



CANADIAN  
MANUFACTURERS  
& EXPORTERS

# MANUFACTURING NOW

MANITOBA MANUFACTURERS' PLATFORM FOR PROSPERITY

MAY 2023



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# OUR MEMBERS

## ABOUT CME

Since 1871, we have made a difference for Canada's communities. Fighting for the future of manufacturing in Canada. Helping manufacturers invest and grow at home and abroad.

From the first industrial boom in Canada, CME has advocated for and represented member interests. More than 150 years strong, CME has earned an extensive and effective track record of working for and with thousands of leading companies nationwide. As Canada's leading business network, CME, through various initiatives including the Canadian Manufacturing Coalition, touches more than 100,000 companies from coast to coast, engaged in manufacturing, global business, and their integrated supply chains.

In Manitoba, CME works with manufacturers to help them grow with support and resources in the areas of Leadership & Executive Support, Lean & Productivity, Advanced Manufacturing & Innovation, Trade & Business Development, Workforce Development, Advocacy & Intelligence, Future Workforce, Safety and Networking.

## THE COMPANY WE KEEP

By manufacturers, for manufacturers, CME represents every subsector and companies of all sizes. Our membership is hundreds strong, led by an advisory board of leading manufacturing firms based in the province. This board represents a cross-section of manufacturing and demonstrates CME's role as the definitive voice of manufacturing. Like CME, these companies believe that a strong Manitoba can and must have a strong manufacturing sector at its heart. A special thanks to:



# CME MESSAGE

Manufacturers made the goods our communities needed during the pandemic. With the support of government, they shifted production to make medical devices, pharmaceuticals and PPE. They ramped up production of everyday essentials like toilet paper and food. They did so despite historic disruption of global supply chains, absenteeism compounding pre-existing labour shortages, and global protectionism. And at the same time, they began investing in the future of our economy including electric vehicles, developing critical minerals, sustainable protein, and incorporating the next generation of advanced technologies.

The essential nature of manufacturing and its strong contribution to funding critical services like healthcare and education has been acknowledged recently by all political parties, at all levels of government in Canada. In recognition of the importance of the manufacturing sector, government has taken some direct steps to support the industry. In Manitoba, these actions have included lowering taxes, directly supporting investment, focusing on workforce development, investing in infrastructure, attempting to reduce red-tape and the regulatory burden – all are called for and fully supported by CME and our network. These actions are having early positive outcomes. However, more remains to be done in Manitoba to prepare for what's next and to capitalize fully on future opportunities.

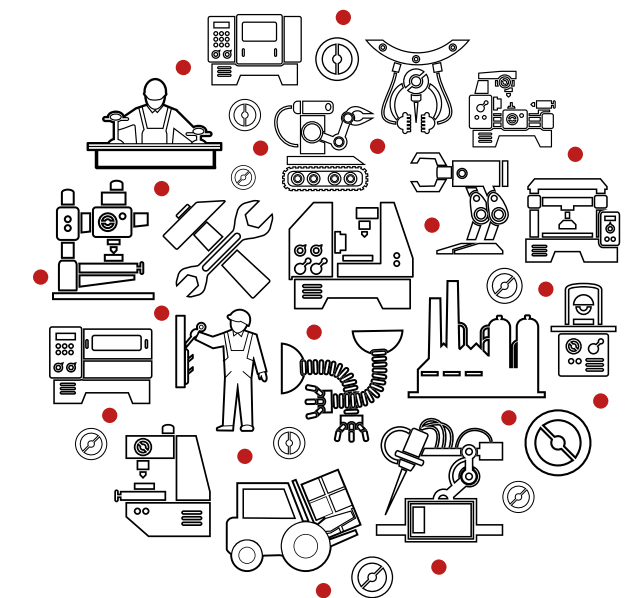
The most concerning trend is the persistent struggle to attract investment. Despite recent major victories for the province, we remain near the bottom of the OECD list when it comes to new capital for the sector. Over the past five years, the US received twenty-three times the investment that Canada did, while Mexico received ten times. Investment leads to innovation, increased manufacturing output, employment, exports, environmental performance, and prosperity. A lack of investment leads to outdated, inefficient, uncompetitive, and shrinking companies.

