



AGENDA

INTERGOVERNMENTAL AFFAIRS COMMITTEE

January 16, 2020, 9:30 AM

LEGAL TRADITIONS COMMITTEE ROOM

Members

Mayor N. Nenshi, Chair
Councillor G-C. Carra, Vice-Chair
Councillor G. Chahal
Councillor P. Demong
Councillor J. Farkas
Councillor R. Jones
Councillor S. Keating

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2019 December 13
5. CONSENT AGENDA
 - 5.1 DEFERRALS AND PROCEDURAL REQUESTS
 - 5.1.1 Deferral Potential Annexation from Foothills County to 2020 June 18 - IGA2020-0049
 - 5.1.2 Deferral Regional Strategy Report to 2020 June 18 - IGA2020-0048
 - 5.2 BRIEFINGS
None

6. POSTPONED REPORTS
(including related/supplemental reports)

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Federation of Canadian Municipalities (FCM) (Verbal) - IGA2020-0076

7.2 Alberta Urban Municipalities Association (AUMA) (Verbal) - IGA2020-0077

7.3 Fair Deal Panel Submission (Response to Notice of Motion C2019-1474), IGA2020-0072

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS
None

8.2 NOTICE(S) OF MOTION
None

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Calgary Housing Provincial Negotiation Update (Verbal), C2019-0738
Held confidential pursuant to Section 21 (Disclosure harmful to intergovernmental relations) of the *Freedom of Information and Protection of Privacy Act* until the matters discussed are completed.

10.2 URGENT BUSINESS

11. ADJOURNMENT

Members of Council may participate remotely, if required.



MINUTES

INTERGOVERNMENTAL AFFAIRS COMMITTEE

**December 13, 2019, 2:30 PM
LEGAL TRADITIONS COMMITTEE ROOM**

PRESENT: Mayor N. Nenshi, Chair
Councillor G-C. Carra, Vice-Chair
Councillor G. Chahal
Councillor J. Farkas
Councillor S. Keating

ABSENT: Councillor P. Demong (Personal)
Councillor R. Jones (Personal)

ALSO PRESENT: City Clerk L. Kennedy
Legislative Advisor J. Palaschuk

1. CALL TO ORDER

Mayor Nenshi called the Meeting to order at 2:33 p.m.

2. OPENING REMARKS

Mayor Nenshi provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by Councillor Farkas

That the agenda for today's meeting be amended by adding the following Item of Urgent Business, Item 9.1 Police Committee Update (Verbal), IGA2019-1596.

MOTION CARRIED

Moved by Councillor Carra

That the Agenda for the 2019 December 13 Regular Meeting of the Intergovernmental Affairs Committee be confirmed, **as amended**.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee,
2019 November 14

Moved by Councillor Carra

That the Minutes of the 2019 November 14 Regular Meeting of the Intergovernmental Affairs Committee be confirmed, **as corrected**.

MOTION CARRIED

5. CONSENT AGENDA

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Bid for the 2024 FCM Annual Conference and Trade Show, IGA2019-1558

A presentation entitled 'Bid for the 2024 FCM Annual Conference and Trade Show' was distributed with respect to Report IGA2019-1558.

Moved by Councillor Keating

That with respect to Report IGA2019-1558, the following be approved:

That the Intergovernmental Affairs Committee recommend that Council:

1. Support the submission of a bid to host the 2024 Federation of Canadian Municipalities Annual Conference and Trade Show;
2. Direct that this item be forwarded to the 2019 December 16 Combined Council Meeting as a matter of urgent business to meet the 2020 January 3 deadline for submission of the bid; and
3. Direct that Attachments 2 and 3 remain confidential pursuant to Section 16 (Disclosure harmful to business interests of a third party) of the *Freedom of Information and Protection of Privacy Act*, to be reviewed 2024 December 31.

MOTION CARRIED

7.2 Federation of Canadian Municipalities (FCM) (Verbal), IGA2019-1534

A document entitled 'Federation of Canadian Municipalities Update' was distributed with respect to Report IGA2019-1534.

Administration was thanked for their verbal presentation.

7.3 Alberta Urban Municipalities Association (AUMA) (Verbal), IGA2019-1535

Mayor Nenshi presented a verbal update and was thanked by Committee.

7.4 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2019-1536

Councillor Carra presented a verbal update and was thanked by Committee.

Committee, by general consent, tabled the remainder of this item to the Closed Meeting portion of today's meeting.

Item 7.4, Report IGA2019-1536, was lifted from the table and dealt with at this time.

