

## **Council of Atlantic Premiers Press Release**

**May 15, 2000**

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Atlantic Premiers met today in Moncton, New Brunswick to sign a [Memorandum of Understanding](#) (PDF), establishing a Council of Atlantic Premiers. They also held the inaugural meeting of the newly established Council, and set out specific Atlantic priorities for discussion with all Premiers at the next Annual Premiers Conference in August and with the federal government.

By entering into this agreement, Premiers have committed to strengthening the relationship between Atlantic Provinces, and the impact of this region in setting the national agenda. The purpose of the Council is to promote Atlantic Canadian interests on national issues. To accomplish this, the Council will seek to establish common views and positions and work to ensure that Atlantic Canadians and their interests are well represented in national debates.

In its first meeting, the Council discussed this region's perspective on a number of national issues, and identified the region's priorities for discussion at the 2000 Annual Premiers' Conference to be held in Winnipeg this August. These priorities are: securing adequate funding for health care; identifying and pursuing key investments to strengthen economic growth, including infrastructure and highways; and seeking improvements to the national fiscal transfer system.

Premiers also noted the success of their recent trade mission to New England, as a very good example of concrete results for Atlantic Canadian businesses through joint initiatives and the cooperation of the four Atlantic provinces. Premiers agreed to continue the Team Atlantic model in the future.

### **Sustaining Health Care:**

The sustainability of Canada's health care system continues to be among the top priorities for Atlantic Canada. Atlantic Premiers recognize the legitimate and necessary role of the federal government, in partnership with the provinces, in ensuring the sustainability of medicare and upholding the principles of the Canada Health Act. In order to maintain its role, the federal government must reinvest in the core funding for our national health care system.

Increased, adequate and predictable federal funding is the critical "first-step" to stabilizing and reforming the health care system. Atlantic Premiers reiterated their call on the federal government to restore funding through the CHST to its 1994-95 levels and establish an appropriate escalator to ensure funding for health and social programs is sustainable in the long term. Premiers are committed to working cooperatively with their colleagues in other provinces and territories and the federal government to ensure the sustainability of quality, accessible health care for all Canadians.

The four Premiers also discussed a number of areas in health care delivery with potential for Atlantic Canada collaboration, as identified by their Health Ministers. Areas prioritized by the Premiers for further work include: prescription drug programs, health human resources, and health information systems. Premiers committed to mandating their health ministers to devise a regional process for new drug approval. The Premiers also agreed to ask their health ministers to further develop these proposals in time for their next Council meeting.

### **Improving federal-provincial fiscal arrangements:**

The Premiers discussed the particular challenges faced by this region and the importance of continuing to provide quality services to Atlantic Canadians. The ability to provide services at reasonably comparable

levels of taxation is a key factor in the competitiveness of a province. Premiers noted that even after equalization payments, the fiscal capacity of recipient provinces, including Atlantic Canada, is still less than the national average; significant disparities in revenue-raising ability continue to exist within Canada. At the same time there is currently flexibility within the federal budget to effect improvements to the Equalization program. Atlantic Premiers reiterated their call on the federal government to enhance the Equalization program by removing the ceiling, as agreed to by all provinces and territories, and further by moving to a national average standard and increasing the revenue coverage of the program.

### **Promoting the continued economic development of Atlantic Canada:**

The Premiers also discussed Atlantic Canada's economic growth prospects and the potential of this region to prosper in the new economy. They considered strategies for enhancing key infrastructure and innovation capacity in the region, which will help build on the economic potential of the region. Premiers noted the growth and renewal being experienced in this region, particularly in the knowledge economy, and will through the work of the Council promote new opportunities for the region. The Premiers intend to position Atlantic Canada to benefit from the growth in world trade and the new developments in technology.

Atlantic Premiers recognized the importance of improving the region's transportation network as key to providing access to export markets for Atlantic Canadian businesses. The trade corridors to the U.S. and to Central Canada are key infrastructure requirements to facilitating and enhancing the export of Atlantic Canadian goods. Atlantic Premiers noted the federal investment in highways announced in the recent federal budget, but indicated that considerably more investment would be required to meet this region's as well as the national needs in highway improvement. They called for the Federal government to invest in a new shared-cost highways program for Atlantic Canada to further economic development to reduce disparity and opportunities.

### **CBC Regional Programming:**

Atlantic Premiers expressed concern about CBC's plans to reduce regional programming in Atlantic Canada. Premiers noted the important role of the CBC in reflecting the unique identities, distinct characteristics, and different economic and social values of the various regions of the country, while also reflecting those things that unify Canadians. It has also acted as a valuable training ground for local artists and the development of the burgeoning film and television industry in Atlantic Canada. Premiers called upon the CBC to maintain a strong presence throughout Atlantic Canada.

### **Airline Restructuring:**

Atlantic Premiers are alarmed by the concerns raised by the public and air passengers over the deterioration of service to the Atlantic region. Premiers expressed concern that scheduled weekly flights in the region have been cut, in some cases, by over 20 percent in the past year. Decreased capacity, high ticket pricing and scheduling problems are significant concerns. Despite the hard work of Air Canada's employees in building our air industry, Air Canada has not kept pace with the needs of the traveling public. Premiers will be closely monitoring the company's actions as the merger proceeds. Premiers noted that the Air Canada Board of Directors will meet this week. In anticipation of this, they have sent a letter to the Board, indicating they expect results from the airline in maintaining quality service to Atlantic Canada. Atlantic Premiers therefore call upon the federal government to pass new airline regulatory legislation to encourage competition.

### **Priorities for the Council:**

Atlantic Premiers concluded their inaugural meeting of the Council of Atlantic Premiers with an agreement to call on their federal and provincial counterparts to recognize the Atlantic Canada agenda in their forthcoming Conferences and meetings. Over the next six months the four Premiers will highlight their

region's priorities: securing adequate funding for health care; identifying and pursuing key investments to strengthen economic growth; and seeking improvements to the national fiscal transfer system consistent with established Constitutional commitments. The four Premiers agreed to meet again, prior to the Annual Premiers Conference in August, to discuss progress on their priorities.

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