

Premiers Continue to Focus on Jobs and Economic Growth

EDMONTON, July 19, 2017 – Premiers¹ continued to explore opportunities to strengthen economic growth in Canada and support good paying jobs for Canadians.

Canada – China Free Trade Agreement

Premiers noted the importance of expanding trade as a key factor in growing Canada's economy and emphasized the need to promote Canada's trade opportunities in growing international markets such as China.

Premiers welcome the Prime Minister's commitment to explore a potential free trade agreement with China. Provinces and territories are working to expand trade links with China and other growing economies in Asia. Canada's Premiers have led trade missions to China in 2008, 2011 and 2014 and will continue to work to strengthen trade and cultural ties between Canada and China.

Building on recent successful international trade negotiations, Premiers call on the Prime Minister to ensure that once negotiations commence, provinces and territories are active participants in negotiating the new trade arrangements with China.

Environmental Approvals

Premiers discussed environmental assessment, in light of recent federal Expert Panel reports. Canada's world-class environmental protection laws and review processes must continue to balance the need for responsible resource development and a sustainable environment.

Premiers called on the federal government to work with provinces and territories to ensure that environmental review processes respect the principle of *one-project*, *one-assessment*, do not add unnecessary duplication or delays in the responsible development of Canada's natural resources, continue to have access to the best available expertise, including through the National Energy Board, and that any changes respect provincial and territorial jurisdiction, and existing co-management regimes. Changes to the federal process must ensure regulatory certainty and timely decisions while providing transparency and meaningful participation.

Canadian Energy Strategy

Premiers discussed the ongoing implementation of the Canadian Energy Strategy (CES), released in July 2015. The CES is a flexible framework for provinces and territories to realize a common vision for Canada's energy future. It supports sustainable energy development while also ensuring a globally competitive energy sector. At last summer's meeting, Premiers directed Ministers to continue collaborative work across the four priority areas including energy efficiency, delivering energy to people, climate change and the transition to a lower carbon economy, and technology and innovation.

¹ John Horgan, Premier of British Columbia, did not attend the 2017 Summer Meeting of Canada's Premiers.

Work to date under CES includes collaboration on innovative solutions to reduce diesel use in remote communities, and joint work to support greater adoption of innovative technologies such as zero emission vehicles and renewable energy generation and storage. Through CES provinces and territories have also made significant progress in harmonization of energy efficiency standards and influencing of federal product efficiency standards and building codes. The CES has also advanced opportunities to enhance regional electricity interties and other energy transmission and transportation infrastructure. These achievements are in addition to ongoing work regionally and within individual provinces and territories supporting the goals and vision of CES.

Adaptation

Premiers discussed the need for more coordinated planning, funding and innovation in order to adapt communities, regions, industry and governments to long term changes in weather, temperature and environmental conditions. Premiers are encouraged by adaptation commitments made by the federal government in Budget 2017. However, given the urgency of ensuring climate change impacts are considered, particularly in infrastructure investments, they call on the federal government to clarify how this funding will directly support provincial and territorial adaptation plans and actions.

Premiers also called for improvements to Disaster Financial Assistance Arrangements, including reinstatement of funding thresholds that existed before 2015, and reduced red tape to allow for faster reimbursement of upfront provincial and territorial disaster-related costs. Premiers further emphasize the need for strategic federal investment in resilient infrastructure, including support for "building back better" to mitigate future disasters.

Northern Communities

Premiers call on the federal government to be a stronger partner in supporting pre-emptive strategic infrastructure. The federal government should accelerate previous commitments to adaptation and accommodation of northern communities that are especially vulnerable.

Canada can lead on new innovative technologies which can support adaptation measures such as reducing the reliance of northern communities on diesel.

Infrastructure

Premiers welcome the federal government's commitment to new infrastructure funding. This funding will support Canada's economic growth. Premiers noted the significant level of provincial and territorial planned investment in infrastructure. Federal funding should be in addition to total PT investments in infrastructure over the lifespan of the agreements.

Based on their assessment of the results of the Phase I negotiations, Premiers emphasized that under Phase II:

- Federal funding including through the Canadian Infrastructure Bank must allow provinces and territories to fund planned priorities and commitments;
- Federal investments should be flexible enough to support a range of projects, from small to large;
- Federal funding should not result in additional fiscal pressure on provinces and territories, and municipalities, including cost-matching;
- Federal funding should be flexible and contribute towards advancing critical planning, environmental assessment, and design phases of infrastructure projects;

- Funds should be flowed directly to provinces and territories, and respect their existing relationships with municipalities.
- Agreement administration and reporting requirements should be streamlined, reasonable and appropriately resourced. Those requirements should recognize provinces and territories' existing reporting mechanisms.
- Agreements should be global (not project by project) and provide sufficient flexibility to reprofile funding between programs to align with investment priorities and respond to areas of greatest infrastructure need.

Jobs/Skills Training

Canada's economic prosperity, competitive advantage and social cohesion rely on a skilled, innovative, adaptable and flexible workforce, and inclusive labour markets that maximize the participation of all Canadians.

Premiers acknowledge the federal government's Budget 2017 commitment to provide additional funding for labour market transfer agreements. Premiers welcome the federal government's commitment to a new generation of permanent, more flexible, and streamlined labour market agreements. The agreements should not adversely affect current dollar allocations to any province or territory. New allocations should be based on need. Premiers hope to quickly conclude agreements with the federal government.

In recognition of diverse labour markets and provincial and territorial responsibility for skills training and labour market programming, provinces and territories will continue to work collaboratively with the federal government to foster and grow a highly-skilled workforce, support adult and lifelong learning and identify meaningful ways to improve labour market outcomes for all Canadians, including traditionally underrepresented groups.

Cooperative Federalism

Premiers reiterated their strong desire to work collaboratively with the federal government towards shared objectives. All provinces and territories should continue to have access to federal funds even as jurisdictions work to resolve disputes that may arise from time to time. In a federation, federal, provincial and territorial governments must respect the policy choices and priorities of other governments within their respective areas of competence.

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