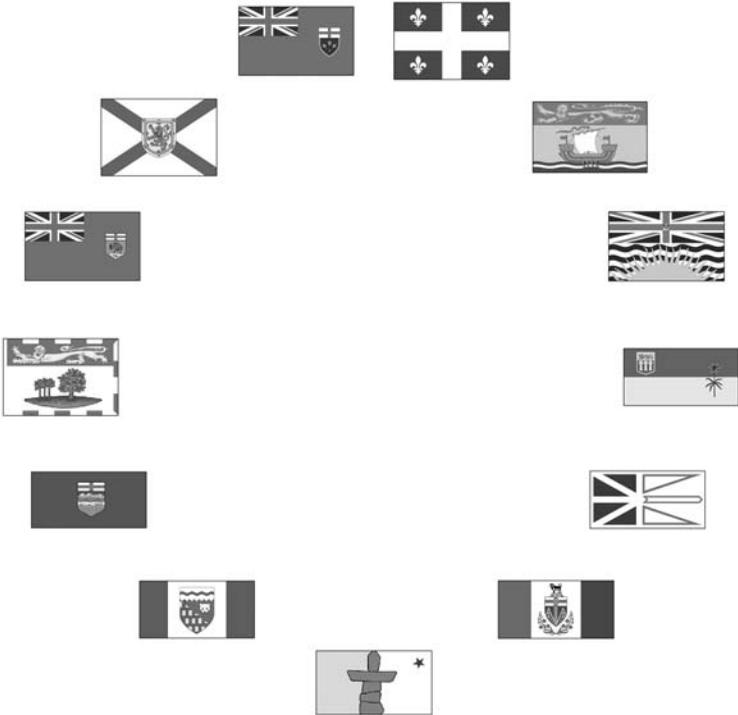


COUNCIL OF THE FEDERATION FOUNDING AGREEMENT

December 5, 2003



PREAMBLE

Premiers agreed to create a Council of the Federation, as part of their plan to play a leadership role in revitalizing the Canadian federation and building a more constructive and cooperative federal system. Premiers recognize that:

Canada was established as a federation in 1867.

Under the Constitution, Canada's two orders of government are of equal status, neither subordinate to the other, sovereign within their own areas of jurisdiction and accordingly, they should have adequate resources to meet their responsibilities.

Federalism is based on shared principles including respect for the constitution and the division of powers, while being aware that Quebec has not agreed to the Constitution Act, 1982, and accepting that there are differences among the provinces and territories and that governments may have different policy priorities and preferences.

There is a need to institute a new era of intergovernmental collaboration by promoting a constructive dialogue between the partners of the federation.

It is important to participate in the evolution of the federation and to demonstrate their commitment to leadership through institutional innovation.

The Council of the Federation will be an enduring and evolving institution that will be flexible, efficient and able to anticipate and act quickly to make Canada work better for Canadians.



CREATION AND COMPOSITION OF THE COUNCIL OF THE FEDERATION

1. The Premiers of the provinces and territories hereby establish a Council of the Federation ("the Council"), whose common objectives, mandate, operations and organization are described in this agreement.
2. The governments of the ten provinces and of the three territories of Canada, as represented by their Premiers, are members of the Council.

OBJECTIVES

3. The Council of the Federation is being established to address present and future challenges facing the federation in order to better meet the changing needs of Canadians by:
 - a) Strengthening interprovincial-territorial cooperation, forging closer ties between the members and contributing to the evolution of the Canadian federation;
 - b) Exercising leadership on national issues of importance to provinces and territories and in improving federal-provincial-territorial relations;
 - c) Promoting relations between governments which are based on respect for the constitution and recognition of the diversity within the federation;
 - d) Working with the greatest respect for transparency and better communication with Canadians.



MANDATE OF THE COUNCIL

4. In pursuit of these Objectives, the Council will:

- a) Serve as a forum where members can share and exchange viewpoints, information, knowledge and experiences.
- b) Provide an integrated and coordinated approach to federal provincial territorial relations through the development of shared common analysis and positions, where appropriate.
- c) Reinforce the work of sectoral intergovernmental forums by providing direction, when appropriate, on issues that are of concern to the Council.
- d) Analyse actions or measures of the federal government that in the opinion of the members have a major impact on provinces and territories. This could include joint review and comment on bills and Acts of the Parliament of Canada, as is currently done by provinces and territories individually. One of the purposes of this analysis is to support productive discussions with the federal government on issues of importance to Canadians.
- e) Develop a common vision of how intergovernmental relations should be conducted in keeping with the fundamental values and principles of federalism.
- f) Address any issue of priority which, in the opinion of the Members, requires the pooling of expertise, a greater dialogue between them or the coordination of their actions.



