



Canada's Premiers Focused on Growing the Economy and Creating Jobs

TORONTO, November 15, 2013 – Canada's Premiers met today to continue their focus on jobs and the economy.

In order to grow the economy, Premiers are united in their commitment to provide skills training to all Canadians who want to participate in the workforce. They support evidence based programming that has been proven to help Canadians. Consultations led by Premiers Clark and Alward confirmed that the proposed Canada Job Grant will not work for employers or the most vulnerable Canadians.

As proposed, the Canada Job Grant would focus training funds on those that already have jobs, and leave unemployed Canadians behind. Premiers Clark and Alward will lead efforts to develop a counter proposal that allows Canadians, including the most vulnerable and unemployed, to receive the training that they need. Premiers reaffirmed their position that provinces and territories must be able to opt out with full compensation.

Premiers also discussed a number of other priorities important to economic growth including modernizing Canada's fiscal arrangements, enhancing retirement income security, international trade, and investments in infrastructure.

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For further details, please consult the media backgrounder.

Media enquiries may be directed to:

Premier's Media Office
Government of Ontario
(416) 314-8975

Media Backgrounder

TORONTO, November 15, 2013

Skills Training:

Premiers today reaffirmed their commitment to ensuring Canadians have access to training programs threatened by recent federal proposals.

The proposal by the federal government to redirect funds from proven skills development programs to the Canada Job Grant will not address the needs of unemployed Canadians who most need to improve their job prospects, particularly young people, persons with disabilities, Aboriginal people, recent immigrants, social assistance recipients, the long-term unemployed and older workers.

As the federal government has acknowledged, these programs have a proven track record in helping vulnerable workers connect with the skills they need to gain and hold employment. The federal government has to date shown no evidence that the proposed Canada Job Grant will work for employers or workers.

Premiers are driven by their conviction that every Canadian deserves a job and that their joint efforts should be directed at getting as many people as possible into the work place. The proposed Canada Job Grant as currently structured is about training those already working.

In July, Canada's Premiers called for a meeting of Labour Market Ministers with the federal government to discuss the Premiers' concerns with the proposed Canada Job Grant. Premiers are pleased that this meeting took place on November 8.

Premiers support involvement by employers in skills and job training and targeting programs to better meet employers' needs. Under the leadership of Premier Clark and Premier Alward, provinces and territories have consulted extensively with business and labour leaders and heard concerns from many business leaders across Canada that this untested program would be ineffective in meeting the needs of Canadians.

Premiers Clark and Alward will lead efforts to develop an alternative that works for the people who need it the most. Canada's Premiers agree that governments need to continue to serve vulnerable groups with skills training and employment services by renewing the existing labour market agreements at current levels of funding; any federal program requiring provincial-territorial cost-matching must have the explicit agreement of provinces and territories.

They also agreed that employers and small and medium sized businesses need flexibility with their participation and that an evidence-based approach is required to address the diverse needs of the country's labour markets. We should not replace proven programs with a new untested approach when the well-being of so many Canadians is at stake.

Premiers are unified in their position that provinces and territories must retain the right to opt out with full compensation of any federally funded agreements or initiatives such

as the proposed Canada Job Grant program.

Addressing Fiscal Arrangements:

Premiers noted the recent federal economic and fiscal update projecting that the federal government will have a larger surplus than anticipated, perhaps as much as \$6.7 billion in 2015-16. The size of the escalating surplus that could be available to the federal government reinforces Premiers' concern about the ongoing fiscal imbalances between governments that are affecting the ability of provinces and territories to deliver quality public services. This federal projection comes at a time when Premiers are witnessing an increasing pattern of federal decisions being made without adequate consultation, despite serious impacts on provincial and territorial policy and fiscal planning.

Premiers support the work of their Finance Ministers on modernizing fiscal arrangements and agreed on the need to update the fiscal imbalance study. Premiers directed ministers to continue work on specific modernization options. Premiers noted their desire for an enhanced federal-provincial-territorial fiscal relationship that ensures adequate and predictable transfers, which are essential to maintaining the conditions that promote economic growth and enhanced productivity in all regions of the country.