Administration in attendance during the Closed Meeting discussions with respect to Verbal Report IGA2019-1536:

Clerk: L. Kennedy. Law: D. Mercer. Advice: D. Morgan. Observing: C. Arthurs, K. Cote, D. Shearer, N. Schaefer, A. McIntyre, A. Chan, J. Clarke, S. Deederly, N. Kuzmak, N. Younger, M. Van Ham, F. Snyder, and M. Surgenor-Sands.

Moved by Councillor Carra

That with respect to Verbal Report IGA2019-1536, the following be approved:

That the Intergovernmental Affairs Committee recommend that the Closed Meeting discussions remain confidential pursuant to Sections 21 (Harmful to intergovernmental relations) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

7.5 Calgary Metropolitan Region Board (CMRB) Governance Committee (Verbal), IGA2019-1561

Councillor Chahal presented a verbal presentation and was thanked by Committee.

7.6 Joint Meeting of CMRB Land Use and Intermunicipal Servicing Committees (Verbal), IGA2019-1562

Councillor Carra presented a verbal presentation and was thanked by Committee.

Committee, by general consent, tabled the remainder of this item to the Closed Meeting portion of today's meeting.

Item 7.6, Report IGA2019-1562, was lifted from the table and dealt with at this time.

Administration in attendance during the Closed Meeting discussions with respect to Verbal Report IGA2019-1562:

Clerk: L. Kennedy. Law: D. Mercer. Advice: C. Arthurs, K. Cote, N. Schaefer, C. Bowen, M. Van Ham, J. Clarke, A. Chan, A. McIntyre, and S. Deederly. Observing: F. Bouchart, D. Shearer, N. Kuzmak, N. Younger, F. Snyders, and M. Surgenor-Sands.

Moved by Councillor Carra

That with respect to Verbal Report IGA2019-1562, the following be approved:

That the Intergovernmental Affairs Committee recommend that the Closed Meeting discussions remain confidential pursuant to Sections 21 (Harmful to intergovernmental relations) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

7.7 City Charter Update, IGA2019-1571

A presentation entitled 'City Charter Update' was distributed with respect to Report IGA2019-1571.

Moved by Councillor Carra

That with respect to Report IGA2019- 1571, the following be approved:

That the Intergovernmental Affairs Committee recommends that Council:

1. Receive this Report as an update on the implementation of existing City Charter authorities; and
2. Direct Administration to continue ongoing provincial advocacy to create new authorities within the City Charter, such as the needed reforms to the taxation and assessment system.

MOTION CARRIED

7.8 Blue Ribbon Panel (MacKinnon Report) (Verbal), IGA2019-1585

Administration was thanked for their Verbal Presentation.

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

9.1 Police Committee Update (Verbal), IGA2019-1596

This Item was dealt with immediately following Item 7.6, Joint Meeting of CMRB Land Use and Intermunicipal Servicing Committees (Verbal), IGA2019-1562.

Councillor Farkas presented a verbal update and was thanked by Committee.

10. CONFIDENTIAL ITEMS

Pursuant to Sections 21 (disclosure harmful to intergovernmental relations), 23 (Local public body confidences), and 24 (advice from officials) of the *Freedom of Information and Protection of Privacy Act*, the Intergovernmental Affairs Committee move into Closed Meeting, in the Legal Traditions Boardroom, at 3:58 p.m., to discuss confidential matters with respect to the following Items:

- 7.4 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2019-1536;
- 7.6 Joint Meeting of CMRB Land Use and Intermunicipal Servicing Committees (Verbal), IGA2019-1562;
- 10.1.1 Government Relations Advocacy Plan, IGA2019-1553; and
- 10.1.2 Update on Regional Water Servicing, IGA2019-1540.

Committee moved into Public Meeting at 5:00 p.m. with Mayor Nenshi in the Chair.

Moved by Councillor Carra

That Committee rise and report.

MOTION CARRIED

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Government Relations Advocacy Plan, IGA2019-1553

A confidential document was distributed with respect to Report IGA2019-1553.

Administration in attendance with respect to Report IGA2019-1553;

Clerk: L. Kennedy. Law: D. Mercer. Advice: C. Arthurs, K. Cote, D. Shearer. Observing: N. Schaefer, A. McIntyre, A. Chan, J. Clarke, S. Deederly, N. Kuzmak, F. Snyders, and M. Surgenor-Sands.

Moved by Councillor Carra

That with respect to Report IGA2019-1553, the following be approved:
That the Intergovernmental Affairs Committee:

1. Receive the Report for the Corporate Record; and
2. Direct that this Report, Attachments and Closed Meeting discussions remain confidential pursuant to sections 21 (harmful to intergovernmental relations), and 24 (advice from officials) of the *Freedom of Information and Protection of Privacy Act* until implementation is complete, to be reviewed by 2020 December 31.