ORGANIZATION OF THE COUNCIL

Representation on the Council

5. The Members shall be represented on the Council by their Premier. In exceptional circumstances a Premier may designate a minister as a substitute representative for a meeting of the Council.
6. Notwithstanding the foregoing, no meeting of the Council can take place if the majority of the Members are not represented by their respective Premiers.

Chair

7. The Premiers of the provinces shall take turns chairing the Council according to the rotation established by the Annual Premiers' Conference. The term of office of the Chair is one year. The Chair shall act on behalf of the Council according to the mandates received from it.
8. The Deputy Chair shall be the Premier who will chair the Council the following year.

Meetings

9. There will be an Annual Meeting of the Council of the Federation each summer in the province of the incoming chair. In addition, there will be at least one other meeting to be held in a province or territory each year in a location to be determined by the Council.
10. The decisions of the Council will be reached by consensus, in accordance with the established practice of the Annual Premiers Conference.
11. The Council may decide from time to time to hold special meetings to which it may invite the Federal Government.



Committee of Ministers

12. From time to time, the Council may assign specific tasks to an ad hoc committee composed of Ministers responsible for intergovernmental relations or such other Minister designated by a Member. This Committee will be chaired by the minister of the province chairing the Council.

Steering Committee

13. A Steering Committee will be established, composed of the Deputy Ministers responsible for intergovernmental relations or such other representative designated by a member. The Steering Committee will be chaired by the deputy minister of the province chairing the Council. The Steering Committee shall report to the Council.

14. The Steering Committee shall assist the Council and support the Committee of Ministers in the performance of their respective mandates. It shall prepare the meetings of the Council and carry out the study, research and analysis mandates that it receives from the Council, including those envisaged under Article 4 (d), and shall establish and supervise the Secretariat.

Secretariat

15. The Secretariat shall report to the Steering Committee which is also its Board of Directors. The head of the Secretariat is appointed by and reports to the Board of Directors. The Secretariat shall be located in Ottawa or such other location as may be determined by the Council.

16. The Secretariat shall assist the Steering Committee in the preparation for meetings of the Council and shall perform any task that the Steering Committee assigns to it.



FUNDING

17. The Secretariat shall be funded by the Members on a pro rata basis formula according to their respective populations.

OTHER BODIES

18. The Premiers' Council on Canadian Health Awareness is under the responsibility of the Council of the Federation.
19. The Secretariat for Information and Cooperation on Fiscal Imbalance is under the responsibility of the Council of the Federation.

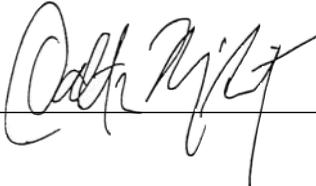
FINAL PROVISIONS

20. It is envisaged that the Council of the Federation will evolve, as required, to ensure its maximum effectiveness. This Agreement may be amended from time to time with the consent of all of its Members.
21. The objectives, mandate and organization of the Council shall be reviewed no later than 5 years after this Agreement comes into effect.
22. The Council shall take the steps necessary to ensure the performance of its mandate in French and English.
23. Nothing in this Agreement alters the legislative or other authority of the provincial legislatures or territorial legislatures or of the provincial or territorial governments or the rights of any of them with respect to the exercise of their legislative or other authorities under the Constitution of Canada.



24. This Agreement shall come into effect on December 5, 2003.

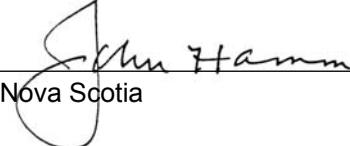
Signed at Charlottetown, 5th day of December, 2003, by the Premiers of the Provinces and Territories



Ontario



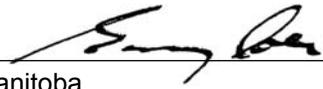
Québec



Nova Scotia



New Brunswick



Manitoba



British Columbia



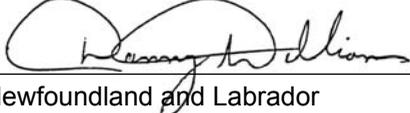
Prince Edward Island



Saskatchewan



Alberta



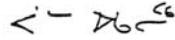
Newfoundland and Labrador



Northwest Territories



Yukon



Nunavut

