

Office of the Premier, 307 Legislature Building, Edmonton, Alberta T5K 2B6 Canada

November 9, 2019

Honourable Preston Manning PC CC AOE Stephen Lougheed Oryssia Lennie CM Jason Goodstriker Donna Kennedy-Glans QC Moin Yahya PhD JD Drew Barnes MLA Miranda Rosin MLA Tany Yao MLA

Dear Members of the Fair Deal Panel,

Albertans have an unprecedented level of frustration with their place in the federation.

Five years of economic decline and stagnation have been deepened and prolonged by policies emanating from the federal and some other provincial governments, many of which have sought to landlock Alberta's vast energy resources. This, plus policies that interfere in areas of provincial jurisdiction, are seen by many Albertans as fundamentally unfair, particularly given the province's enormous contribution to the Canadian economy, and to fiscal federalism.

Recent public opinion surveys suggest that as many as one third of Albertans support the concept of separating from the Canadian federation, and that three quarters of Albertans understand or sympathise with this sentiment. Many Albertans who indicate support for federalism are demanding significant reforms that will allow the province to develop its resources, and play a larger role in the federation, commensurate with the size of its economy and contribution to the rest of Canada.

The Fair Deal Panel's mandate is to listen to Albertans and their ideas for Alberta's future. The Panel should focus on ideas that would strengthen our province's economic position, give us a bigger voice within Confederation, or increase provincial power over institutions and funding in areas of provincial jurisdiction. Specifically, the panel should consider whether the following measures would advance the province's interests:

- Establishing a provincial revenue agency to collect provincial taxes directly by ending the Canada-Alberta Tax Collection Agreement, while joining Quebec in seeking an agreement to collect federal taxes within the province
- Creating an Alberta Pension Plan by withdrawing from the Canada Pension Plan

- Establishing a provincial police force by ending the Alberta Police Service Agreement with the Government of Canada
- Emulating Quebec's practice of playing a larger role in international relations, in part by seeking Alberta representation in treaty negotiations that effect Alberta's interests
- Emulating Quebec's legal requirement that public bodies, including municipalities and school boards, obtain the approval of the provincial government before they can enter into agreements with the federal government
- Using the existing provincial power to appoint the Chief Firearms Office for Alberta
- Opting out of federal cost share programs with full compensation, such as the federal government's proposed pharmacare program
- Seeking an exchange of tax points for federal cash transfers under the Canada Health and Social Transfers
- Establishing a formalized provincial constitution

The Panel's consultations and recommendations may extend beyond these concepts, and may include government platform commitments. The Panel should invite submissions and encourage discussion on the broad range of Albertans' views on how best to define and to secure a fair deal for Alberta; and how best to advance the province's vital economic interests, such as the construction of energy pipelines.

The Panel should conduct at least seven open town hall meetings across the province, and contract with a third party or parties to organize more structured citizens' reference panels to be conducted in different regions. All Albertans should be given an opportunity to provide input through online surveys, and other forms of direct feedback, both digital and traditional. The Panel may engage research vendors to conduct empirical qualitative and quantitative public opinion research (e.g. polling and focus groups.) The Panel should coordinate with Members of the Legislative Assembly who may consult their own constituents on Alberta's future. The Panel should consult with individuals or organizations who it believes can offer useful knowledge or experience.

The Panel should seek to conduct its public consultations between November 16 and January 30, 2019, and complete its report to the government by March 31, 2020. The budget for the Panel will be set at \$650,000. It will receive administrative support from Executive Council and other government departments as appropriate.

Sincerely,

Hon Jason Kenney Premier of Alberta