CONFIDENTIAL ADVICE TO THE PREMIER

MEETING WITH ALBERTA PREMIER JIM PRENTICE

Tuesday, March 3, 2015

	_	 	
$\boldsymbol{\sim}$	וח	 TI\	/ES
	ĸı	 ı١١	/F 🥆

s.16

POTENTIAL	TODICS	UE DISCI	ICCIUN
FUILINIIAL	IOFICS	OF DISC	JJJIUIV

s.16

Intergovernmental Relations Secretariat

3. <u>Upcoming Intergovernmental Meetings</u>

s.16

- The Western Premiers' Conference is scheduled for May 5.
 - Premier Wall is the chair, and plans to host the two-hour meeting via telepresence or videoconference.

s.16

- The summer meeting of **COF** will be **July 14-17** in Newfoundland.

Page 4 to/à Page 5

Withheld pursuant to/removed as

s.16

BACKGROUND

RECENT BC-ALBERTA ANNOUNCEABLES

BC-Alberta Mutual Recognition Agreement (MRA), announced Feb 23, 2015

- The February 23 announcement on the Mutual Recognition Agreement (MRA) between BC and Alberta makes it easier for oil and gas companies to operate in both provinces without having to be resident or have to have an agent resident in the other province.
- BC welcomes the MRA as it delivers on a key 2013 platform commitment and demonstrates BC and Alberta's commitment to reducing trade barriers and increasing labour market mobility between provinces.

s.16

New West partnership Bid Protest Mechanism, announced Feb 23, 2015

- A new bid protest mechanism, which becomes effective July 1, 2015, will help to further reduce interprovincial trade barriers between BC, Alberta and Saskatchewan under the NWPTA by creating a simpler process to resolve complaints related to government procurement.
- When there is a complaint under the new process, the supplier and procuring entity will engage in formal consultations to try to resolve the matter. If the two sides cannot agree, the matter can go to an impartial, independent arbitrator for decision.

ALBERTA POLITICAL CONTEXT

Fiscal Position and Election Timing

 Alberta's legislature is scheduled to resume sitting on March 10, with a budget expected later in the month. Premier Prentice indicated that Albertans will be demanding a vote to validate or reject it.

Intergovernmental Relations Secretariat

- The Progressive Conservative Party holding nomination votes in several ridings during February and March. The Wildrose Party has moved its leadership election up to March 28th.
- Recently released third-quarter numbers have forecast an unexpected \$465-million surplus for the 2014-15 fiscal year. However, low oil prices are predicted to take a \$7-billion cut from the upcoming budget. In response to low oil prices, Premier Prentice, provincial ministers, MLAs and top political staff have agreed to reduce their salaries by five per cent, while the Premier has alluded to necessary action in response to scheduled public sector wage increases of \$2.6 billion over the next three years. The province recently announced it would close its trade offices in Ottawa, Chicago and Munich, and suspend proposed locations in Brazil and California.

Energy and Climate Policies

 In a recent trip to the U.S., Premier Prentice pitched the idea of common environmental standards for the energy sector across North America. He rejected the idea of a uniform cap-and-trade system or a carbon tax, as neither "would help reduce emissions", instead favouring Alberta's \$1.3-billion investment in carbon capture and storage.

s.16

OTHER ISSUES IN THE NEWS

- Alberta's recent case of bovine spongiform encephalopathy (BSE), or <u>mad cow</u> <u>disease</u>, has resulted in China, South Korea, Taiwan, Peru, Belarus and Indonesia placing restrictions on imports of Canadian beef.
- Premier Prentice recently met with <u>Alberta's Treaty 8 chiefs</u> in an effort to formalize an agreement for negotiations on six issues, including education, health, environment and land use, child welfare, missing aboriginal women and consultation on resource development.