
International and Intergovernmental Relations

BUSINESS PLAN 2006-09

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2006 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 23, 2006 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

[Original Signed]

Ed Stelmach, *Minister of International and Intergovernmental Relations*
March 1, 2006

THE MINISTRY

The Ministry of International and Intergovernmental Relations consists of three main sections: Canadian Intergovernmental Relations, International Relations, and Trade Policy. Collectively, these sections seek to ensure that the Alberta government's relations with other governments in Canada and abroad are coordinated and consistent with the government's priorities. The Ministry is a single entity and does not have any agencies or boards as part of its operations.

VISION

A strong Alberta, active in an open world and in a prosperous, united Canada.

MISSION

To lead the development of government-wide strategies and policies for Alberta's relations with international governments and organizations and with federal, provincial and territorial governments in Canada.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

All of the Ministry's goals and strategies contribute directly to Goal 9 of the Government Business Plan: Alberta will have strong and effective partnerships with local, provincial, territorial, federal and foreign governments. Strengthened international relations and greater trade and investment liberalization, combined with strategies on a wide range of intergovernmental issues and processes, also contribute to a diversified and prosperous economy and to international competitiveness.

The government's strategic business plan sets the course for the Alberta government for the next 20 years. International and Intergovernmental Relations contributes most directly to achieving the fourth strategic opportunity identified in this plan: Making Alberta the best place to live, work and visit.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

- Continue to lead and participate in initiatives within intergovernmental institutions and frameworks, such as the Premiers' Council of the Federation and the Alberta-British Columbia Protocol of Cooperation, along with annual First Ministers' Meetings and the Western Premiers' Conference, that provide opportunities for Alberta to work collaboratively with other provinces to influence the national agenda.
- Continue to pursue opportunities and rise to the challenges in representing Albertans' priorities and expectations with the federal government, and its place in Confederation and jurisdiction over areas such as its natural resources.
- Deepen relations with key U.S. decision-makers by building on the initial achievements of the Alberta Office in Washington, D.C.
- Build Alberta's reputation in the world, open new markets, and attract investment through Premier's international missions.
- Raise the profile of the province in the U.S. through participation in events such as the 2006 Smithsonian Folklife Festival in Washington, D.C., and the Pacific NorthWest Economic Region's annual meeting in Edmonton.
- Pursue opportunities to make progress in areas of priority to Alberta such as agriculture, and disciplines on trade remedies and services stemming from the World Trade Organization Ministerial Conference in Hong Kong in December 2005, and the free trade negotiations underway between Canada and Korea, the European Union and other countries.
- Improve and broaden the Agreement on Internal Trade. This will depend on commitments of the other provinces and the federal government to implement fully the initiatives directed by the Council of the Federation process. The establishment of a trade and investment enhancement agreement between Alberta and British Columbia represents an opportunity to advance Alberta's domestic trade priorities on a bilateral basis.

- Participate in Canada and U.S. legal proceedings and negotiations to bring about U.S. compliance with North America Free Trade Agreement and World Trade Organization dispute resolution panel rulings in the softwood lumber dispute, and seek resolution of the dispute in an attempt to prevent future litigation.

STRATEGIC PRIORITIES 2006-09

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

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|---|---|
| <p>1. Canadian Intergovernmental Relations</p> <p>Linkage: Goal 1</p> | <p>Successfully conducting, coordinating, and participating in intergovernmental negotiations and discussions to advance Alberta's interests in Confederation.</p> <p>Important federal-provincial negotiations and discussions will include such issues as health care, energy, resource policy, post-secondary education and skills development, transportation, infrastructure, and fiscal arrangements, including the fiscal imbalance.</p> |
| <p>2. Canadian Intergovernmental Relations - Council of the Federation</p> <p>Linkage: Goal 1</p> | <p>Supporting the Premier in his participation on the Council and ensuring successful follow-up on Council activities.</p> <p>Through the Council of the Federation, Premiers are embarking on a significantly expanded intergovernmental agenda in a wide variety of areas. Alberta will be the chair of the Council of the Federation until mid-2006. The work of the Council and outcomes from Western Premiers' Conferences set the stage for regular First Ministers' Meetings.</p> |
| <p>3. International Relations</p> <p>Linkage: Goal 2</p> | <p>Successfully expanding Alberta's influence globally by strengthening international relationships with key decision-makers. Major initiatives will include:</p> <ul style="list-style-type: none"> • influencing the federal government toward more positive Canada/U.S. relations; • enhancing bilateral relations with key trade partners through Premier's missions, incoming delegations, and major events (Pacific NorthWest Economic Region's annual meeting in Edmonton). |
| <p>4. International Relations - Washington</p> <p>Linkage: Goal 2</p> | <p>Successfully expanding Alberta's influence in the U.S. by strengthening relationships with key decision-makers. Major initiatives will include:</p> <ul style="list-style-type: none"> • developing networks of influence by the Washington, D.C. office; • raising Alberta's profile in the U.S. by participating as the feature region at the Smithsonian Institute's 2006 Folklife Festival. |
| <p>5. Trade Policy - International</p> <p>Linkage: Goal 3</p> | <p>Successfully participating in international negotiations (e.g., World Trade Organization negotiations, bilateral negotiations) to advance Alberta's interests with key trading partners (e.g., United States, Korea).</p> <p>Expanding trade liberalization and foreign market access for Albertans through international trade and investment agreements. Under the auspices of the Council of the Federation, developing a federal-provincial-territorial agreement on the provincial/territorial role in international negotiations, agreements and forums.</p> |

6. Trade Policy - Domestic

Successfully representing, advancing and defending Alberta's interests under the federal-provincial Agreement on Internal Trade.