CME believes that Manitoba has a bright future with great opportunities in manufacturing and exporting products to the world. Manitoba is qualified to capitalize on global shifts including an aging and growing population, increasing sense of environmental and social responsibility, and ongoing technological transformations. These changes open new opportunities if the province is focused on the solutions and

creating the right conditions for success. It will not happen by accident. Success will only happen if there is a strong partnership and shared goals between government and the sector.

That process starts during Manitoba's 2023 election. CME is calling on all parties to support a strong manufacturing strategy for the province that prioritizes investment, innovation, and prosperity for all Manitobans. This strategy must enable Manitoba's manufacturing sector to grow and thrive, not just today, but for years to come. CME's election platform is our detailed proposal to meet this objective.

**This is our time. Manufacturing Now!**







# INTRODUCTION

Workers need manufacturing, and so does Manitoba. Here are just a few examples of why:

- The sector employs 68,000 Manitobans, directly supporting their families and communities with stable, highly skilled, and high wage jobs.
- Through indirect and induced impacts, the sector supports nearly 58,000 more of the province's workers through supply chain activity and employee spending.
- The sector's 2,400 manufacturing firms also directly generate nearly 10 per cent of the province's GDP and two-thirds of its merchandise exports.
- Taking direct, indirect and induced impacts into account, the sector's footprint amounts to 17 per cent of Manitoba's economic activity.

The aftermath of the pandemic has led to a strong demand for local, stable goods, for both businesses and consumers alike. There is a real opportunity for "friend-shoring" production, building more resilient North American supply chains, improving trade with allies, and using the world's transition to Industry 4.0 as a competitive advantage for our businesses. Our sector, however, has been limited in capitalizing on this opportunity due to several factors.

Labour and skills shortages are the most pressing challenges facing manufacturers today. In a fall 2022 CME survey, close to 80 per cent of manufacturers in Manitoba stated they were currently facing labour and skills shortages. These unfilled positions directly impact the ability of those companies to invest and grow, undermining the province's economic potential.

Manitoba is losing its advantage as a lower cost jurisdiction; electricity rates are rising, access to water is uneven, regulatory processes can be uncertain and unnecessarily complex, and combined taxation (including carbon tax) provides increasing challenges to the competitiveness of our businesses. The cost pressures are compounded by the high inflation rates and pressure from competition within Canada, and from our neighbours to the south, many of whom have taken real, measurable steps to attract and retain investment that Manitoba has not matched in decades.

This is the consequence of long-term under-investment compared to OECD competitors and highlights the importance of having a comprehensive advanced manufacturing strategy to get our fair share of OECD manufacturing investment – equating to additional capital outlays of \$1.4 billion annually in Manitoba – nearly doubling our investment each year.

As Manitoba seeks to turn the page on the COVID-19 pandemic, manufacturers need predictability. They need to know that workers will fill shifts and vacancies, and that key inputs like energy, water and land will be available at a competitive price. They also need to know they can grow, seize opportunities in the new economy, and commercialize innovative products without being held back by red tape.

We are calling on all political parties and the elected provincial government to commit and work from day one to deliver a comprehensive advanced manufacturing strategy that secures 2 per cent of OECD manufacturing investment by the end of the decade, and includes the following critical components:







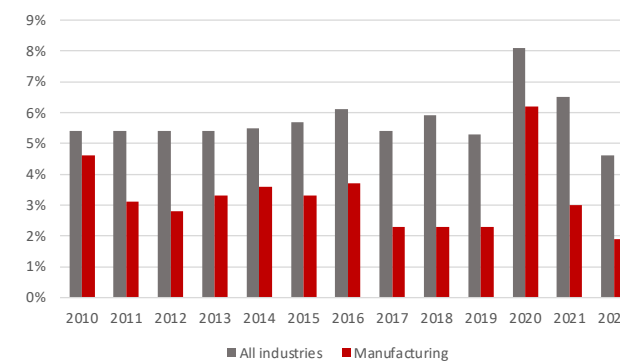
# GET MANUFACTURERS THE WORKERS WE NEED

Manitoba manufacturers had 2,130 job vacancies in the third quarter of 2022, compared to the much smaller quarterly average of 900 job openings over 2015-19. At the same time, the sector's unemployment rate remains very low, standing at just 1.5 per cent in February 2023, implying that very few people are looking for work in manufacturing. An aging population is a fundamental driver of this supply-demand mismatch, as there are not nearly enough young people entering the workforce to replace retirees. With so many old workers retiring and so many young people overlooking career opportunities in manufacturing, labour and skills shortages ranging from shop-floor labourers to skilled technicians and senior executives are becoming more acute and acting as a significant barrier to economic growth.

