCEDNet and Government of Manitoba 2015: 16). AKI energy also works on partnerships for sustainable agricultural development. In partnership with Garden Hill First Nation they have worked to develop Meechim Farms, a community owned producer of produce, eggs and poultry (Aki Energy: Building a Farm in a Box). This effort works at creating long term employment, food sustainability and improved health outcomes (Aki Energy: Local Food; Puzyreva, 2017).

Research, Advocacy and Policy Institutions

A key facet of Community Economic Development in Manitoba is the research and advocacy support it receives. A combination of organizations and coalitions provide consistent pressure on governments to consider CED principles and programs in their work. There is a strong base of academic and community based researchers. They provide the backbone for advocacy work, so that each policy recommended comes with the gravity of high quality evidence (Charron 2010: 14).

This research and policy advocacy in takes on a multidimensional form. Bernas and MacKinnon point to three aspects of policy advocacy that are part of the work being done: (1) broad community participation, (2) research and (3) action. The process involves ongoing engagement with community groups and stakeholders. This engagement is key to determine local needs. It also garners broad support for the policies developed. Once issues are identified and the community has indicated their needs, research begins. The historical, social, structural and economic context of each issue is taken into account. From here research moves to political action. Specific policies are developed, rallies showing

community support are held and research materials are distributed to decision makers. (Bernas and MacKinnon 2015: 296–297; MacKinnon 2015a: 3–4)

Three research and policy organizations working on issues of CED are worth highlighting specifically because they do not also hold roles as front line services organizations. This means much of their work lies in the behind the scenes efforts of research and policy. These organizations are the Manitoba branches of the Canadian Centre for Policy Alternatives (CCPA) and the Canadian Community Economic Development Network (CCEDNET) as well as the Social Planning Council of Winnipeg (SPCW).

The Manitoba branch of the Canadian Centre for Policy Alternatives works with the community to conduct quality research on social justice and environmental issues. This includes an annual State of the Inner City Report, alternative budgets for the City of Winnipeg and reports on issues such as housing, a living wage and social enterprises (CCPA Manitoba; Charron 2010: 17). The Center is also lead organization for the Manitoba Research Alliance’s seven-year SSHRC (Social Science and Humanities Research Council) funded grant: Partnering for Change: Community-based Solutions for Aboriginal and inner city Poverty. The Alliance uses a CED lens for most of its research (Manitoba Research Alliance: About Us).

The Canadian Community Economic Development Network Manitoba is a member based organization that advocates for CED positive policy changes at all three levels of government. CCEDNET Manitoba does communications work in order to grow public awareness and broader support for CED endeavors. CCEDNET also acts as a network and support organization for Manitoba’s CED sector. They host *The Gathering*, an annual event to bring together Community Development organizations, political staff and individuals to attend workshops relating to CED (CCEDNET 2016).

The Social Planning Council of Winnipeg conducts research and advances policy that promotes the reduction of poverty. It also facilitates community dialogue and gathers groups together to tackle issues such as homelessness, immigration, inadequate social assistance and restorative justice (SPCW 2016; Charron 2010: 16).

There are also a number of coalitions and working groups active in Manitoba focusing on specific issues relating to CED and poverty alleviation. Coalition work is important for policy advocacy for a few reasons. The first is that it brings together many different organizations, from front line services to unions, those with lived experience, researchers and on the ground service delivery organizations. This allows for creativity and intricacy in the policies developed. One of the other reasons is that charitable organizations are limited in the amount of policy advocacy they can do by the Canadian Revenue Agency. These coalitions allow multiple groups to contribute their designated advocacy time to the same projects making their work more impactful. Examples of these coalitions include Make Poverty History Manitoba, Right to Housing, the EIA Advocates network and City Watch (Bernas and MacKinnon 2015: 304–305; CCEDNET 2016; SPCW 2016: 6–10).

Academics across Manitoba’s post-secondary education system are responsible for noted research and teaching around issues relating to CED. They also are involved not just in academia but in the practice of CED, making sure that the theory is steeped in practical knowledge and practice is rooted in theory (Loxley 2010e: 220) The University of Manitoba and the University of Winnipeg both offer courses in non-profit management, CED and social enterprise development (CCEDNET and Government of Manitoba 2015: 8). Red River offers a Community Development/Community Economic Development diploma that includes instruction on “understanding power dynamics”, “using the gifts and assets of the existing community” as well as hard skills such as

program planning, volunteer sector financial management and organizational development (Red River College n.d.).

