

FOR IMMEDIATE RELEASE

Atlantic Work Force Partnership Key to Economic Growth

Brudenell, PEI (June 6, 2012) – Atlantic Canada has significant potential for economic growth and prosperity, with 354 major investment projects with a value of \$71 billion currently in various stages of development across the region. Maximizing this potential requires a skilled and stable work force that can meet the challenges of new economic opportunities.

To build and strengthen the region's work force, the Council of Atlantic Premiers today announced the establishment of an Atlantic Work Force Partnership. The four Atlantic provinces will collaborate to address skills deficits, enhance training programs and apprenticeship opportunities, recruit and retain immigrants, and build on one another's economic strengths.

Prince Edward Island Premier Robert Ghiz chaired today's meeting of the Council of Atlantic Premiers, and was joined by Premier Darrell Dexter of Nova Scotia, Premier David Alward of New Brunswick, and Premier Kathy Dunderdale of Newfoundland and Labrador.

Premiers committed to continued strong leadership in improving the efficiency and cost-effectiveness of government services, sustaining vital health care services and creating conditions that will foster prosperity in Atlantic Canada. They also discussed regional perspectives on national programs such as employment insurance and the renewal of federal transfers.

Atlantic Work Force Partnership

New development opportunities, global competition for labour, and an aging work force are creating labour force opportunities and challenges for Atlantic Canada. The Atlantic Work Force Partnership will assist provinces in preparing for changing skill requirements and the anticipated demand associated with capital projects in the mining, electricity, and shipbuilding sectors.

The Partnership will be managed by a steering committee of provincial deputy ministers responsible for economic development, skills training, labour, and immigration. Premiers directed the steering committees to develop strategies to strengthen the region's labour force through improved skills development and utilization, enhancement of apprenticeship opportunities, and leveraging each province's strengths to fill supply chain gaps in support of large-scale projects.

Premiers urged the federal government to work with them in addressing the Atlantic region's labour force training needs. As a first step, the federal government must work with the provinces to renew the Labour Market Agreement program that supports provinces in meeting work force training and development needs.

Employment Insurance

Premiers noted the important role that the federal employment insurance (EI) program plays in assisting unemployed workers in obtaining skills needed to adapt to structural changes in the

region's growing economy. It is equally important that EI contribute to economic stability by supporting workers during times of temporary and seasonal unemployment.

Premiers stressed the significant contribution of Atlantic Canadians to the Canadian economy, including the valuable contribution made by employers and workers in rural and seasonal industries. Changes to EI must not disadvantage seasonal industries or impede efforts to promote regional growth.

Premiers called on the federal government to provide clarity with respect to the EI changes and to work collaboratively with provinces to enhance the region's capacity to strengthen its economy.

Service Reductions in Atlantic Canada

Atlantic premiers support the principle of fiscal prudence, but are concerned that the level of services available to Atlantic Canadians may be disproportionately impacted as a result of federal spending cuts and program restructuring. Premiers called on the federal government to provide more information on the proposed reductions to services to Atlantic Canada and their impacts on the region. It is important that the federal government recognize the needs of people across all of Canada and work to ensure that federal responsibilities are maintained and not downloaded to provinces. The federal government must not lose sight of its responsibilities, and must ensure Atlantic Canadians continue to receive the services that they expect from their national government.

Joint Procurement

Atlantic Canada has a long history of regional cooperation in providing public services to their citizens while lessening duplication and reducing costs to taxpayers. Joint procurement is an important tool in seeking best value and efficiencies for their governments. School buses are an excellent example of positive results achieved through joint procurement. Atlantic Canada currently saves \$30,000 per school bus purchased. In 2012, this arrangement will result in \$6 million in savings across the region.

Building on previous successes in this area, the premiers directed ministers responsible for procurement to lead the development and implementation of a regional action plan on joint procurement that will increase efficiencies for governments and improve the capacity of Atlantic suppliers to participate in joint procurement opportunities. The plan, to be presented at the next CAP meeting, is to include developing common minimum specifications for jointly purchased products and evaluating the benefits that could be derived from joint procurement.

Premiers noted the ongoing efforts of the region's liquor corporations to reduce costs through collaborative actions. Atlantic liquor corporations currently provide joint tendering of international freight from consolidation to delivery and are collaborating on marketing and promotion of the responsible use of alcohol. Premiers encouraged further dialogue among the liquor corporations to continue to enhance regional cooperation.

Energy

Atlantic premiers share a vision of an integrated and collaborative approach to energy that supports the development of new, clean, renewable electricity resources. Building on the Council of the Federation 2007 energy strategy, premiers look forward to further discussions at this summer's meeting of the Council of the Federation on ways to advance Atlantic Canada's

key energy objectives: low and stable energy prices, energy security, reliability of the electrical system and environmental protection, while providing greater certainty to those contemplating large-scale investments in generation, transmission infrastructure, and the development of major energy projects.

The Atlantic Energy Gateway has provided a forum for the Atlantic provinces to explore key issues facing the region's electricity sector, including the economic benefits of regional system planning, market opportunities in the emerging green energy sector, regulatory issues, and research and development opportunities. Premiers look forward to reviewing the results of this work, and called on the federal government to collaborate with provinces to implement initiatives that focus on achieving targeted ratepayer savings associated with enhanced regional electricity cooperation.

In support of their vision for energy development, premiers urged the federal government to promote projects that will unlock the region's potential as a producer of clean and renewable energy. Premiers noted that the Prime Minister's 2011 election commitment to provide a loan guarantee or equivalent financial support for Phase 1 of the Lower Churchill development is a good example of how to accomplish this.

Federal Transfers

Atlantic premiers noted that important federal transfers, including the Canada Health Transfer (CHT), Canada Social Transfer (CST), and Equalization are due to expire in 2014. Premiers continue to support the basic principles of Canada's system of transfers – that Canadians should have access to a comparable level of services no matter where they live. The premiers' position has been and continues to be that the federal government must provide the provinces with adequate, stable, and predictable transfers in support of vital health care and social programs. It is essential that the renewed transfer agreements include base funding, ensure that no jurisdiction is worse off, and that funding increases in one area are not offset by reductions to other transfer agreements.

The premiers recognize that the federal government is engaged in a review of Equalization. All provinces should be fully engaged and consulted in this process, which must ensure that the constitutional commitment to Equalization is met. Premiers look forward to continued discussion on these items when Premier Dexter hosts the summer Council of the Federation meeting in Halifax in July.

- 30 -

For further information, please contact:

Jesse Robichaud, Office of the Premier, New Brunswick (506) 453-2144

Glenda Power, Office of the Premier, Newfoundland and Labrador (709) 729-3960

Jennifer Stewart, Office of the Premier, Nova Scotia (902) 497-7198

Geoff Townsend, Office of the Premier, Prince Edward Island (902) 368-4400