Credit is due to the current government for commissioning the *2019 Horizon Report*, whose intent was to help Manitoba achieve its full potential through collaboration between employers and the educational institutions who assist in training the workers of tomorrow. Further credit goes for the significant effort recently put forth by the Immigration Advisory Council, tapped with making recommendations to enhance provincial immigration programs and policies to meet labour market needs.

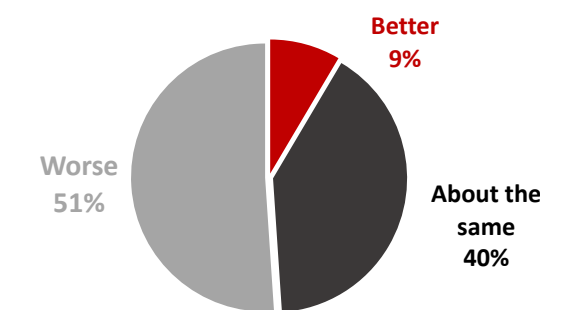
However, the persisting record-high vacancies point to the importance and urgency of sustained and comprehensive action by industry and government at a pace much more accelerated than the current systems are able to deliver. In a CME survey conducted last year, manufacturers once again cited the availability of labour as one of the biggest hurdles to relocating or scaling-up production in Canada.

UNEMPLOYMENT RATE



LABOUR SHORTAGES IN MANUFACTURING

HOW WOULD YOU COMPARE THE CHALLENGE OF ATTRACTING AND RETAINING A QUALITY WORKFORCE TODAY TO THE SITUATION ONE YEAR AGO?





# ASKS

## ESTABLISH AN INTEGRATED LABOUR FORCE STRATEGY

We must better integrate the various initiatives and agencies currently working to alleviate labour shortages and develop the workers of tomorrow. For example, there are currently approximately 100 employment agencies and service providers in Manitoba funded at least in part by the provincial and federal governments focused on serving labour market needs. But these agencies do not provide an end-to-end perspective and action plan. Their purview is just one piece of the puzzle: from access to childcare to primary, secondary and post-secondary alignment to labour needs, more services and supports remain outside of sector council programs. Sector councils are a strong step in the right direction and allow the systematic identification of challenges but stop short of funding comprehensive action. Without an end-to-end integrated strategy to enhance the current system, gaps will always prevent Manitoba from achieving its full economic potential.

An integrated labor strategy can better leverage existing initiatives and resources. It can provide both immediate and long-term benefits to the manufacturing industry, as well as other industries, to prioritize initiatives, maintain agile supply chains, and attract future investment. The aim is to maintain an end-to-end perspective – from education to workforce attraction, from hiring and retention to upskilling and re-skilling. Initial steps should include:

1. Enhance support for the Traditional and Advanced Manufacturing Sector Council program (TAMSC) to further address more challenging and systematic issues that prevent manufacturers from attracting and developing the talent they need;
2. Establish an integrated labour strategy to fill labour shortages today and train the workers of tomorrow, with a focus on systems under the public oversight. This should begin with childcare and continue through life-long training that is responsive to the needs of employers. Including language training.

## PUT EMPLOYERS IN THE DRIVER'S SEAT

While provincial governments have made multiple skills-related announcements in recent years, a lot of the funding currently resides with programs and institutions, not the employers themselves. Uptake is limited due to employers' uncertainty about whether their efforts navigating government administration will be rewarded with more employees who will stay with their business.

The solution begins by working to expand and improve the Canada Manitoba Job Grant by making it permanent, increasing funds available (including for multi-year training), providing more frequent reimbursements during the grant period, expanding the range of eligible on-the-job training, and speeding up application approval times. What's more, eliminating the first-come, first-serve approach in favour of alignment of economic development priorities would be an advantageous change.

Companies can also be incentivized to invest directly into their training through the tax code. A general training tax credit could be available to any company that invests in training – whether the training is provided internally or externally. In contrast to a grant, a tax credit would be more universal, but could remain targeted to achieve desired training outcomes. Another important benefit of this type of credit is that the training it helped fund would be more closely tied to company needs. As Manitoba seeks to attract talent in a North American context, it must keep up with other jurisdictions with whom we compete directly that provide businesses with tax incentives for training investments.

