# PROGRESS REPORT ON THE BUILDING A GREEN PRAIRIE ECONOMY ACT

#### www.canada.ca/en/prairies-economic-development

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# Minister's message

As Minister responsible for Prairies Economic Development Canada, I am pleased to present the first progress report on the *Building a Green Prairie Economy Act* and tell you how we are building on this work by introducing the Prairie Partnership Initiative.

First enacted in 2022, the *Building a Green Prairie Economy Act* set out to strengthen coordination among federal departments in the Prairie region, and to deepen partnerships with other orders of government, communities, industry, and Indigenous partners. Drawing on extensive public consultations, PrairiesCan developed the *Framework to Build a Green Prairie Economy* which reflects the priorities and aspirations of people living in the three Prairie provinces.

The Framework ushered in a new era of collaboration. It brought federal departments together to align investments, cut duplication, and tailor programs to Prairie opportunities. Since 2023, ten participating federal departments have invested more than \$7 billion across the region and advanced several priority projects that were identified as important to our region. In fact, in its leadership role, PrairiesCan exceeded its three-year \$100 million investment target in less than two years.

Through these investments, we are strengthening key sectors, expanding trade corridors, bolstering energy security, and advancing community economic development, economic reconciliation, and inclusive growth.

Starting in December 2025, PrairiesCan will be working to do even more to streamline how businesses and partners engage with our government through the new *Prairie Partnership Initiative* that will build on the solid foundation of the *Building a Green Prairie Economy Act* to supercharge cooperation among governments, industry, and communities to build on the early successes included in this report.

I want to thank colleagues across government, Indigenous leaders, businesses and entrepreneurs, and all community partners for their commitment and vision. Together, we are building a strong, diversified, and sustainable economy that benefits all Canadians. And when Alberta, Saskatchewan and Manitoba succeed, we all succeed.

The Honourable Eleanor Olszewski

Minister of Emergency Management and Community Resilience, and Minister responsible for Prairies Economic Development Canada

## Context

The *Building a Green Prairie Economy Act*, a successful Private Member's Bill passed into law in December 2022, mandated the Minister responsible for economic development in the Prairie provinces to consult with stakeholders and work with federal colleagues to develop, implement, and report on a framework for local cooperation and engagement with regional partners in the implementation of federal programs.

Prairies Economic Development Canada (PrairiesCan) held its largest consultations to date to develop the Framework. Input from over 500 organizations and respondents identified five areas for collaboration:

- Growing key regional sectors
- Effective movement of goods, people and information
- Expanding and capitalizing on clean electricity
- Community economic development
- Economic reconciliation and inclusive growth.

The resulting <u>Framework</u> was tabled in Parliament in December 2023. It was a call to action for building a prosperous, more sustainable, and inclusive economy in the Prairie provinces. It is also a commitment and road map for federal departments to work differently, by building stronger partnerships with diverse Prairie stakeholders and enhancing federal coordination to better deliver federal programming.

The *Act* also requires a progress report to be tabled in Parliament within two years of the December 2023 launch of the *Framework to Build a Green Prairie Economy*, then every five years thereafter. The following report highlights actions undertaken over the past two years and the progress achieved.

# The Prairie Economy

The Prairie Provinces are essential for realizing Canada's economic ambitions on the global stage. The region is well-positioned to supply growing global demand for copper, lithium, potash, uranium, and other critical minerals alongside agricultural products, with the region accounting for 80 per cent of Canada's farmland. The Prairies are also at the heart of Canada's ambition to become an energy superpower, producing over 90 per cent of our crude oil and 70 per cent of our natural gas. Prairie advanced manufacturing expertise includes zero-emission heavy vehicles, value-added agriculture, and energy products. The region is also home to innovators leading the way in areas like artificial intelligence, life sciences, and clean technologies.

The Prairies' success is also driven by its people and communities. The region has a young, engaged, diverse, and growing population. This includes nearly 40 per cent of Canada's Indigenous population and a growing Indigenous economy that accounts for over \$21 billion a year to gross domestic income. Alberta, Saskatchewan, and Manitoba are the only provinces with an average age under 40, with Calgary, Edmonton, and Saskatoon among three of Canada's fastest growing cities.

However, the region also faces significant challenges. The Prairies is Canada's most export-intensive region and the rapidly changing geopolitical landscape is weighing heavily on regional trade, investment, and labour markets. Climate change is impacting Prairie communities and industries alike, including increased flooding, drought, and wildfires. As we work to create a sustainable Prairie economy, there are also immense opportunities to combine emissions reductions with economic growth to ensure Prairie products remain internationally competitive well into the future.

# Bringing the Framework to Life

In addition to the seven federal departments named in the *Building a Green Prairie Economy Act*, three additional federal departments are working together under the Framework, including:

- Prairies Economic Development Canada
- Agriculture and Agri-Food Canada
- Environment and Climate Change Canada
- Finance Canada
- Innovation, Science and Economic Development Canada
- Natural Resources Canada
- Transport Canada
- Employment and Social Development Canada
- Indigenous Services Canada
- Housing, Infrastructure and Communities Canada

During our consultations, we heard that federal departments do not always understand Prairie realities or economic opportunities. Many stakeholders also highlighted the challenges of navigating federal programs and the lack of coordination between departments, as well as gaps in funding programs that do not adequately address medium-sized projects that are often too small or too large for traditional programs. As a result, even strong regional projects can slip through the cracks. We also heard that uncertainty and long lead times can be a challenge as transformative projects depend on support from multiple departments, provincial governments, and Indigenous partners.

To address these concerns, PrairiesCan has convened the Prairie Project Table to coordinate pathfinding, assessment, and investment decisions on strong regional projects. Federal officials from departments named in the Act participate in the Table alongside officials from a number of additional federal departments, including the Department of National Defence, Global Affairs Canada, the Canada Infrastructure Bank, and the National Research Council.