Linkage: Goal 3

Expanded Canadian internal trade liberalization promoting the free flow of goods, services, capital and labour across Canada, through bilateral discussions, through the Council of the Federation and Committee on Internal Trade and defending of Alberta's interests in Agreement on Internal Trade disputes.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Canadian Intergovernmental Relations

GOAL ONE

1

Promoting the interests of, and securing benefits for, Alberta as an equal partner in a strengthened, united Canada

What it means To achieve this goal, the Ministry promotes: effective participation by Alberta in the Canadian federation; a federal system that better serves the needs of Albertans and Canadians; and effective leadership by Alberta that supports a strong, united and secure Canada.

Strategies

- 1.1 Work with Alberta ministries to develop coordinated and consistent government-wide strategies that advance Alberta's interests in intergovernmental issues and processes, and ensure that Alberta's priorities are addressed at intergovernmental meetings of First Ministers, Ministers and officials.
- 1.2 Assist Alberta ministries in the development of intergovernmental agreements. Review and approve the agreements to ensure that they reflect Alberta's intergovernmental objectives and priorities.
- 1.3 Develop strategies and policy options in conjunction with Alberta ministries, with respect to key intergovernmental policy issues such as health care, skills training, education, energy, immigration, municipal issues, climate change, Aboriginal issues, and social programs.
- 1.4 Chair the Premiers' Council of the Federation and Western Premiers' Conference through mid-2006.
- 1.5 Provide policy analysis and strategies, and coordinate input from other Alberta ministries, for Alberta's participation in First Ministers' Meetings, meetings of the Council of the Federation, the Western Premiers' Conference, joint meetings of the Alberta and British Columbia Cabinets, and ministerial meetings.
- 1.6 Work with Alberta ministries to implement the Premiers' Council of the Federation outcomes.
- 1.7 Promote both interprovincial and federal-provincial solutions to improve the efficiency and effectiveness of the federation through the reduction of overlap and duplication between governments, the reform of institutions (e.g., the Senate) and the reform of federal-provincial fiscal arrangements.
- 1.8 Promote provincial solutions to redesign federal-provincial fiscal arrangements including the Canada Health Transfer, the Canada Social Transfer, Equalization and cost-sharing arrangements.
- 1.9 Develop policy recommendations and strategies on national unity and other related issues as they emerge.
- 1.10 Work with the federal government, other provinces, the private sector and other key stakeholders to update and strengthen coordinated policy responses to issues relating to the security of the province and people of Alberta.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
1.a Client satisfaction with services provided by Canadian Intergovernmental Relations. The survey is conducted every two years in December/January	4.2 (2004-05)	4.0 out of 5.0	4.0 out of 5.0	4.0 out of 5.0
1.b Reports/narrative records from First Ministers or Premiers intergovernmental meetings are reported in the Annual Report.	100% (2005-06)	100%	100%	100%

Core Business Two: International Relations

GOAL TWO **2** Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

What it means To achieve this goal, the Ministry works across government to: facilitate the two-way flow of goods, services, people and investment between Alberta and the United States; provide a strategic approach to Alberta's international relations that effectively promotes Alberta's interests and priorities to foreign government decision-makers; and contribute to international development in the area of governance.

Strategies

- 2.1 Work with other ministries, other provinces, the private sector and the federal government to promote more positive Canada/U.S. relations and greater North American integration.
- 2.2 Work with other ministries and the private sector to enhance international understanding of Alberta as a secure, reliable and increasingly important supplier of energy.
- 2.3 Build and maintain alliances with key regional U.S. decision-makers and organizations (e.g., Alaska, Montana, Canadian/American Border Trade Alliance, Western Governors Association, Pacific NorthWest Economic Region, Council of State Governments).
- 2.4 Provide leadership and coordination for missions by the Premier and the Minister; advise on other ministerial missions; assess international travel risk for all Government of Alberta employee travel.
- 2.5 Provide strategic and policy advice to ministries and stakeholders on Alberta's international strategies for key countries and influence federal policy in these areas.
- 2.6 Provide leadership on initiatives with Alberta's 15 sister provinces (twinning), including support to the Advisory Council on Alberta-Ukraine Relations to enhance bilateral relations with Ukraine.
- 2.7 Develop strategically focused programs that showcase Alberta's strengths to foreign visitors to Alberta.
- 2.8 Advise Alberta ministries on the development of international government-to-government agreements that reflect Alberta's international objectives and priorities.
- 2.9 Design, implement and manage governance projects, particularly in priority countries, working with ministries, educational institutions, and private sector partners.