Regardless of domestic efforts to increase the talent pool, immigration will continue to play a key role to fill labour needs. In the last ten years, the province welcomed an average of about 15,250 immigrants annually, representing over 5 per cent of all immigrants that arrived in Canada each year. While this is a significant improvement over trends in the 1990s and early 2000s when Manitoba attracted an average of about 4,500 immigrants per year, today's immigration levels still do not match the scale of demand.

Along with higher overall numbers of immigrants, the province also needs to bring in more highly-skilled newcomers.

The Manitoba Provincial Nominee Program (MPNP) is the main tool for bringing skilled immigrants to meet Manitoba's labour and economic development needs. In 2021, there were 6,275 Provincial Nominee admissions, falling well short of demand.

As Manitoba prepares to renegotiate its immigration agreement with the federal government, the focus should be on increasing the number of economic immigrants and ensuring those immigrants match the needs of employers. The government must also continue their work of simplifying and speeding up foreign worker credential recognition for newcomers to Manitoba.

3. Enhance the Canada Manitoba Jobs Grant to provide consistency, clarity and responsiveness to the needs of industry and reduce the administrative burden to employers.
4. Establish a tax credit to offset workforce training and development costs.
5. Work with the federal government to modernize and increase economic immigration, language requirements and expand efforts to recognize credentials of foreign trained workers.
6. Accelerate the adoption of a trusted employer pathway to facilitate and expedited process to fill labour market needs, as recommended in the *Report to the Immigration Advisory Council*.

## RECRUIT MORE REFLECTIVE WORKFORCES

Providing pathways to jobs in manufacturing for all members of our communities is critical to economic growth. Manufacturers stand to gain by acting on the factors impeding the workforce participation of women, new Manitobans, and Indigenous peoples. Those factors include a longstanding cultural bias that values university education over the skilled trades. Parents, educators, youth, and women are too often unaware of how much the manufacturing industry has evolved with modern-day innovative, clean, and technologically advanced operations.

In 2018, CME launched the Women in Manufacturing (WiM) initiative, which aims to create an additional 100,000 jobs for women in Canadian manufacturing by 2030. In support of this target, CME organizes plant tours, hosts a yearly Women in Manufacturing Success Forum, creates gender-diversity awareness tool kits for manufacturers, and shares stories of women in manufacturing. While this is a good start,

more funding is needed to support the promotion of women in manufacturing.

In 2021, CME invited leaders in the Indigenous community to assist us in the co-creation of an Indigenous Workforce Development Strategy for manufacturing. CME has since launched an Indigenous Advisory Council and retained an internal Indigenous Advisor to consult and guide efforts to recruit, retain and promote Indigenous talent in manufacturing careers. To make a difference, this will require more support.

And for the next generation of manufacturers, early exposure is critical to ensure that students can make informed decisions about future career pathways. A lack of interest in STEM subjects at age 10 is unlikely to change by age 14. The introduction of viable pathways to trade-related competencies as part of the high school curriculum, a renewed focus on STEM at all grade levels, and enhanced industry-alignment and career awareness directly with educators, students and parents through the K-12 school system are necessary to ensure the future workforce is prepared for the transition to Industry 4.0.

In the not-so-distant future, traditional white-collar workers may bear the burden of labour displacement caused by AI and emerging technologies, while traditionally classified blue collar jobs may benefit. And given the demographic challenges Canada faces, with fewer younger employees on hand to replace older, retiring workers, it becomes even more imperative to renew our focus on STEM.

What's more, a concerted effort should be placed on recruiting and upskilling under-employed Manitobans, including Indigenous peoples, with outreach and support systems to eliminate the systemic barriers they continue to face. Funding for demand led programs, micro-credentials and other training intended to support these under-represented groups should be sufficiently funded for robust wrap around supports by appropriate parties. Good intentions are not sufficient. For real, economic benefits, both education and support are required for both employees and employers as we adapt to a new cultural landscape and the workplace of the future.

7. Increasing support for greater awareness of manufacturing as a career option and provide entry level training for under-represented groups - youth, women, new Manitobans, and Indigenous peoples with sustainable, sufficiently funded demand-led programs.
8. Increase funding and visibility for STEM, trades in the classroom and career pathways that do not require a university degree.





