



Premiers Working to Sustain Economic Recovery

WINNIPEG, August 5, 2010 - Canada is emerging from the economic downturn in a strong position. Provinces and territories, through the Council of the Federation, have coordinated their efforts to move Canada towards economic recovery. This spirit of cooperation remains important in moving Canada from recovery into prosperity. Premiers recognize that sustained economic recovery will require appropriate levels of short-term stimulus spending balanced with ongoing fiscal discipline.

Ongoing, stable and predictable federal transfers are necessary to sustain economic growth. Premiers support the federal government's commitment to protect major transfers to other levels of government in support of health care, social services and equalization. Premiers encourage the federal government to work with the provinces and territories in renewing these arrangements which are due to expire in 2014. A commitment to long term, sustainable funding to housing is also a key element of supporting economic recovery.

Premiers will also continue to promote sustained economic recovery by fostering a culture of innovation, encouraging continued private sector investments, removing barriers to economic development, expanding trade, strengthening Canada's labour market, and reducing poverty.

Education, Skills and Labour Market Development

Assuring Canada's competitive position will depend on developing our workforce and providing the education and skills training required to make the jobs of today more productive, and to create the jobs of tomorrow.

Increasing Aboriginal participation in the labour force will contribute to Canada's future success. To this end, Premiers agreed to continue to work with the federal government and Aboriginal communities to improve educational outcomes. Increased Aboriginal educational achievement and greater participation in advanced education are essential goals.

Improving the effectiveness of Canada's immigration system is also key to meeting Canada's labour market needs. In the coming years, immigration will be responsible for significant labour market growth across the country. To realize the potential of newcomers to Canada, Premiers underscored the need for governments to work together to enhance training and settlement programs that support the integration of immigrants.

Premiers agreed that provinces and territories need to have a greater role in decisions regarding immigration policy and planning, including the selection and settlement of immigrants. Premiers also expressed concerns over recent federal efforts to cap the successful Provincial Nominee Programs. Premiers strongly urged the federal government to reconsider this decision. Premiers also stressed that the federal

government should plan immigration levels on a multi-year basis with greater provincial-territorial involvement.

A number of Premiers also expressed an interest in building on the existing settlement models in British Columbia, Manitoba and Quebec to pursue the realignment of federal settlement and integration services.

Québec is already responsible for selecting immigrants and settlement services in Québec under the Canada-Québec Accord and will share information and best practices with interested governments

Promoting Canada as an education destination of choice is vital for building global connections and attracting the best and brightest talent from around the world. In 2008, international students spent \$6.5 billion, creating over 83,000 jobs in Canada. By 2025, the global demand for international education is predicted to grow from 1.9 million to 7.2 million students. Premiers acknowledge the value of the Canadian brand to recruit and retain international students.

Premiers direct Ministers of Education to work with provincial and territorial Ministers of Immigration to further develop an international education marketing action plan by March 2011 which identifies areas for investment and opportunities for federal-provincial collaboration on marketing.

Making use of the Canadian brand and the international education marketing action plan, Premiers agreed to have a strong joint presence at the upcoming Association of International Educators conference in Vancouver, May 2011.

Premiers agreed to work with the federal government to address key barriers in attracting international students.

Innovation

A culture of innovation is key to creating jobs and improving Canada's competitiveness. To support private sector investment and building on the work initiated last year, Premiers directed Ministers responsible for Innovation, in consultation with relevant Ministers, to explore:

- access to financial capital;
- the effectiveness of tax credits linked to innovative practices;
- regulatory measures to increase competitiveness;
- how federal-provincial and territorial programs can be made more complementary;
- fostering greater collaboration between industry and academia;
- the development of priority sectors and industry clusters; and
- the development of sound economic data to guide investment.

Premiers also noted that thousands of jobs will be created by researching and developing new solutions in the energy and environment sectors. Canadians must have the skills and

technologies needed to seize opportunities and create jobs in the green economy. To that end, Premiers directed PT Labour Market Ministers to identify potential labour market gaps and opportunities in Canada's green labour market; evaluate training capacity to meet the needs of the green economy; and to identify measures and best practices for the creation of and training for green jobs.

Internal Trade

Premiers continue to build on the Council of the Federation's recent achievements to further increase the free flow of workers, capital, goods and services in Canada through improvements to the Agreement on Internal Trade (AIT).

Premiers welcomed the agreement by ministers responsible to achieve full labour mobility for financial services and directed that this work be completed by July 1, 2011. Premiers also directed ministers responsible for Internal Trade to reconcile extra-provincial corporate registration and reporting requirements by December 31, 2010 and to consider the AIT's Person-to-Government Dispute Resolution Mechanism.

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