

FOR IMMEDIATE RELEASE - June 15, 2005

COMMUNIQUÉ

SAINT JOHN, New Brunswick – Premier Bernard Lord hosted the 11th Council of Atlantic Premiers today in Saint John. Premiers Binns and Hamm were joined by the Hon. Tom Marshall, Minister of Justice and Attorney General and Minister for Intergovernmental Affairs of Newfoundland and Labrador.

The Atlantic premiers agreed to continue their cooperative approach to advancing Atlantic Canada's economy and a renewed relationship with the federal government to address regional priorities.

Building on Progress: Atlantic Action Plan 2005-08

The Atlantic premiers released their new action plan, *Building on Progress*, which outlines how the provinces will work together to enhance the provision of quality and efficient public services as well as to foster a more competitive regional economy.

Action steps to improve public services over the next three years include:

- working to improve public health research
- creating a Council of Atlantic Ministers of Environment
- exploring more opportunities for joint procurement
- working together on cross-border policing legislation in all four provinces.

To grow a competitive regional economy, the plan focuses on:

- addressing the renewal of post-secondary education infrastructure to meet the needs of our universities and community colleges
- strengthening skills and labour market programs and investing in R&D
- working to jointly promote the Atlantic provinces to potential immigrants
- increasing economic growth through infrastructure improvement and seamless trade corridors across the region
- establishing an Atlantic Forestry Committee
- developing and implementing an energy efficiency awareness campaign.

The plan is the second the Council has developed since it was created in 2000. *Building on Progress* continues and expands some of the initiatives launched under the Council's first action plan, *Working Together for Atlantic Canada 2001-2003*. These initiatives included the creation of an Atlantic Ministers' Forum on Energy and the development of a harmonized trucking strategy.

The plan is available on the Council of Atlantic Premiers' website at www.cap-cpma.ca

Immigration

In recognition of the benefits of increased immigration and its role in addressing demographic and labour market challenges in the Atlantic provinces, premiers agreed to collaborate on initiatives designed to recruit and retain increased numbers of immigrants to the region. While the four Atlantic provinces compete for immigrants, there are opportunities for cooperation especially in building awareness of the region and sharing best practices. Economies of scale can be achieved by cooperating.

Considering the views of stakeholders in the Atlantic provinces and the increasing interest of municipalities in immigration, premiers agreed to direct ministers responsible for immigration to explore with the federal government ways to foster increased immigration to the region through proactive measures such as joint promotion of the region and increased settlement funding to address the lack of infrastructure in smaller centers.

Agri-food Action Plan

Premiers continue to support a procurement strategy to promote consumption of locally produced food products in the region.

Premiers directed Atlantic ministers responsible for the food sector along with industry stakeholders in the food wholesale, retail and food service industries to look at current issues and identify opportunities.

Inland Fisheries Management

Premiers reviewed the negative implications of reduced federal funding for inland fisheries management. These include increased poaching and the decline of inland fish stocks.

They agreed that a part of the solution to the problem of inland fisheries is increased federal funding of inland fisheries science, enforcement, conservation, habitat protection and stocking enhancement.

Premiers emphasized that inland fisheries management is constitutionally a federal responsibility. They committed to develop a common position and a strategy to present to the federal government to seek increased support for inland fisheries management.

Canada Social Transfer and Post-Secondary Education

Post-secondary education (PSE) in Atlantic Canada serves as an important catalyst in building a vibrant and competitive economic base.

In 1995-96, when federal support for health, post-secondary education and social programs was merged, there was significant reduction in support for these programs. Atlantic premiers strongly believe that base funding for the Canada Social Transfer

(CST) must be substantially increased and that funding must be predictable, stable and adequate to ensure affordable high-quality education and social services.

Premiers agreed to take a common position to the August meeting of the Council of the Federation with a focus on increased funding for PSE through increased base funding in CST with an adequate growth escalator.

Regionally, premiers will continue to engage the federal government on funding arrangements for the renewal of post-secondary education infrastructure.

Fiscal Imbalance

Premiers noted that various panels have been struck to examine the vertical and horizontal fiscal imbalance in Canada. These include the House of Commons Finance Sub-committee on Fiscal Imbalance, the Federal Expert Panel on Equalization, and the Council of the Federation Advisory Panel on Fiscal Imbalance.