## LOWER THE COST OF DOING BUSINESS

The business community applauds any commitment to red tape reduction. Manitoba's approach to regulatory accountability includes processes for developing statutes, regulations, policies and forms that encourages the monitoring and management of regulatory requirements with an eye to ensuring Manitoba remains competitive. A foundational Lean transformation approach has been successful in some departments, laying the groundwork for a service culture, focused on the needs of the customer rather than the system itself.

At the same time, other North American jurisdictions spare no efforts to attract companies with low corporate tax rates, property tax abatements, and other generous subsidies directly aimed at new and expanding firms. Those policies continue to drive investments away from Manitoba.

In a CME survey released in March 2022, almost a third of respondents cited the inability of Canadian suppliers to compete on price as an obstacle to move sourcing of components and raw materials to Canada, even despite historic disruption to overseas supply chains. While the availability and cost of labour remained top of mind, other top challenges to relocating or scaling up production in Canada included the cost of taxation (mentioned by 20 per cent of respondents), government regulations (19 per cent), cost of industrial land (19 per cent), and energy costs (12 per cent).

While manufacturers applaud the decision to cut water rental fees collected by the Crown from the utility to keep rates stable, action must begin now to improve service to current industrial customers. While Manitoba Hydro prepares to face both increasing demand for electrification from customers and light industry, and decarbonization trends, it must proceed with a deliberate, cost-conscious approach, and with a focus on building and sustaining domestic capacity with steady, low-cost pricing first and foremost.

Multiple studies that show that across Canada, electricity systems will need to double or triple capacity by to meet federal 2050 targets. Significant changes are required to every aspect of the power generation and distribution systems to meet the future demand. Industrial users must not be sidelined in the race to electrify our municipal and public infrastructure. What's more, as past experiences with energy contracts have shown, no green energy production will be sustainable if it jeopardizes affordability.

9. Prioritize steady, reliable hydro-electric supply to future and existing industrial users, including support for expansion plans.
10. Ensure adequate clean energy supply at an affordable cost to support large scale net zero transition by industry.

## ASKS

### BETTER LEVERAGE MANITOBA HYDRO AS AN ECONOMIC DEVELOPMENT ASSET

Manitoba's energy advantage is no longer in an absolute position of strength as it was in past years. Hindsight will tell if Bipole III and Keeyask were forward-thinking investments. Regardless, these mega projects have passed significant burdens along to taxpayers. What's more, aging infrastructure means many existing industrial areas, such as the Murray Industrial Park, go without adequate service, routinely experience blackouts, and are constrained in expansion by capacity limitations.

### CONTINUE TAX BURDEN REFORM

Manitoba's tax burden continues to act as a disincentive for investment in our trade-exposed manufacturing industries. Right now, the cost of doing business in Manitoba is eroding competitiveness and making it harder for companies to reinvest in their people, processes and products. And while no single tax or regulation is significant enough to drive investment away, in aggregate they are a death by a thousand cuts.

One straight forward way to improve this situation is to review and align the headline corporate and personal income tax rates to comparative jurisdictions, especially Saskatchewan and Ontario. CME applauds the province for recent efforts to ensure Manitoba's tax competitiveness with other jurisdictions, including the adjustment of the province's



tax bracket thresholds and the adjustment of income tax threshold, but more can be done to ensure that we achieve the economic strong hold that advantages, rather than parity, can produce.

11. Align corporate and personal income tax rates to leading competitive jurisdictions, raising the basic personal tax exemption as well as the threshold for the top marginal rate.
12. Commit to phasing out the Health and Post Secondary Education Tax Levy (payroll tax) by 2030.

### CONTINUE TO STREAMLINE REGULATION

As new rules are created to reflect the changing nature of our economy, old ones must be constantly reassessed for relevance. It has become more and more difficult for manufacturers to operate in their traditional areas as regulatory standards have become more complex, outdated, and jurisdictional oversight overlaps. This is particularly true when it comes to oversight of capital investments and facility expansions. A regular point of frustration for many manufacturers is conflicting guidance and interpretation of acts and regulations by municipalities, Manitoba Hydro, Workplace Safety and Health, the Office of the Fire Commissioner and other bodies. While manufacturers by and large are committed to being responsible stewards of the economy, the environment, and the safety of their employees; the lack of clarity and duplication of regulatory oversight creates an undue burden that prevents industry from accomplishing these goals.

