

January 31, 2006

The Honourable Stephen Harper, P.C., M.P. Prime Minister-Designate House of Commons
Ottawa ON K1A 0A6

Dear Prime Minister-Designate Harper:

On behalf of the Council of the Federation, I extend my congratulations on your party's election victory. Premiers look forward to working with you and your new government to advance Canada's interests and strengthen the fabric of the Canadian federation.

As you are aware, the Council has undertaken an ambitious agenda, and has identified several priority areas requiring federal-provincial-territorial action. These include addressing Canada's vertical and horizontal fiscal imbalances, a pan-Canadian strategy for post-secondary education and skills training, a national multi-modal transportation strategy, and a formal role for provinces and territories in Canada's international activities.

In the course of the campaign, you indicated your desire to initiate a new style of open federalism, to clarify appropriate federal and provincial-territorial responsibilities, and to work collaboratively with the Council of the Federation to develop Canada's economic and social union. The Council welcomes these commitments. By working collaboratively, Premiers believe that meaningful, positive improvements can be made to the federation. We would be interested in having you elaborate on your concept of developing a Charter of Open Federalism.

You also signaled your willingness to discuss proposals for greater provincial and territorial participation in international activities where provincial-territorial jurisdiction is affected. As you are aware, the Council of the Federation has long sought a formal agreement setting out such participation. Premiers look forward to discussing this issue with you.

Finally, Premiers appreciate that one of your government's major priorities will be addressing the vertical and horizontal fiscal imbalances, and are encouraged that you are willing to consider ways to achieve better fiscal balance between the federal and provincial and territorial governments. Premiers also note your commitment to institute a new equalization formula and your commitment to review the Territorial Formula Financing arrangements. We share your goal of improving the effectiveness of these critical programs. Premiers look forward to discussing these

matters with you, including a discussion on appropriate federal support for transportation infrastructure and post-secondary education and skills training.

Accordingly, Premiers have asked me to extend to you an invitation to meet informally with the Council at your earliest convenience. This would provide us with an opportunity to become more acquainted and to discuss a plan for moving forward on these many important issues. I would be pleased to host such a meeting in Calgary.

The Council of the Federation has, in a short time, proven itself as a valuable and dynamic forum for advancing the interests of Canadians, improving federal-provincial-territorial relations, and bringing about a spirit of inter-jurisdictional cooperation. I have no doubt that, in collaboration with your new government, we will achieve positive outcomes for all Canadians.

Once again, please accept the congratulations of all Premiers.

Yours truly,

Ralph Klein

Chair, Council of the Federation

cc: Premiers

Honourable Ed Stelmach Minister of International and Intergovernmental Relations