Community Economic Development and Finance

The instability caused by political shifts means that Community Economic Development initiatives should be cautious of government funding. CED also cannot rely on market forces for support, because it is a response to the problems caused by a market economy. It is therefore necessary to find creative solutions to the financing of CED.

Manitoba has a number of private charitable associations, such as the United Way, the Thomas Sill Foundation and the Winnipeg Foundation, that have supported CED initiatives with a long term outlook. Branching out from a traditional charity role, these foundations have been incredibly important in trying to tackle the roots of poverty. This provides a viable and stable alternative to government funding (Loxley 2010e: 219–220).

Assiniboine Credit Union (ACU) not only finances CED but can also be seen as a CED initiative in itself. Being a credit union it is owned by its users. As soon as you open an account you are a member of the credit union. This means you can vote for the governing board of directors and have a share in the profits (CCEDNet: Assiniboine Credit Union). ACU has been particularly effective at supporting CED in Manitoba since 1992 when a group of social advocates called Choices organized the “Greening of the Assiniboine”, a campaign to systematically appoint progressive voices to the board. As the board took on this more progressive direction ACU started to look at ways it could offer financial services to populations that standard banks had failed to serve. They also looked to provide direct financial support to CED projects (Loxley 2010c: 196–197). ACU has worked to open branches in inner city neighbourhoods. They partner with other organizations such as SEED Winnipeg and the

Community Financial Services Centre to provide money management training, free credit union accounts and high interest matched savings accounts to low income and underserved populations. ACU also provides community grants for initiatives that support community renewal, environmental sustainability and co-operative development. ACU is committed to paying fair wages to its employees and enters partnerships to provide workplace training and employment to those who face barriers to employment (CCEDNet: Assiniboine Credit Union).

SEED Winnipeg seeks to combat poverty by providing financial resources for those who are normally excluded from them. This includes funding for micro and community level enterprises and resources for individuals to improve their financial situation (Loxley and Simpson 2007: 24). Adhering directly to the Neechi Principles of CED, SEED provides a range of services such as business mentorship, financial education and micro loans. (SEED Winnipeg n.d.; Loxley and Simpson 2007: 24). Launched in the early 1990s SEED was initially funded without government support. Core funding came from the United Way, the Thomas Sill Foundation, the Mennonite Central Committee, ACU and the Crocus Investment Fund. The Winnipeg Foundation added its support later in SEED’s development. Core government funding was established in 2001 with a commitment to \$235,000 a year for five years though some funding had been obtained earlier for small businesses. This allowed the stability and operational foundation to more effectively promote community enterprise (Loxley 2010c: 199).

LITE, Local Investment Towards Employment, started as a provider of Christmas hampers made of goods purchased from community oriented inner city businesses. Donation drives had the multi-level impact of providing Christmas hampers to low income individuals, providing demand for CED products and providing education about CED to donors (ibid: 200). LITE has grown to include grants to non-profit CED

programs with a focus on initiatives that provide employment training. LITE administers the Social Purchasing Portal — a resource for connecting consumers and businesses to CED suppliers. LITE also purchases locally produced products for charitable causes in its Star Blanket Project. Star Blankets are purchased from local Indigenous businesses and co-operatives and then donated to charities that work towards poverty reduction (LITE n.d.).

Manitoba has a number of investment funds that seek to finance CED initiatives. The Jubilee Fund is one such fund that provides credit for initiatives that wouldn't receive funding otherwise, such as small social enterprises, low income housing initiatives, small non-profits and certain small businesses. Funds are raised through investment shares, which offer a low rate of return, as well as donations and grants (Jubilee Fund. 2016). The Jubilee fund uses this capital to guarantee its loans while ACU provides the financing (Loxley 2010c: 202). The Crocus Investment Fund was a labour sponsored investment fund had a mandate of making investments that would alleviate poverty and unemployment in Winnipeg (ibid: 203). This fund collapsed in 2005 under allegations of overvaluing its shares (Loxley and Simpson 2007: 25). Crocus was successful in establishing Community Ownership Solutions, which works to fund enterprises that are market oriented while being socially responsible. They focus on empowerment, worker participation and quality employment and own Inner City Development (Community Ownership Solutions n.d.).