13. Streamline the powers and responsibilities of oversight bodies to ensure no duplication of efforts.
14. Invest in the training and retention of inspectors with relevant industry experience related to their portfolio of expertise; and introduce streamlined appeal process with both regulatory and economic interests represented.
15. Encourage the adoption of Lean best practices with a focus on right-sized, customer-focused cultures across a range of KPIs benchmarked against leading urban centres, globally.

### CONTINUE TO INVEST IN TRANSPORTATION INFRASTRUCTURE

Much has been said lately on the obstacles manufacturers face to keep goods, parts and materials moving through integrated global supply chains. Those obstacles are real, and Manitoba should continue to work with industry and the federal government to secure critical trade infrastructure and corridors.

But we must also be mindful of the infrastructure linking our regions and cities. The RTAC system and other planned investments are in response to issues raised time and again by manufacturers. The Twinning of the TransCanada Highway through Ontario and much needed investments in Highway 75 are clear areas where physical infrastructure has not kept pace with the economic needs of the day. In more remote areas, reliable roads and highways are essential to unleash the potential of Manitoba's mineral industry strategy to secure key inputs to build electric batteries and support vehicle manufacturing. Investment in all infrastructure types is essential to support productivity and growth in the future.

16. Protect and invest in transportation infrastructure to allow for the reliable and efficient movement of goods and people and prioritize investment in trade corridors that link Manitoba manufacturers to customers in North America and around the world.





# SUPPORT BUSINESS SCALE-UP AND INVESTMENT

In 2022, manufacturing sales in Manitoba reached \$24.4 billion, its highest level ever. While impressive on the surface, the details are less robust than the aggregate numbers suggest. Indeed, much of the growth in sales in recent months has been accomplished through higher prices rather than higher production. As well, while manufacturing investment has been stronger in Manitoba than in several other provinces, it still lags trends in the United States. In fact, US manufacturing investment in 2021 was more than 35 per cent higher than its level in 2006, whereas it was 21 per cent higher in Manitoba.

## NON-RESIDENTIAL INVESTMENT IN OECD



There are many reasons to explain this gap in investment growth, but business leaders often cite the absence of visible and predictable incentives to explain why major investment opportunities bypass Manitoba for the US, including the game-changing clean technology incentives in the US *Inflation Reduction Act*. As the experience of other jurisdictions demonstrates, this trend can be reversed if governments provide the right signals for the investment community.

# ASKS

## INCENTIVIZE TECHNOLOGICAL ADOPTION

Helping Manitoba's manufacturers become more innovative is critical. But helping them adopt new technologies, commercialize their innovations and scale-up to meet demand is just as important. Indeed, Manitoba – our people, society and businesses – is a hotbed of prairie ingenuity.

The Manitoba government can play an important role in helping the province's companies scale-up. In particular governments can provide more support for companies that are investing in productivity-enhancing machinery and equipment (M&E), which is critical to their long-term success. Recognizing the importance of these investments, the government introduced the Manitoba Manufacturing Investment Tax Credit in 1992, and made it permanent in 2020. Today, manufacturers can earn a credit of 8 per cent (7 per cent refundable and 1 per cent non-refundable) on the purchase of new and used buildings, machinery, and equipment made available for use in Manitoba mainly for manufacturing or processing goods for sale or lease. While this incentive has been overwhelmingly supported by Manitoba manufacturers as a mechanism to drive investment and grow Manitoba's economy, increasing the credit to 10 per cent would help to further drive innovation and investment growth in the province.

Although investment has been solid in recent years, Manitoba still has more work to do to become a leading destination for investment. Why aim higher? Business investment influences the speed at which an economy can grow. When manufacturers build new factories and purchase new machinery, they increase the productive capacity of the economy and lift labour productivity growth, defined as output per worker. This is critical because Manitoba's ability to improve its standard of living over the long run will depend almost entirely on its ability to raise output per worker. The stakes are high. The long-term rate of productivity growth has profound implications for individual wage growth, corporate competitiveness, and the ability to raise government revenue to pay for key public services.

An investment tax credit would encourage more investment. This was the Government of Newfoundland and Labrador's thinking when it launched a 10 per cent Manufacturing and Investment Tax Credit in its 2022 budget. The credit will support their businesses as they make much needed investments in equipment to modernize operations.

