





**Tom  
Mulcair**

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**Tom Mulcair**  
NDP  NDP

O T T A W A  
October 6, 2015

Paul Davis  
Chair, Council of the Federation  
c/o Office of the Premier  
Confederation Building, East Block  
P.O. Box 8700  
St. John's, NL A1B 4J6

Dear Premier Davis,

Thank you for your letter and for sharing the priorities of Canada's Premiers.

A collaborative and productive partnership between the federal government and provincial and territorial governments is vital to the success of our country, unfortunately, this relationship has been undermined for too long by the current government.

The NDP shares your common priority of strengthening Canada's economy and economic union. We feel it is time for change, and it is time for a federal government that works with the provinces and territories and takes action to kick-start the economy and create good jobs, embrace a true Nation-to-Nation relationship with Indigenous peoples, make affordable childcare a reality, ensure Canadians can retire in dignity and protect our environment for future generations.

To that end, I have committed to attend two First Ministers' meetings per year, one in Ottawa and one in a province or territory, on a rotating basis.

As a former provincial cabinet minister, I understand the challenges faced by provinces and territories. As Prime Minister, I will ensure that we face those challenges together. In response to the specific issues raised in your letter, I reiterate some of the commitments the NDP has made:

#### **Jobs and the Economy**

##### *Improving productivity & innovation*

To create the next generation of middle-class jobs, we need to take concrete steps to diversify Canada's economy. This means ensuring the strength of traditional sectors like resource extraction and manufacturing, while seizing new opportunities to innovate and grow. The NDP has put forward a concrete plan to boost productivity, support innovation and help Canada's businesses improve their competitiveness.

An New Democrat government will create an innovation tax credit for businesses that invest in machinery, equipment and property used in innovation-boosting research and development.

We will also cut the small business tax rate from 11 to 9 percent over the first two years of our mandate and extend the accelerated capital cost allowance for manufacturing and processing machinery and equipment, set to expire this year.

#### *Infrastructure*

Canada's municipal infrastructure deficit is a staggering \$172 billion and rising. Municipalities own 60% of our public infrastructure, yet collect only eight cents of every tax dollar. The NDP will provide an additional \$1.5 billion annually by the end of our first mandate to reach \$3.7 billion annually in stable, long-term investment in core infrastructure.

My Better Transit Plan, developed in partnership with provinces and territories, will provide \$1.3 billion annually in predictable, stable and transparent public transit investment over the next 20 years.

#### *Housing*

Too many Canadians continue to face challenges in accessing a decent, affordable home. The NDP is committed to making housing more affordable in our communities by sustaining investment in Canada's affordable housing agreements, and by investing in the development of new affordable units. Over 4 years, the NDP will invest \$2.7 billion in affordable housing.

The NDP will respect the provinces' and territories' priorities for projects when they seek funding through the New Building Canada Fund and we'll broaden the criteria and ensure reasonable timeliness.

#### *International Trade*

The NDP will continue to support efforts to diversify and deepen our trade relations, including with Asia and Europe. We believe our participation in trade agreements must be carefully negotiated, in consultation with the provinces and territories, with the objective of securing concrete, long-term gains for Canada.

#### *Natural Resources*

New Democrats feel that our natural resources present an enormous gift and a sacred responsibility. We believe that bringing value-added resources to market is essential to our common well-being, especially in resource-rich areas that depend directly on their development. But that development

needs to be done sustainably and in a way that fosters job and wealth creation here in Canada.

Unfortunately, the Conservative government has ignored environmental reviews and limited public participation. In addition to contravening the core principles of sustainable development, this has resulted in preventing projects from achieving the social license necessary to move forward.

Under an NDP government, proposed projects like pipelines would undergo a rigorous and thorough review that takes into account the projects' full environmental impact, including on the climate. Building Canadians' trust into projects assessment is key to the sector's growth.

#### *Childcare*

As a Cabinet Minister, I saw firsthand that a universal, affordable childcare program helps families and boosts the economy. The NDP will work with provinces, territories and Indigenous communities to create an affordable childcare plan that will create and maintain one million high-quality childcare spaces where parents pay no more than \$15 a day per child.

#### **Health Care and Fiscal Imbalance**

Access to quality health care services remains one of Canadians' top priorities. Unfortunately, Stephen Harper has failed to renew the federal-provincial-territorial health accord, unilaterally cut health transfers, and refused to meet with provincial and territorial counterparts on health issues.

New Democrats are strongly committed to rejuvenating the relationship between the federal government, provinces and territories on healthcare. Respecting provincial roles, we'll lead strategies to improve health care and make it more sustainable over the long term.

Our top priorities will be: improved access to primary, long-term and home care, improving prescription drug coverage, better mental health services, and measures to prevent long-term illnesses that affect millions of Canadians.

#### **Aboriginal Issues**

Decades of inaction under past governments have left First Nations, Inuit and Métis children to grow up in conditions that are unacceptable for a country like Canada. The NDP has been clear: it is time for a new era that embraces a true Nation-to-Nation relationship built on respect and, above all, meaningful progress.

An NDP government will establish a national inquiry into missing and murdered Indigenous women and girls within our first 100 days. We will implement the UN Declaration on the Rights of Indigenous Peoples, and we'll consult and act on the findings of the Truth and Reconciliation Commission.

With regard to claims made by plaintiffs in Newfoundland and Labrador who are not included in the Indian Residential Schools Settlement Agreement, the NDP will sit down with them and negotiate a way forward.

We'll work with the provinces and territories to improve essential physical infrastructure such as housing, roads and drinking water facilities, and, inspired by Shannen's Dream, we'll address the education deficit that's left 74% of First Nations schools in need of major repairs.

### **Climate Change**

One of my first actions as Prime Minister will be, following consultation with provinces and territories, to attend the December United Nations Climate Change Conference with a clear and coordinated plan and targets for greenhouse gas emissions reductions.

In the absence of meaningful federal government action, the NDP has welcomed the initiative demonstrated by the provinces and territories to reduce greenhouse gas emissions. While this has helped, without a coherent, coordinated Canadian approach, we will be unable to meet our international commitments.

The NDP has announced the most ambitious greenhouse gas emissions reduction targets of all federal parties – 34% below 1990 levels by 2025/30, and 80% by 2050 - and we will create a fair, flexible, pan-Canadian cap-and trade system that takes into account provinces' and territories' existing approaches. We will give governments the flexibility to opt out of a federally administered program if they are operating a system that meets or exceeds our common objectives. And any proceeds generated in participating provinces will be returned to those provinces, to be spent on greenhouse gas reducing programs.

We do not have to choose between a strong economy and a clean environment. Dealing with climate change is perhaps the greatest challenge facing the world today, one that an NDP government will take on directly. That effort also represents an enormous economic opportunity. The NDP will invest in our clean energy sector to make Canada a global leader. We will invest in clean renewable energy, energy efficiency and retrofits, and green transportation and infrastructure. We will spur

innovation in clean tech, because Canada cannot continue to ignore this \$5 billion global market.

Your letter concluded with an expression of hope for the opportunity to forge a new relationship to improve Canada's economy and to more effectively deliver services to Canadians.

As Prime Minister, I will take immediate action to turn this hope into reality—to be a real partner with the provincial and territorial governments.

Sincerely,

A handwritten signature in black ink that reads "Tom Mulcair". The signature is written in a cursive, flowing style.

Tom Mulcair  
Leader, New Democratic Party of Canada