MOTION CARRIED

10.1.2 Update on Regional Water Servicing, IGA2019-1540

A confidential Attachment 2 was distributed with respect to Report IGA2019-1540.

A confidential presentation was distributed with respect to Report IGA2019-1540.

Administration in attendance with respect to Report IGA2019-1540:

Clerk: L. Kennedy. Law: D. Mercer. Advice: F. Bouchart, C. Bowen, M. Van Ham, F. Snyders, and A. McIntyre. Observing: C. Arthurs, K. Cote,

D. Shearer, N. Schaefer, A. Chan, J. Clarke, S. Deederly, N. Kuzmak, and M. Surgenor-Sands.

Moved by Councillor Carra

That with respect to Report IGA2019-1540, the following be approved:
That the Intergovernmental Affairs Committee:

1. Thank Administration for their Verbal Report; and
2. Direct that Closed Meeting discussions and distributions remain confidential pursuant to Sections 21 (Disclosure harmful to intergovernmental relations), 23 (Local public body confidences), and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, to be reviewed by 2020 December 13.

MOTION CARRIED

10.2 URGENT BUSINESS

None

11. ADJOURNMENT

Moved by Councillor Farkas

That this meeting adjourn at 5:02 p.m.

MOTION CARRIED

THE FOLLOWING ITEM HAS BEEN FORWARDED TO THE 2019 DECEMBER 16 COMBINED MEETING OF COUNCIL:

URGENT BUSINESS:

- Bid for the 2024 FCM Annual Conference and Trade Show, IGA2019-1558

THE FOLLOWING ITEM HAS BEEN FORWARDED TO THE 2020 JANUARY 13 COMBINED MEETING OF COUNCIL:

CONSENT:

- City Charter Update, IGA2019-1571

The next Regular Meeting of the Intergovernmental Affairs Committee is scheduled to be held on 2020 January 16 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

UNCONFIRMED

Deputy City Manager's Office Report to
Intergovernmental Affairs Committee
2020 January 16

ISC: UNRESTRICTED
IGA2020-0072

Fair Deal Panel Submission (Response to Notice of Motion C2019-1474)

EXECUTIVE SUMMARY

On 2019 November 9, the Government of Alberta tasked the Members of a Fair Deal Panel (the Panel) to consult with Albertans and report back to the Government on strategies to secure a fair deal in the Canadian federation and advance the province's vital economic interests (see the Panel's Terms of Reference at Attachment 1). Shortly thereafter, Council approved Notice of Motion 2019-1471 (Attachment 2) directing Administration to assess the potential impacts of the Panel's work on The City of Calgary, reporting back in such a way as to enable the submission of a Council approved position by the January 30 deadline.

In consultation with colleagues across the corporation and in other municipalities, Intergovernmental & Corporate Strategy (ICS) has developed the positions taken in Attachment 3 as a response to the Panel. In addition to an offer of ongoing support from The City, the submission makes three essential recommendations. Specifically, it urges the Panel to recommend that the Government of Alberta:

1. must not emulate Quebec's legal requirement that municipalities obtain the approval of the provincial government before they can enter into agreements with the federal government;
2. must engage closely with The City of Calgary in the design of any other changes intended to secure a fair deal within Confederation; and
3. must, in the pursuit of a fair deal for Alberta, ensure a fair deal for Alberta's big cities with a commitment to respect and grow City Charters.

The first two recommendations are driven by serious concerns that many of the proposals, particularly requiring provincial consent for municipal-federal cooperation, will not only impede The City and Province's own commitments to reduce existing red tape, but create new administrative burdens that would be felt by The City, its partners in civil society, the province itself, and ultimately the Alberta taxpayer. The final recommendation takes the position that the province can speak with a stronger voice in the federation when speaking in concert with its big cities.

ADMINISTRATION RECOMMENDATION:

That the Intergovernmental Affairs Committee discuss the positions taken in this report (including Attachment 3) and direct the Mayor to make a submission to the Fair Deal Panel based on those positions prior to 2020 January 30.

PREVIOUS COUNCIL DIRECTION / POLICY

At its 2019 November 18 Combined Meeting, Council approved Notice of Motion C2019-1471, making minor amendments on the floor. As amended, the motion:

- requests the Mayor, as well as any other Councillors who wish, to write to the Chair of the Fair Deal Panel, extending an offer for The City to participate in their work;
- directs Administration to conduct an analysis of the impacts of the proposals contained in the Fair Deal Panel's Terms of Reference (Attachment 1) as well as what further advocacy options are available in order to advance The City's interests within the Province's conversation of a fair deal for Alberta; and

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- directs Administration to report to the IGA Committee, or direct to Council, as required, based on the timing requirements to submit a Council approved position by January 30, 2020.