Atlantic premiers continue to be concerned that the federal government will abandon the principle of equalizing fiscal capacities across provinces and that the principle of equalizing fiscal capacity is being eroded. They remain convinced that a ten-province standard and comprehensive revenue coverage would be significant improvements to the existing Equalization formula. The premiers agreed to continue advocating this position to the federal government.

The Atlantic premiers feel strongly that it is important that due consideration be given to finding long-term durable solutions that work for the provinces in this region.

Aboriginal People

Premiers discussed the upcoming First Ministers' Meeting on Aboriginal Issues and agreed that important issues involving aboriginal people in our jurisdictions include the necessity to improve service delivery in areas such as housing, health, and education and noted the ongoing discussions on these topics between the federal, provincial and territorial governments and the national aboriginal organizations.

Premiers agreed that any partnership between both orders of government and the aboriginal people must respect the constitutional and fiduciary obligation of Canada to aboriginal people and should be based on adequate and sustainable funding.

Canada/US Relations

The Canada-US trade relationship is critically important for Atlantic Canada. Exports from the four Atlantic provinces to the United States totaled \$20.5 billion in 2004. The region wants a border that is open to the free flow of people, goods and services and closed to terrorists.

On April 5, 2005 the United States federal government announced its intention to publish an Advance Notice of Proposed Rulemaking regarding the *Western Hemisphere Travel*

Initiative. This will require all travelers entering and leaving the United States to have a valid passport by December 31, 2007.

Premiers appreciate that American officials are seeking to strengthen border security while at the same time continuing to expedite entry into the United States. Premiers, however, would prefer to see any measures adopted implemented in a way that strengthens security without drastically complicating the daily lives of those individuals who live in border communities and other legitimate frequent travelers.

The proposed requirement for provision of passenger manifests for Canadian aircraft flying in US airspace to points in Canada or elsewhere is a matter of particular concern. Premiers agreed to raise this issue with the federal government and work with them toward a satisfactory resolution.

Atlantic Canada must work with our New England neighbours to find alternative solutions to the proposed passport and passenger manifest measures. The strong working relationship with our New England counterparts is of key importance when attempting to influence the American Congress or Administration.

Premiers will work together to develop a regional response, and will raise the issue with their New England colleagues at the next meeting of the New England Governors and Eastern Canadian Premiers.

Atlantic Prosperity Partnership Framework - (APPF)

At their last meeting, premiers agreed to join forces and develop a regional economic development strategy for the Atlantic region. This strategy, when completed, will assist and guide them in their approach with the federal government.

Federal and provincial officials have been meeting to discuss an Atlantic Prosperity Partnership Framework which will provide strength and diversification of Atlantic Canada's regional economy by focusing on policies and programs in the priority areas of human capital development, innovation and productivity, tourism promotion, and stronger infrastructure for economic growth.

The framework calls for bilateral contribution agreements to be negotiated by each province with the federal government. These bilateral contributions will be used to invest in priority initiatives that respond to provincial needs and opportunities within the broader context of the framework.

The Atlantic premiers agreed to communicate to the federal government that Atlantic Canada is seeking a true partnership, and that any and all federal investments must be consistent with provincial plans and objectives. To this end, the Atlantic premiers are inviting the Prime Minister to meet with them early this fall to pursue implementation of the Atlantic Prosperity Partnership Framework and include in the discussions the Atlantic Canada Tourism Partnership, Atlantic Trade Missions, and the relationship of ACOA with Atlantic governments.

Marine Atlantic Inc.

Premiers discussed the report of the Advisory Committee on Marine Atlantic Inc. (MAI) which was publicly released by federal Transport Minister Lapierre on May 6, 2005. Premiers agreed that MAI provides an essential transportation link, vital to the regional economy. They noted that, under the Terms of Union between Canada and Newfoundland and Labrador, the federal government has a constitutional obligation to provide a continuous ferry service in accordance with traffic offering, and agreed that this must be a high-quality service offered at a reasonable cost. Premiers agreed with Newfoundland and Labrador's position that the federal government must commit to this standard.

- 30 -

For further information, please contact:

Chisholm Pothier, New Brunswick (506) 453-2144
Elizabeth Matthews, Newfoundland & Labrador (709) 729-3960
Peter Spurway, Nova Scotia (902) 424-6600
Peter MacQuaid, Prince Edward Island (902) 368-4400