Washington Office

- 2.10 Raise Alberta's profile and stature among key U.S. decision-makers and influence-shapers and influence policy and legislative development by positioning Alberta as a key partner in economic cooperation and North American energy security.
- 2.11 Showcase Alberta's advantages as an excellent place to trade, invest and travel.
- 2.12 Contribute to the management of emerging issues related to Canada/U.S. integration.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
2.a Client satisfaction with services provided by International Relations. The survey is conducted every two years in December/January.	4.2 (2004-05)	4.0 out of 5.0	4.0 out of 5.0	4.0 out of 5.0
2.b Significant events/opportunities that advance Alberta's interests through the Washington, D.C. office.	75 (2005-06)	75	75	75
2.c International mission expenses of the Premier and Minister are posted on the department's website within 2 months of the mission's conclusion.	100% (2005-06)	100%	100%	100%
2.d Reports/narrative records from major international meetings and missions are reported in the Annual Report.	100% (2005-06)	100%	100%	100%

Core Business Three: Trade Policy

GOAL THREE

3

Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, internationally and domestically

What it means The Ministry strives to expand trade liberalization and foreign market access for Albertans through international trade and investment agreements, and to expand Canadian internal trade liberalization to promote the free flow of goods, services, capital and labour across Canada.

Strategies

- 3.1 Remove or reduce barriers to international trade and investment through direct negotiation. Participate with the federal government in international negotiations to ensure Alberta's objectives are addressed.
- 3.2 Remove or reduce barriers to internal trade, investment and labour mobility through direct negotiation with the federal government and other provinces and territories.
- 3.3 Pursuant to the direction of the Council of the Federation, develop a formal federal-provincial agreement that stipulates full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests.
- 3.4 Pursuant to the direction under the Alberta-B.C. Protocol of Cooperation, develop a comprehensive bilateral trade, investment and labour mobility agreement with British Columbia.
- 3.5 Manage government-wide implementation of the North American Free Trade Agreement (NAFTA), the World Trade Organization agreements, the Agreement on Internal Trade and other international and domestic agreements. Anticipate and prevent disputes.
- 3.6 Manage disputes and defend Alberta's interests under the North American Free Trade Agreement, the World Trade Organization agreements, the Agreement on Internal Trade and other domestic and international agreements. Lead Alberta's defence of and participation in softwood lumber negotiations to ensure Alberta's interests are preserved.
- 3.7 Coordinate Alberta's approach to deeper integration of North American trade policies (e.g., "NAFTA-plus", streamlined NAFTA rules of origin, customs area).
- 3.8 Coordinate Alberta's participation in the Agreement on Internal Trade and other domestic bilateral trade initiatives.

- 3.9 Coordinate Alberta's participation in World Trade Organization negotiations on issues affecting provincial jurisdiction (e.g., environment, labour, agriculture, competition and business regulation, trade remedies, and services) and in other regional and multilateral negotiations (e.g., Free Trade Area of the Americas, Asia-Pacific Economic Cooperation).
- 3.10 Work with other Alberta ministries to implement the trade policy component of Alberta's international strategy in a targeted, coherent manner.
- 3.11 Work with other Canadian governments to enhance domestic trade through bilateral and multilateral negotiations and other regional agreements, including through the Council of the Federation internal trade initiatives.
- 3.12 Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
3.a Client satisfaction with services provided by Trade Policy. The survey is conducted every two years in December/January.	4.3 (2004-05)	4.0 out of 5.0	4.0 out of 5.0	4.0 out of 5.0
3.b Reports/narrative records from major trade policy meetings are reported in the Annual Report.	100% (2005-06)	100%	100%	100%

Ministry Support Services

The Ministry's core businesses are enabled by an infrastructure of essential services that support department staff and business processes. Support services include information technology, information management, finance, human resources, communications, and administrative services. In some cases, staff providing these services are employed by other ministries or entities, but work under arrangements to provide services to the Ministry. The Ministry also provides financial, information technology, and administrative services to the Ministry of Aboriginal Affairs and Northern Development.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
Canadian Intergovernmental Relations	2,694	4,151	4,151	3,791	3,791	3,791
International Relations	3,749	4,064	4,064	5,213	4,213	4,213
Trade Policy	1,641	1,591	1,591	1,662	1,662	1,662
MINISTRY EXPENSE	8,084	9,806	9,806	10,666	9,666	9,666

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
REVENUE						
Other Revenue	7	-	4	-	-	-
MINISTRY REVENUE	7	-	4	-	-	-
EXPENSE						
Program						
International and Intergovernmental Relations	8,084	9,806	9,806	10,666	9,666	9,666
MINISTRY EXPENSE	8,084	9,806	9,806	10,666	9,666	9,666
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(8,077)	(9,806)	(9,802)	(10,666)	(9,666)	(9,666)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
Ministry Revenue	7	-	4	-	-	-
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Revenue	7	-	4	-	-	-
Ministry Expense	8,084	9,806	9,806	10,666	9,666	9,666
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	8,084	9,806	9,806	10,666	9,666	9,666
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(8,077)	(9,806)	(9,802)	(10,666)	(9,666)	(9,666)