BACKGROUND

According to the Government of Alberta, Albertans are “frustrated with the federal government and the barriers they're imposing on our economy.” In a partial response, the Government has tasked the Fair Deal Panel with consulting Albertans on how best to define and secure a “fair deal” for Alberta, and submit a final report of recommendations by 2020 March 31.

According to the Panel's mandate letter (Attachment 1), the Panel's work and its consultations are meant to focus on ideas that would “strengthen our province's economic position, give us a bigger voice within Confederation or increase provincial power over institutions.” The mandate letter also asks the Panel to pay particular attention to a number of proposals, including:

- 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
- establishing a formalized provincial constitution; and
- establishing a provincial police force by ending the Alberta Police Service Agreement with the Government of Canada.

In town halls and an online submission process, the Panel is asking the public to consider three questions:

- Do you think Alberta is getting a fair deal in the federation?
- If not, what would a fair deal for Alberta look like for you?
- What should the provincial government do to secure a fair deal for Alberta?

Public input will be accepted until 2020 January 30.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

City of Calgary Administration takes no position on whether the province is getting a fair deal within Confederation. Attachment 3 summarizes the material impacts that the proposals contained in the Fair Deal's mandate letter might signal for The City. Administration is concerned that many of the proposals could lead to increased administrative costs that would have to be borne not only by The City, but also by its civic partners, many of the organizations in civil society serving our citizens, as well as the province itself. Attachment 3 therefore urges the Panel to consider these proposals against the Government of Alberta's own platform and budgetary commitments to reduce red tape across Government, an objective shared by The City of Calgary itself.

In most cases, because there is little detail attached to the proposals, Attachment 3 merely urges the province, through the Panel, to ensure The City is consulted should the province choose to pursue these ideas. However, after consulting with municipal colleagues in Quebec, Attachment 3 includes a firm recommendation against the suggestion that municipalities seek provincial approval for municipal-federal collaboration. Finally, Attachment 3 suggests that the Panel recommend that the Government of Alberta employ the City Charters in its pursuit of a fair deal. While not explicitly mentioned in the Panel's mandate letter, the City Charters were

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always intended to benefit not just the big cities, but to recognize that the province itself spoke more forcefully with the voice of its two biggest cities.

Stakeholder Engagement, Research and Communication

Intergovernmental & Corporate Strategy consulted widely within the Corporation, as well as the Calgary Police Commission and our Office of Partnerships, to inform the response in Attachment 3. ICS also spoke with colleagues in other municipalities, most notably the cities of Edmonton and Montreal. Colleagues in the latter were particularly helpful to better appreciate the implications of a requirement to seek provincial approval prior to entering into agreements with the Government of Canada.

Strategic Alignment

This report and the attached submission to the Fair Deal Panel aligns with several Council Directives to enhance our partnerships with other orders of government (e.g. P4, P5).

Social, Environmental, Economic (External)

N/A

Financial Capacity

Current and Future Operating Budget:

As per Attachment 3, the changes being considered by the Panel could have significant impacts by creating additional layers of provincial approvals, changes to technology or other systems, or the duplication of efforts.

Current and Future Capital Budget:

As per Attachment 3, the requirement to seek provincial approvals to enter into agreements with the Government of Canada will at the very least lead to delays in federal transfers, translating into either project delays or additional borrowing costs.

Risk Assessment

As this report and attachments suggest, the risks of provincial action on several of the proposed changes, particularly in the absence of consultation with The City, is high. ICS will continue to monitor this situation, including the release of the Panel's recommendations in March, and report back to IGA committee with proposed advocacy actions to mitigate these and other risks.

REASON(S) FOR RECOMMENDATION(S):

This report recommends that the IGA Committee discuss the positions taken in Attachment 3, and direct the Mayor to prepare a letter for submission to the Fair Deal Panel based on those positions.

The submission to the Panel needs to be made by 2020 January 30. If it were to be recommended for approval by Council, it could not be heard until February 3. Alternatively, this report could have

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been routed directly to Council as a matter of urgent business on January 13. Although, in the absence of an opportunity to be routed through both IGA and Council as a whole, this subject matter benefits most from the focused time and attention of the IGA Committee itself.