Enhancing Retirement Income:

Canada's Premiers agree that Canadians' retirement income security is a pressing issue for governments across the country. Premiers recognize the need for a strategy to address the adequacy of retirement income of today's workers, including both the introduction of Pooled Registered Pension Plans and options for Canada Pension Plan/Québec Pension Plan (CPP/QPP) enhancements. Premiers directed their Finance Ministers to continue to assess options for CPP/QPP enhancement and that this work be guided by the following objectives:

- Be responsible and fully funded and focus on today's workers;
- Analyze and evaluate both the short-term and long-term effects on business, families, and the economy should the enhancements proceed;
- Improve the future retirement incomes of middle-income earners; and
- Protect lower-income workers.

Premiers want to work with the federal government to enhance the retirement savings of Canadians. Accordingly, Premiers directed their Ministers of Finance to discuss the work on objectives and options at the December 2013 meeting of federal-provincial-territorial Ministers of Finance.

Strategic Infrastructure Investment:

Premiers discussed the important role that strategic infrastructure investments play, both in terms of immediate and longer-term economic benefits, including creating a competitive environment for business investment, boosting employment, and increasing gross domestic product. This issue will be a continuing focus of the COF work that

Premier Wynne is leading on strategic infrastructure investment, jobs and growth that will report back to Premiers at the 2014 COF meeting.

Premiers call upon the federal government to be a full partner in meeting the infrastructure challenges the country faces. This includes adequate and predictable funding, respect for provincial and territorial jurisdiction, infrastructure priorities and fiscal plans, flexibility in the application of federal funds given the unique circumstances of each province and territory, and fulfilling the 2011 commitment to establish a distinct Canada-wide disaster mitigation infrastructure initiative.

Rail Transportation of Dangerous or Hazardous Goods:

At their meeting in July, Premiers discussed the tragic consequences of the rail convoy derailment at Lac-Mégantic. They asked the federal government to take necessary measures to ensure that such an accident does not happen again. Today, Premiers discussed measures adopted since July by the federal government.

They noted that, even if the federal government has recently attempted to strengthen some of its regulatory requirements regarding the rail transport of hazardous materials, additional efforts should be made by the federal government to ensure the effectiveness of its intervention. Premiers call on the federal government to ensure that it has sufficient resources to effectively implement federal regulation, including the deployment of inspectors on the ground.

Promoting Foreign Investment:

Premiers also discussed the importance of attracting investment to Canada, and expressed concern about the lack of clarity around the new federal rules related to the review of foreign direct investment in Canada. Continued foreign investment into Canada is critical to economic growth, and any doubt or uncertainty regarding Canadian investment rules may cause that investment to go elsewhere.

Premiers agreed on the need to reassure international investors that Canada remains open to investment. They want to work with the federal government to more clearly define the processes and procedures under the *Investment Canada Act* (ICA). To increase certainty for foreign investors, Premiers encouraged the federal government to provide greater clarity for key definitions under the ICA and publish the reasons for declining or accepting foreign investments.

Expanding International Trade:

Premiers expressed their support for the Comprehensive Economic and Trade Agreement (CETA) in principle with the European Union (EU), and emphasized the important role provinces and territories played throughout these negotiations. Premiers also underscored the importance for the federal government to formalize its commitments to provide compensation related to CETA before the agreement comes into force.

Building on the intergovernmental collaboration developed during the CETA negotiations and stressing the scope of other negotiations underway, such as those of

the Trans-Pacific Partnership (TPP), Premiers urged the federal government to commit to a similar process as the one used with the EU, which enables provinces and territories to participate directly in the negotiations.

Premiers are committed to continuing their efforts to facilitate access to international markets, increase trade opportunities for businesses and establish the right conditions for increased foreign investment. Premiers encourage the federal government to now focus its efforts on quickly concluding ambitious free trade agreements with the TPP, Japan, South Korea and India.

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