Co-ops for the Everyday Manitoban

A long time co-operative and CED stalwart in Winnipeg is the Red River Co-Op, which first opened its doors in 1937. With over 280,000 members their base is strong and their customer loyalty is high (Red River Co-Op n.d.: About Your Co-op). Their main business is petroleum, ranging from gas stations to the sale of bulk oil

and propane. Recently Red River Co-op has re-entered the realm of groceries and pharmacies as well, endeavours it had undertaken in the 1980s (Red River Co-Op n.d.: History). The co-op is owned by the members, who share in the profits and democratically elect their board of directors. Members receive equity and cash back on a yearly basis (CCEDnet: Red River Co-operative Ltd.).

Red River Co-op strives to be relevant to the community and locally involved. The board of directors and management is Manitoba based, as are its members. This keeps the profits of operations in the community and controlled by the community. They are community minded, investing in community based initiatives in addition to giving back through profits to local members (Red River Co-Op n.d.: Why Co-Op).

Pollock's hardware store started out as a privately owned business in Winnipeg's North End. The owners decided to retire and sell the 85 year old business but could not find a buyer. The store was forced to close in 2007. The community realized the importance of the locally accessible and locally focused hardware store and decided to take on ownership of it. They reopened Pollock's Hardware as a Co-Op in 2008. Anyone can purchase items from Pollock's, but a \$25 life time membership allows for a vote in the election of the board of directors. There are investment shares available for purchase, which have paid a 5% return in three of the last four years. Pollock's serves the community by offering older merchandise and part replacement so that those with older equipment and older homes do not need to replace an entire item if they only need to replace a part. They focus on green initiatives, encouraging mending instead of replacement, and selling items like composters and clothes lines. They have partnered with BUILD to provide dual-flush toilets. They also provide Winnipeg and Manitoba made merchandise (CCEDnet: Pollock's Hardware Co-op Ltd.).

In order to find ways to simultaneously reduce greenhouse gasses and the amount of non-

ey Winnipeggers spent on transportation, Winnipeg based car share Peg City Car Co-Op was established in 2011. The goal of the project is to decrease dependence on fossil fuels by decreasing car ownership and promoting cycling, walking and transit use. A car share allows members to pay for vehicles when they need them, based on usage. Users book one of more than 20 vehicles that the car share operates for blocks of one hour. Usage is calculated through hardware installed in the car and then the user is billed for mileage, gas, insurance and maintenance based on their distance traveled (Peg City Car

Co-op 2016: About Us). Membership in the co-op further supports CED initiatives by offering shop local incentives. Purchases at supporting businesses are discounted and rewarded with the ability to earn credit towards future car usage (Peg City Car Co-op 2016: Member Perks). Co-op membership also, like in the above examples, allows for the democratic participation in the running of the organization through voting at the Annual General Meeting, the election of the board of directors, and through contribution to one of the co-ops committees (Peg City Car Co-op 2016: About Co-operatives).

Criticisms of Community Economic Development

One criticism of convergent style Community Economic Development is that the focus on local production doesn't do enough to attack the root causes of unbalanced capitalist growth. Focusing only on local systems does not seek to change the broader capitalist system. Instead each local initiative only becomes a piece of the broader exploitative economy (The Bullet 2014: 1). The concern is not with the ability of local projects, social enterprises and co-ops to improve people's lives. Instead the concern is that each initiative is still at the mercy of the capitalist system. The external forces of capitalism still affect CED and when the economy takes a downturn these initiatives will follow suite (The Bullet 2014: 3).

Often co-ops and credit unions can accommodate capitalism instead of working to change it. Impetus for joining co-ops can be based on individual market demand instead of communal ideological understanding. Red River Co-Op, for instance, can attribute its broad success to the direct savings on gas. This does not mean that the community has bought in to the social impact of communal ownership. As institutions like credit unions grow often their democratic nature tends to erode. Annual general meetings are replaced with mail in ballots and members are gradually

distanced from management (Loxley and Simpson 2007: 45,46). The democratic nature of CED organizations can vary widely. Boards vary in their independence from management. Management can be quite hierarchical with little input from staff and these provide little chance for a change in social relationships. To combat this, funders may more aggressively demand board independence and provide training courses in participatory management (Loxley and Simpson 2007: 46-47).

One specific example of the limitations of CED is that of Assiniboine Credit Union. ACU must remain financially viable and commercially competitive. This means that its support of CED will be only a small portion of its investment. This will be the case with other credit unions hoping to support CED. This is not the be all and end all solution to CED funding (Loxley 2010c: 205).