ATTACHMENT(S)

1. Fair Deal Panel Terms of Reference
2. Notice of Motion C2019-1471
3. Draft City of Calgary Position for Submission to the Fair Deal Panel



Premier of Alberta

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

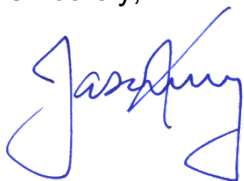
- Establishing a provincial police force by ending the Alberta Police Service Agreement with the Government of Canada
- Emulating Quebec's practice of playing a larger role in international relations, in part by seeking Alberta representation in treaty negotiations that effect Alberta's interests
- Emulating 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



Report Number: TBD

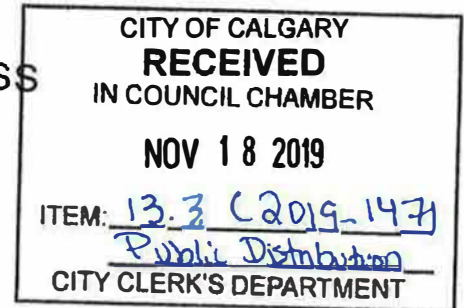
Meeting: Combined Meeting of Council

Meeting Date: 2019 November 18

PROPOSED URGENT BUSINESS

NOTICE OF MOTION

RE: LOCAL ACTION FOR A FAIR DEAL WITHIN CONFEDERATION



Sponsoring Council Member(s): Peter Demong, Joe Magliocca, Sean Chu, Ward Sutherland, Jeff Davison, and Jeromy Farkas

WHEREAS:

1. Albertans have an unprecedented level of frustration with their place in the federation;
2. The provincial government has recently announced the creation of a panel to secure a fair deal for Alberta and advance Alberta's economic interests, such as the construction of energy pipelines;
3. "The Fair Deal Panel" will examine ways to defend Alberta's interest within Confederation make Alberta more independent of Ottawa;
4. The panel will consult with Albertans on ideas such as establishing a provincial revenue agency, withdrawing from the Canada Pension Plan in favour of a new provincial agency and establishing a formalized provincial constitution.
5. The panel will conduct public consultations between Nov. 16 and Jan. 30, and complete its report to government by March 31;
6. The Nov. 9, 2019 mandate letter from the Premier of Alberta tasks the panel to consult with individuals or organizations who it believe scan offer useful knowledge or experience;
7. In October 2021, as part of the municipal elections, local returning officers may be tasked with executing the province-wide referendum on equalization;
8. Calgary City Council has increasingly taken a leadership position on issues of local, regional, and national importance, such as unanimous resolutions calling for support of Canada's responsible energy industry;
9. Calgary City Council unanimously adopted the "YYC Matters" program to invite Calgarians to review federal election issues, and learn how decisions made in Ottawa impact our quality of life here in Calgary;
10. The outcome of the panel's work may have significant impacts on our local municipality (such as the consideration of the requirement of municipalities and school boards to obtain the approval of the provincial government before they can enter into agreements with the federal government, as is the case in Quebec),
11. There may be other opportunities for the Panel which may further Calgary's interests, such as the common law enshrinement of the rights and status of municipalities within Confederation in a proposed provincial constitution;
12. Calgarians must be active participants in this crucial conversation on confederation's future, and to ensure that future decisions are constructive and well-informed;

THEREFORE BE IT RESOLVED THAT:

1.
 - a. Council requests the Mayor, as well as any Councillors who wish to augment the advocacy of the chief elected official, to write to the Chair of the Panel, extending an offer for the City to participate and assist in their work to achieve a fair deal for Alberta;
2.
 - a. Council aims to provide a formal submission for the panel based on Calgary's perspective and interests, focused on material impacts to the City of Calgary as an organization, in time for the Jan. 30 deadline;
 - b. Council directs administration to conduct a high level analysis on whether there are impacts, benefits, challenges, or unintended consequences to the City of Calgary on the options stated to be before the Fair Deal Panel. This analysis is to focus its attention on the areas with material impact to the City of Calgary corporation:
 - i. 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;
 - ii. Creating an Alberta Pension Plan by withdrawing from the Canada Pension Plan;
 - iii. Establishing a provincial police force by ending the Alberta Police Service Agreement within the Government of Canada;
 - iv. Emulating Quebec's practice of playing a larger role in international relations, in part by seeking Alberta representation in treaty negotiation that affect Alberta's interests;
 - v. 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;
 - vi. Using the existing provincial power to appoint the Chief Firearms Office for Alberta;
 - vii. Opting out of federal cost share programs with full compensation, such as the federal government's proposed pharmacare program;
 - viii. Seeking an exchange of tax points for federal cash transfers under Canada Health and Social Transfers;
 - ix. Establishing a formalized provincial constitution.
 - c. Council directs administration to consider what further advocacy options are available in order to advance the City's interests within the conversation of a fair deal for Alberta within the federation.
3. Council directs administration to report to the Intergovernmental Affairs Committee or direct to Council, as required based on the timing requirements to submit a Council approved position by Jan. 30, 2020.

