



June 15, 2023

The Right Honourable Justin Trudeau
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Dear Prime Minister Trudeau,

To ensure Canada's continued growth and prosperity, it is vital that we collectively address critical infrastructure needs in a manner that is coordinated, balanced, flexible and innovative.

On behalf of Canada's Premiers, I am writing to reiterate our priorities on infrastructure funding and policy in the absence of federal direction on a program to replace the Investing in Canada Infrastructure Program (ICIP).

Federal-Provincial-Territorial (FPT) Ministers of Infrastructure will meet on June 21, 2023, in Whistler, British Columbia. Provinces and territories (PTs) will ask that the next federal infrastructure program be based on the principles outlined below.

PTs are experiencing unprecedented inflationary pressures and cost escalations on existing projects due to supply chain issues and input costs that are creating fiscal burdens on our communities. Further, the absence of an announcement in the 2023 federal budget has created uncertainty around the future of infrastructure funding. Premiers are urgently seeking details on how these pressures and escalations will be addressed and what replacement for the ICIP will be forthcoming.

PT governments are best positioned to understand unique regional, municipal, and local infrastructure needs and have the expertise to deliver on Canadians' infrastructure priorities in their jurisdictions.

To be successful in achieving infrastructure goals, Premiers propose the following as principles for the next phase of federal infrastructure funding:

- maximize both flexibility and predictability by delivering funding on a base plus per capita basis to support PT priorities and their ability to plan for the long term;
- provide support to PT governments in addressing the full spectrum of infrastructure challenges unique to their jurisdiction;
- ensure enough flexibility in federal funding that flows through PTs rather than municipalities so that PTs are able to balance investment priorities between the restoration, repair and maintenance of existing infrastructure and future growth projects, including any new investments in housing;
- work with PTs to support development of trade corridors and strategic trade-enabling infrastructure;

- address significant gaps in the level of infrastructure available in Arctic and northern regions;
- minimize administrative redundancies, duplicative processes related to governance, and red tape related to approvals, claims and reporting; and
- support PT efforts to address potential climate impacts.

Premiers call on the federal government to address these goals in order to best serve people and communities across our diverse country.

Consistent with the position we outlined in 2020, the most effective way to achieve these goals is through block infrastructure transfers, which will allow PTs to make efficient and strategic use of funding and create opportunities for long-term capital planning to build the infrastructure that Canada needs.

Investing in infrastructure remains vital for all provinces and territories, and we look forward to working with your government on infrastructure projects from coast to coast to coast. Improved coordination with PTs by Transport Canada and Infrastructure Canada on this work will be essential. Respectful and meaningful engagement that works to address PT interests and concerns will allow us all to respond to pressing needs, improve quality of life for all Canadians, enhance supply chains, trade and economic corridors, build resilience and promote best practices on innovative infrastructure solutions for communities.

Sincerely,



Heather Stefanson
Chair, Council of the Federation
Premier of Manitoba

cc: Premiers
Hon. Dominic LeBlanc, Minister of Intergovernmental Affairs, Infrastructure and Communities