A similar measure should be adopted in Manitoba, as it would directly support competitiveness as well as the transition to net-zero.

17. Increase the Manitoba Manufacturing Investment Tax Credit to 10 per cent and make it fully refundable.

## ADOPT WHOLE COST PROCUREMENT PROCESSES

Manufacturers are free traders. The size of our economy relative to export markets means our success hinges on free and open trade. But for decades, it has been easier to sell to Mexico than Manitoba. For too long, the lowest bid has dictated the choice of the Manitoba government in public contracts. The solution lies not in arbitrarily awarding Manitoba firms an advantage, but in evaluating bidders through a whole costing approach that takes into account parameters related to quality, proximity, environmental footprint, taxation revenue generation and more.

The Manitoba government can also play a critical role by leveraging its purchasing power to support local manufacturing innovation and production. Current examples of this include the use of local knowledge provisions and local content requirements for infrastructure procurement. These measures are common globally and are known to drive local innovation and investment. The current short-term focus on price (rather than value) and the decentralized procurement approach undermines the true value of leveraging government procurement for strategic and economic purposes. Adopting a whole cost approach to procurement, taking into consideration transportation, sales and service (including language or cultural barriers) and administrative overhead would benefit manufacturers and the public service alike.

18. Leverage government procurement by basing purchase decisions on total economic value to the region, not just price.





# SUMMARY OF ASKS

**BY WORKING TOGETHER, WE CAN ACHIEVE OUR GOAL OF SECURING 2 PER CENT OF OECD INVESTMENT BY THE END OF THE DECADE AND ENSURING THAT MANITOBA GETS ITS FAIR SHARE - \$1.4 BILLION PER YEAR.**

## **GET MANUFACTURERS THE WORKERS WE NEED**

1. Enhance support for the Traditional and Advanced Manufacturing Sector Council program to further address more challenging and systematic issues that prevent manufacturers from attracting and developing the talent they need;
2. Establish an integrated labour strategy to fill labour shortages today and train the workers of tomorrow, with a focus on systems under the public oversight. This should begin with childcare and continue through life-long training that is responsive to the needs of employers. Including language training.
3. Enhance the Canada Manitoba Jobs Grant to provide consistency, clarity and responsiveness to the needs of industry and reduce the administrative burden to employers.
4. Establish a tax credit to offset workforce training and development costs.
5. Work with the federal government to modernize and increase economic immigration, language requirements and expand efforts to recognize credentials of foreign trained workers.
6. Accelerate the adoption of a trusted employer pathway to facilitate and expedited process to fill labour market needs, as recommended in the Report to the Immigration Advisory Council.
7. Increasing support for greater awareness of manufacturing as a career option and provide entry level training for under-represented groups - youth, women, new Manitobans, and Indigenous peoples with sustainable, sufficiently funded demand-led programs.
8. Increase funding and visibility for STEM, trades in the classroom and career pathways that do not require a university degree.

## **LOWER THE COST OF DOING BUSINESS**

9. Prioritize steady, reliable hydro-electric supply to future and existing industrial users, including support for expansion plans.
10. Ensure adequate clean energy supply at an affordable cost to support large scale net zero transition by industry.
11. Align corporate and personal income tax rates to leading competitive jurisdictions, raising the basic personal tax exemption as well as the threshold for the top marginal rate.
12. Commit to phasing out the Health and Post Secondary Education Tax Levy (payroll tax) by 2030.
13. Streamline the powers and responsibilities of oversight bodies to ensure no duplication of efforts.
14. Invest in the training and retention of inspectors with relevant industry experience related to their portfolio of expertise; and introduce streamlined appeal process with both regulatory and economic interests represented.
15. Encourage the adoption of Lean best practices with a focus on right-sized, customer-focused cultures across a range of KPIs benchmarked against leading urban centres, globally.
16. Protect and invest in transportation infrastructure to allow for the reliable and efficient movement of goods and people and prioritize investment in trade corridors that link Manitoba manufacturers to customers in North America and around the world.

## **SUPPORT BUSINESS SCALE-UP AND INVESTMENT**

17. Increase the Manitoba Manufacturing Investment Tax Credit to 10 per cent and make it fully refundable.
18. Leverage government procurement by basing purchase decisions on total economic value to the region, not just price.





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**QUESTIONS?**

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