Proposed City of Calgary Position for Submission to the Fair Deal Panel

Introduction

The City would like to thank the Fair Deal Panel (the Panel) for this opportunity for input, and would also encourage the Panel members to engage more directly with The City as part of its mandate to “consult with individuals or organizations that can offer useful knowledge or experience.” The City of Calgary’s considerable breadth of this knowledge and experience is at the Panel’s disposal

Comments here are limited to elements of the Panel’s mandate that could have material impacts on The City of Calgary as an organization. If implemented, several of the proposals will have direct, generally negative implications for The City and its taxpayers.

Greater detail on these specific impacts is provided below. If there is a general theme, it is one of caution. Whether many of the proposals would lead to a stronger voice in confederation seems unclear, and is for the Panel to decide. What is clear from The City’s perspective, is that many of these proposals risk duplication, overlap and inefficiency. The Panel’s mandate letter instructs recipients to consider other government commitments alongside its specific proposals. The Government’s election platform, Speech from The Throne, and recent budget all include firm commitments to reduce red tape and other regulatory burdens to reduce unnecessary costs and create jobs. The City of Calgary applauds these efforts and shares the same objective as we continue our own efforts to cut red tape at The City. In pursuing a fair deal in Confederation, the Panel must avoid recommendations that would undermine the province and City’s efforts to streamline government. Cutting red tape provides many benefits for citizens, business and government, but the main objective is about saving the tax payers money while delivering services as efficiently and effectively as possible.

Issue 1: Emulating Quebec’s legal requirement that municipalities obtain provincial approval of the provincial government before they can enter into agreements with the federal government

The City of Calgary is primarily concerned with the Panel’s mandate to consider “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”. While entirely within the province’s constitutional competence, this would be a very troubling development. In Quebec, the practice is rooted in historic linguistic and cultural insecurities, and not the economic challenges that animate Alberta’s search for a fair deal. Whether the practice has any practical effect in the protection of the distinct language and culture in Quebec is not clear, nor is it relevant. What is clear, having examined the Quebec legislation and spoken with colleagues in Quebec’s cities, is that such a requirement would have no positive impact on the economic challenges driving the Panel’s work here in Alberta. Quite the opposite. It would create considerable red tape and inefficiency for The City, for its partners in civil society, and for the province itself. The proposal would have no tangible benefits, only costs for all involved.

To begin, it is worth noting that The City of Calgary's most important relationships with the federal government are already mediated by the province. The federal Investing in Canada Infrastructure Plan, for instance, looks to send billions of dollars to Alberta's municipalities, but which only flow through the province via the Canada-Alberta Integrated Bilateral Agreement. Even the federal Gas Tax Fund, which is frequently cited as a direct federal transfer to municipalities, is mediated by a federal-provincial agreement.

Despite the existing provincial controls there are important opportunities for federal-municipal collaboration. Adding a requirement for provincial approval of this collaboration will not only add an extra layer of bureaucracy, but introduce significant delays in the approvals necessary to realize important investments in local programs and infrastructure. In Quebec, where this requirement currently exists, this delay is measured not in days, but in months or even years. This delay can be compounded if the province exercises its legislative prerogative to amend any agreements, which then must be shared again with the Government of Canada before returning to the provincial government for approval. This delay is not merely an administrative burden, but has profound cost implications for municipalities as well.

- Delayed ability to access federal funding can lead to increased borrowing costs for the municipality. In the case of the large infrastructure investments committed to by the Government of Canada, the added interest can reach into the millions of dollars which must be either passed on to the local taxpayer or financed by reduced services in other areas.
- These delays may also require a municipality to forego federal support altogether. Many federal funding programs, particularly for infrastructure, are time-sensitive, limiting eligible expenses to a defined period. A delay caused by the introduction of additional provincial approvals can lead to situations where federal funds are left on the table, hardly supporting the notion of a fair deal for Albertans or Calgarians.
- Emulating Quebec's practice would also limit the ability of The City to access funding provided by non-governmental organizations such as the Federation of Canadian Municipalities (FCM). Quebec's legislation also requires provincial approval to enter into agreements with third-parties that are either primarily funded by the Government of Canada, or that itself has an agreement with the Government of Canada. Faced with similar legislation, The City would immediately face delays or barriers to access millions of dollars in FCM funding like the Green Municipal Fund, despite being a dues-paying member in good standing of that organization.

The fiscal implications of the proposal are not limited to large infrastructure projects, but reach across The City of Calgary.

- Cities in Quebec report on delays in areas ranging from agreements to use federal lands for affordable housing to cost-sharing agreements between local police and RCMP for security costs of visits from federal officials. Affordable housing providers and local police forces are already being asked to do more with less and cannot afford the costs associated with additional red tape and the delays it can generate.