Though CED in Manitoba is broad reaching and diverse, Loxley points out that the scale of CED activity compared to the scale of the problem of poverty and social exclusion is small. The efforts thus far are impressive, and gains have been made, but they have been insufficient to "radically change the incidence of poverty in the city". While CED is confined by operating within

capitalism, the hope is that it may eventually form the foundation of an alternative economic system based on community and equity (ibid 215–216).

The Neechi Example — Times of growth and times of uncertainty

Neechi Commons is the home of the Neechi Principles. It is a workers' co-op and social enterprise. It consists of a grocer, an art store and a restaurant. It opened in 2013 when the original grocery store, Neechi Foods, decided to expand. The business had longevity and success, having been around since the early 1990s, but the old building did not encapsulate this. Decisions to move and expand led to the purchase of 865 Main St. Consultations on what the community wanted to see from the space involved more than 50 Winnipeggers. The location was chosen because it was one where the community saw a need and the building was renovated to meet high environmental accreditations (Pearce and Wuttunee: 2–4).

This expansion led to Neechi taking on a heavy debt load. Louise Champagne, Neechi's manager and president thinking of this financial burden commented:

One of the hardest things in this project has been getting the financing. When you are poor you live from hand to mouth and that's Neechi too. We struggle and live from hand to mouth and have survived in a very competitive food industry (Pearce and Wuttunee: 4).

Despite these challenges in 2014 sales had grown to over \$2 million and Neechi Commons' move from 12 to 50 staff meant that it had become one of the largest non-government employers of Indigenous workers (Pearce and Wuttunee: 4).

This tension between social viability and economic viability has not gone away. In 2015 No Frills, a commercial grocery store focused on cheap, basic foods, opened 2.5 kilometers away from Neechi. This immediately caused a decrease in sales (CBC

Manitoba 2015: December 2). In 2017 Neechi Commons owed more than \$5 million in debt and it had fallen behind on its mortgage payments. In 2016–2017 the expected operating grants didn't come through, which caused Neechi to operate at a loss. In July 2017 Assiniboine Credit Union, the main lender, decided to auction off the building (CBC Manitoba 2017: July 12).

In a statement to CBC one of the board members commented on the internal tension between seeking grants and pursuing higher sales. The social enterprise mentality must go beyond profits, and therefore go beyond a sales-only mentality, however staff resources ended up focusing on grants, stealing time from activities that could have driven up sales (CBC Manitoba 2017: June 30).

This illustrates some of the core difficulties faced by convergent style community economic development. Reliance on external funding causes instability and uneven power dynamics; CED on its own in small scales is still subject to market forces and uncertainties; people may be less willing to buy in to the idea of CED when faced with cheaper prices elsewhere.

The struggles of enacting CED are real and those who seek to pursue this alternative means of economic development are bound to see some of these challenges arise again and again. The work however is not fruitless. The dedication of those involved in seeking a better situation for their community is compelling. Once again, in the words of Louise Champagne,

“We are still here despite all the challenges because of stick-with-it-ness”
(Pearce and Wuttunee: 4).

Initially no bids came in for the auction, giving Neechi some flexibility to pursue other plans. The building is set to be sold off with a realtor. Neechi is looking for supporters to buy the building and lease it back to them, or to take on the loan. It is likely that the business will continue without Neechi as the building owner (CBC Manitoba 2017: July 12).

Conclusion

Manitoba's CED sector is impressive in its breadth and diversity. It has been built on the foundation of dedicated individuals, resilient organizations, and a long history of alternative, convergent economics. The Neechi Principles have provided guidance tailored specifically to the needs of Manitoba. They have driven a culture of community engagement, ownership and holistic development.

CED has never been easy. Each project has come with its own difficulties of finding support. Despite this a CED sector has continued to grow in Manitoba. Excitement is building around the possibilities of Social Enterprise, Co-Ops, community based service delivery, and development focused training initiatives.

As CED moves forward in Manitoba the lessons of the past need to be considered. Structural weaknesses in government funding, like the way funding follows shifting political priorities, cannot be ignored. This lesson is particularly clear now that Neechi Commons has lost government support. Diverse funding for CED needs to be sought and alternative sources need to be created. Community involvement and ownership need to be at the forefront of CED projects. Without broad support initiatives will flounder.

Manitoba has applied CED in creative and effective ways. CED has managed to touch most aspects of Manitobans' lives, from whiskey, to banking, to roads. With more time, resources and exposure of the benefits of CED, this will only continue.

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