

<u>Premiers focus on key issues facing Canadians</u>

HALIFAX, July 16, 2024 – Canada's Premiers are focused on key issues facing Canadians today and into the future. Premiers discussed ways to continue building strong, resilient communities and a prosperous Canada.

Key priorities discussed by Premiers included:

- Housing, affordability, and skills training
- Strategic infrastructure
- The future of energy
- Emergency preparedness and response

Premiers continue to share Canadians' concerns about affordability and the high cost of living. Every government must play its part in relieving the affordability crises while advancing economic prosperity.

Housing, Affordability, and Skills Training

While the federal government is making efforts to improve the availability and affordability of housing, Canada's housing crisis requires flexibility so funding programs respond to local and regional needs including all housing types. Consideration must be given to the increasing and changing pressures on the demand for housing, including the impact of population growth, and the significant number of asylum seekers in some jurisdictions.

Provinces and territories have a long and proud history of welcoming newcomers to Canada. However, given the pressures on housing and the availability of programs and supports, Premiers are calling on the federal government to expedite assessment of genuine asylum seekers entering Canada and to work with provincial and territorial governments to determine the appropriate number of accepted asylum seekers.

Premiers support a fair distribution of asylum seekers across Canada corresponding to provincial and territorial capacity to provide housing and other supports and services. The federal government must provide appropriate funding for these costs.

Premiers met with National Indigenous Organization leaders and Nova Scotia Mi'kmaw Chiefs ahead of their annual summer meeting. Premiers share their concerns that the federal government is not providing adequate funding to meet the housing needs of Indigenous communities. Adequate housing is key to supporting the well-being of Indigenous peoples and reconciliation. The federal government must accelerate investments to address the acute housing needs of Indigenous communities, both on and off-reserve, and meaningfully engage with provinces and territories and Indigenous governments and organizations to ensure coordinated action on Indigenous housing.

Housing development also presents an economic opportunity for some Indigenous communities, and coordinated investments are needed to leverage this opportunity for economic reconciliation.

Premiers also discussed the negative impact of the federal government's \$625 million funding cut to Labour Market Transfer Agreements (LMTA), which are largely funded through workers and employers Employment Insurance contributions. Premiers decry these federal cuts at a time when the country is facing pressing labour shortages, including in key sectors such as home construction, childcare and health care. Provincial and territorial programs supported by LMTA funding enable Canadians to improve their skills and earnings, help employers find skilled workers, and are essential to building a strong workforce and in addressing labour shortages. Premiers call on the federal government to immediately restore this funding.

Premiers urge the Prime Minister to work with provinces and territories to address the high costs of groceries and food, to work with farmers, food producers, manufacturers and retailers to bring these costs down. Provinces and territories will examine interprovincial trade barriers that could be removed to help reduce costs.

The federal government must also collaborate with provinces and territories to ensure appropriate implementation of federal funding for school food programs.

Strategic Infrastructure

Canada's future prosperity requires predictability in federal infrastructure funding that complements the planning and investments already being made by provinces and territories. Premiers are extremely dismayed that the 2024 federal budget did not include a successor to the Investing in Canada Infrastructure Program (ICIP) or a new National Trade Corridors Fund, which have both provided key investments in connecting communities, facilitating trade, and driving economic growth. Premiers call on the federal government to quickly engage provinces and territories on the new Canada Housing Infrastructure Fund (CHIF) and ensure a flexible approach that enables support for local and diverse priorities. The CHIF provides \$6 billion in federal funding over 10 years with even more restrictive conditions than ICIP which was valued at \$33 billion over 10 years. Premiers call on the federal government to restore funding levels.

Premiers call on the federal government to be a partner and recognize the needs, unique situations, and priorities of provinces and territories. The federal government must maximize flexibility and predictability by delivering infrastructure funding on a base plus per capita basis to support provincial and territorial priorities.

Premiers discussed the need for the federal government to fulfill its NATO obligation of defense spending of 2% of GDP recognizing that this has a strong link to strategic infrastructure and the importance of meeting this commitment for the U.S. economic and security partnership.

Future of Energy

Canada's energy diversity is our strength. The abundance of resources and range of approaches across Canada has led to a proud history of energy innovation and technological advancement. Premiers discussed the future of energy in Canada and shared their long-term priorities for the generation and use of energy, such as building sustainable renewable energy and critical mineral supply chains, growing energy exports, decarbonizing their economies, and cultivating new and emerging sectors.

Premiers will continue to explore ways to work together to trade energy, taking advantage of our rich domestic energy mix, and highlighted the importance of innovation and technologies in addressing energy efficiency challenges and opportunities. Gaps in infrastructure to support critical mineral exploration and extraction continue to present challenges, especially in the North. Premiers remain committed to ensuring that residents, businesses, and industry continue to have access to reliable and affordable energy, and critical energy infrastructure.

With global factors continuing to shape the world's energy landscape, provinces and territories are seizing opportunities to provide energy security to North America and to supply the world with dependable and ethically produced energy and critical minerals. Natural resources, such as critical minerals, are under provincial and territorial jurisdiction but the federal government can and needs to do more to reduce duplication and streamline project approvals and work with provinces and territories to ensure an attractive investment climate to help enable these products to reach global markets.

Premiers discussed the impacts of the federal Clean Electricity Regulations, the federal Clean Fuel Regulations, and the proposed oil and gas emissions cap. The federal government must ensure its climate policies recognize early and ongoing action by provinces and territories and acknowledge the unique needs and situations of provinces and territories, while not infringing on their jurisdiction. With increasing energy prices globally, Premiers remain concerned that Canadians are being treated inconsistently by federal actions related to the federal carbon tax. Premiers are unanimous in their expectation that federal policies and programs should be delivered in a fair, flexible, and equitable way to recognize regional differences.

Emergency Preparedness and Response

Communities throughout Canada have faced record-setting wildfires, droughts, and floods in recent years, and this trend is expected to continue. Premiers are dedicated to further collaboration to strengthen emergency management systems to promote the resiliency of communities now and in the future.

Premiers discussed the effectiveness of provincial/territorial disaster resource-sharing agreements that provide support to local communities in the case of wildfires and floods. Premiers expressed ongoing appreciation for emergency responders and praised their dedication to keeping Canadians and communities safe. They also expressed appreciation for the significant contributions made by the Canadian Armed Forces during 2023 and urged the federal government to ensure that the Canadian Armed Forces, a valued asset, are sufficiently resourced to continue supporting Canadians in times of need, including disaster response.

Premiers call for greater transparency and collaboration from the federal government in its development of a national flood insurance program. The federal government must invest in more flexible and adequate disaster mitigation funding, programs, policies and support good forestry management practices to reduce disaster risk for long-term resilience in Canada. As these events become more frequent and severe, provinces and territories need greater federal financial support for emergency preparedness, response, mitigation, resiliency, adaptation and recovery.

Premiers expressed concern over recent federal refusal of funding requests for critical community projects under the Disaster Mitigation and Adaptation Fund (DMAF). Provinces and territories want to reduce hazard risks to communities, and the federal government is an essential partner in achieving climate resilient infrastructure solutions. The federal government

must invest more in disaster mitigation funding, programs, and policies to support disaster risk reduction for long-term resilience in Canada.

The federal government must maintain current cost sharing arrangements including the 90 percent federal/10 percent provincial/territorial formula for the largest scale disasters and demonstrate greater transparency and collaboration in updating Disaster Financial Assistance Arrangements. Provinces and territories need timely, flexible, adequate, and culturally appropriate support to respond to emergency events. The federal government must ensure prompt payment of financial assistance and not shift additional risks and costs onto provinces and territories.

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