- The requirement could also impact information and data-sharing arrangements with the Government of Canada that are intended to improve decision-making at all levels of government.
- Because Quebec legislation defines municipalities as including “a group of municipalities,” the Calgary Metropolitan Region Board and other municipal pairings would be required to seek provincial approval prior to entering into any agreements with the federal government. The additional administrative hurdle could act as a deterrent to important, but often difficult, efforts at regional collaboration.

These impacts would not be limited to The City of Calgary itself, but would extend to its civic partners. The relevant Quebec legislation extends the definition of municipality to include any person or body of which “a majority of its members are appointed by one or more municipal bodies,” or “more than half its financing is provided by one or more municipal bodies.”

- The latter category would require organizations such as the Calgary Public Library and Calgary Economic Development, which receive a majority of their funding from The City, to seek additional provincial approvals to access even small pools of federal funding. These and other civic partners are already facing considerable cost-pressures due to recent provincial budget decisions and cannot afford the additional administrative costs and delays associated with this proposal.
- The expanded definition of municipality would also require organizations in which The City is a member, including the Alberta Urban Municipalities Association, to seek provincial approvals to access federal funding or to partner with other organizations that have agreements with the Government of Canada including the Federation of Canadian Municipalities.

Adoption of Quebec’s practice would also reach local civil society as well. Quebec legislation not only prohibits municipalities from engaging directly with the Government of Canada without provincial authorization, but prohibits them from “*being affected by* any agreement entered into between a third party and [the Government of Canada]” without provincial approval. “Being affected by” is defined as entering into an agreement with a third party that would be somehow related to that party’s existing agreement with the Government of Canada. Many local civil society groups, including charities and religious institutions, partner closely with and rely on support from The City of Calgary, but also rely on funding from the Government of Canada for the same programs and services. The possibility that The City’s ability to provide support would be contingent on the need for provincial approvals will not only delay the important work they do in our community, but dissuade them from seeking support from either the Government of Canada or The City of Calgary in the first place. In its 2019 election platform, the United Conservative Party stated that “voluntary groups are generally more effective in preventing and reducing social problems than a big bureaucratic state...[that] all too often...gets in the way of simple efforts by community groups to help those in need”. The City of Calgary strongly recommends against the addition of bureaucratic hurdles.

Finally, this proposal would add considerable administrative burden for the province as well. There are 352 municipalities in Alberta, not to mention regional boards and other intermunicipal collaborations, each with multiple interfaces with the Government of Canada. The provincial staff

required to administer all of the requests for approvals not only in Municipal Affairs, but other Government of Alberta departments would be considerable, requiring either additional investments or reduced services in other areas, either of which would be felt primarily by Alberta taxpayers.

To close on this item, the provincial government pledged in its platform and subsequent policy statements to cut regulation and paperwork for Alberta's cities and allow municipalities to pass on those savings to taxpayers. The proposal to emulate Quebec's practice of requiring municipalities to seek provincial approval prior to entering into agreements with the Government of Canada would do the opposite, adding administrative burdens that would be borne not only by the local taxpayer, but by our civic partners and civil society.

Recommendation:

- *The City of Calgary recommends in the strongest possible terms that the province must not pursue Quebec's practice of requiring municipalities to seek provincial approval before entering into agreements with the Government of Canada. Far from ensuring a fair deal, this proposal ensures administrative delays and leaves our fair share of federal dollars on the table.*
- *If the province instead pursues this change, The City adds that this is a sufficiently "bold proposal" to invoke the province's commitment to a public referendum prior to passing related legislation.*

Issue 2: Establishing a formalized provincial constitution

Absent a specific proposal, The City can make only general comments on the possibility of a formalized provincial constitution.

If the province were simply looking to consolidate existing "constitutional" documents (e.g. the Alberta Act, 1905) into a single source, The City would likely have little concern. While a potentially powerful symbolic moment, such an approach would largely codify existing practice with little impact to The City.

Should the proposal contemplate the "entrenchment" of new or existing rules by including procedural limits on the ability of future legislatures from amending its substance (e.g. "manner-in-form" legislation), The City of Calgary would insist on being consulted. Leaving aside questions about the legality of such an approach, as well as the potential transfer of provincial autonomy to federally-appointed courts, such an entrenchment could have profound implications for The City.

On the one hand, it could be an opportunity to formally recognize the important role that big cities have come to play in modern Canada. Kristen R. Good, a professor at Dalhousie University, has argued persuasively for provincial constitutions that use manner-in-form legislation to recognize the "constitutional nature" of municipalities themselves (more on this at #5, "other opportunities" below). On the other hand, these same mechanisms could just as easily be used to undermine

municipal autonomy, reinforce antiquated notions of their subservient status, and stifle local decision making by the government closest to the individual citizen.

Recommendation:

- *The City of Calgary applauds this government's platform commitment to "provide municipalities with more autonomy," and therefore expects that any attempt to pursue a formalized provincial constitution it would be consistent with this commitment. However, given the uncertainty and complexity involved, The City insists that if the province were to proceed on this path, it must only do so in close consultation with The City of Calgary to ensure it works in favour of all Albertans.*

Issue 3: Establishing a provincial police force by ending the Alberta Police Service Agreement with the Government of Canada

As with the previous item, in the absence of an understanding of how this would be implemented, it is difficult to determine the impacts on municipal policing. For instance, a provincial police service could lead to increased costs and greater movement of staff between agencies by creating a competitive recruiting environment. On the other hand, a centralized or provincial model of recruiting and training could reduce costs of police education in the long term. Likewise, the costs associated with information and communication integration could be high in the near term, but could prove beneficial in the long term.

Recommendation:

- *In the absence of greater detail, The City of Calgary recommends that The City and the Calgary Police Commission be closely involved in any proposal to create a provincial police force.*

Issue 4: Using the existing provincial power to appoint the Chief Firearms Office for Alberta

It is The City's understanding that regardless of the existence of a Chief Firearms Office for Alberta, The Canadian Firearms Act and Regulations would still form the core of the compliance work for policing in Calgary. There is, however, some potential for increased bureaucracy and red tape if a provincial policy were to be layered on top of the federal legislation, which could impact the information sharing and assistance that would traditionally be provided by a federal agency.

Recommendation

- *To ensure the most efficient and effective use of limited police resources, The City recommends The City of Calgary and the Calgary Police Commission be engaged prior to any efforts to establish a Chief Firearms Office for Alberta.*

Issue 5: Creating an Alberta Pension Plan by withdrawing from the Canada Pension Plan

While not wishing to comment on the merits of this proposal, The City of Calgary would note that as one of the province's largest employers of contributors to the Canada Pension Plan, there is the potential for considerable costs associated with changes to pay processes and software.

Recommendation

- *The City therefore requests that it be consulted as part of any plans to develop an Alberta Pension Plan to minimize or avoid any unnecessary administrative costs.*

Issue 6: 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.

Although there is little detail at this point, it is likely that this proposal would have impacts for City of Calgary payroll services, which would have to report payroll deductions to two separate taxing authorities. As one of the province's largest employers, this cost could be considerable.

Recommendation

- *The City therefore requests that it be consulted as part of any plans to establish a provincial revenue agency to collect provincial taxes directly by ending the Canada-Alberta Tax Collection Agreement.*

Issue 7: Other opportunities

In addition to the specific proposals listed in its mandate, the Panel is encouraged to listen to any ideas that would strengthen the province's economic position or voice within Confederation. The City of Calgary would submit that a renewed commitment to the City Charters would deliver on both.

The City Charters recognize the unique challenges and opportunities faced by Calgary and Edmonton, but also their unique capacity to contribute to provincial well-being. As the Framework Agreement on Charters signed by then Premier Jim Prentice states, city charters "set a course for forging a new relationship between the cities and the province...constructed on the understanding that the Cities and the Province have great strengths and shared interests and that, in working collectively, great strides can be made in maintaining and fortifying Alberta's global presence." Perhaps more importantly, in working together, great strides can be made in fortifying Alberta's *national* presence. Some years ago, the Mayors of Calgary and Edmonton were invited to meet with the provincial Cabinet to discuss how the City Charters could advance the shared priorities of the day. The City of Calgary would be pleased to do so again to discuss how they can advance the shared goal of a fair deal for all Albertans.

Recommendation

Recommendation

- *The City recommends that the Government renew its commitment to respect and grow City Charters in pursuit of strengthening the province's economic position and its voice in Confederation.*

Summary of recommendations

Thank you again for the opportunity to contribute to the important work of the Panel. To reiterate and summarize the above, The City of Calgary's urges that the Panel recommend that the Government:

- 1. Must not emulate Quebec's legal requirement that municipalities obtain the approval of the provincial government before they can enter into agreements with the federal government; and**
- 2. Must engage closely with The City of Calgary in the design of any other changes intended to secure a fair deal, particularly those discussed herein**
- 3. Must, in the pursuit of a fair deal within Confederation, the Government of Alberta must ensure a fair deal for Alberta's big cities with a commitment to respect and grow City Charters**

The City looks forward to reading the Panel's recommendations. In the meantime, if the Panel has any further questions, City officials would be pleased to discuss.