PrairiesCan committed \$100 million in core funding over three years, not only to seed the Prairie Project Table, but also to invest in projects aligned with the Framework. PrairiesCan is also coordinating regional visits where senior officials from other federal departments meet directly with key Prairie stakeholders to hear about the economic challenges they are facing, the opportunities they are pursuing, and ways to forge lasting partnerships. As a result, partner departments are also investing in numerous projects aligned with the Framework.

# **Advancing Prairie Priorities**

The ten federal departments collaborating under the *Framework to Build a Green Prairie Economy* are making progress on the five priority areas through departmental program investments and the Prairie Project Table. Since December 2023, these departments have invested over \$7 billion towards more than 21,000 projects across Alberta, Saskatchewan, and Manitoba. The examples below highlight key federal investments and partnerships with provincial governments, Indigenous Peoples, communities, industry, and workers. Some of these projects have since advanced and are now being further supported by the Major Projects Office (MPO).

#### Growing key regional sectors

The Government of Canada is actively engaging and collaborating with industry and provincial partners on projects that grow key regional sectors. This includes federal investment in <a href="Strathcona Resources">Strathcona Resources</a>' large-scale carbon capture projects, ongoing collaboration to unlock Prairies energy potential through the <a href="Pathways Plus">Pathways Plus</a>, and support for <a href="Foran Mining">Foran Mining</a>'s McIlvenna Bay project, which will be the nation's first carbon-neutral copper and zinc mine in Saskatchewan.

Through coordinated investments from the Province of Manitoba and the federal government, manufacturing jobs are being reshored through projects like <u>NFI Group</u>'s all-Canadian-build of hydrogen and electric buses in Winnipeg.

Going forward, businesses and workers will benefit from Canada's new supports for key Prairie sectors, including the <u>Strategic Response Fund</u>, <u>Critical Minerals Sovereign Fund</u>, and <u>Regional Tariff Response Initiative</u>.

#### Effective movement of goods, people and information

To help double non-U.S. exports over the next decade, the Government of Canada is strengthening trade corridors and services to diversify markets. For example, federal collaboration with Manitoba and Indigenous communities is supporting upgrades to the Port of Churchill and Hudson Bay Railway to open new potential markets through the Arctic. There has also been federal investment in Cando Rail's Sturgeon Terminal expansion to double shipping capacity for major producers in Alberta's Industrial Heartland near Edmonton.

Key projects such as these will continue to be supported through the new \$5 billion Trade Diversification Corridor Fund, First and Last Mile Fund, and Canada Infrastructure Bank.

Over \$1 billion in federal investments since 2015 have helped connect 92 per cent of households in the Prairie Provinces to high-speed internet. With new projects coming online soon, Canada is on track to achieve 100 per cent coverage by 2030. The new <a href="Sovereign Al Compute Strategy">Sovereign Al</a> Compute Strategy will also ensure researchers and digital industries have access to the cutting-edge computing infrastructure they need.

#### Expanding and capitalizing on clean electricity

The Government of Canada is collaborating with regional partners to build sustainable, affordable, and reliable electricity generation and transmission systems, with recent investments

in over 80 projects in capacity building and deployment worth over \$4.5 billion, with a generating capacity of 2,085 megawatts and energy storage capacity of 174 megawatt-hours since 2021.

Federal partners are collaborating and investing in projects to upgrade <u>Manitoba Hydro</u> infrastructure, support renewable energy initiatives in Manitoba, set the stage for small modular reactors with <u>SaskPower</u>, advance Indigenous-led developments like <u>George Gordon First Nation</u>'s solar farm, and scale-up Calgary-based <u>Eavor</u>'s geothermal technology.

Budget 2025 announced the <u>Climate Competitiveness Strategy</u> and plans for a Clean Electricity Investment Tax Credit that will include eligibility for provincial crown corporations. The <u>Smart Renewables and Electrification Pathways Program</u> is also working closely with Prairie Provinces to build cleaner electricity grids.

#### Community economic development

Canada is partnering with communities across the Prairies to unlock economic opportunities and build resilience. Recent projects include helping <u>municipalities and Indigenous communities</u> in east-central Saskatchewan prepare for the rapid growth from BHP's Jansen potash mine, supporting <u>Jasper</u>'s economic recovery efforts after a devastating wildfire, supporting community-led diversification efforts in Parkland County, Coronation, Paul First Nation and other traditional <u>coal communities</u> in Alberta and Saskatchewan and, working with local partners on innovative skills development pilots like the <u>Zero-Fee Tuition project</u> in Drayton Valley, Alberta.

<u>Build Canada Homes</u> has recently been launched to accelerate affordable housing projects across the country, including plans for Winnipeg's <u>Naawi-Oodena project</u> in partnership with First Nations. The new <u>Build Communities Strong Fund</u> will revitalize local infrastructure and include a stream for provincial priorities.

#### Economic reconciliation and inclusive growth

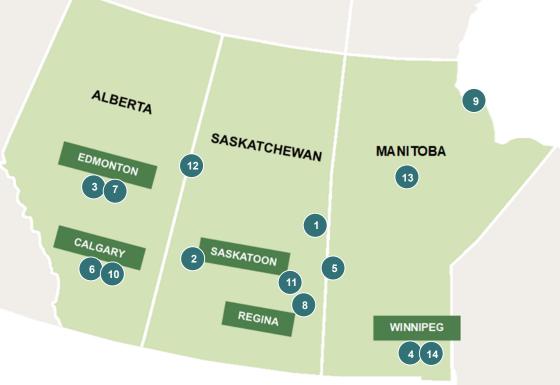
Increasing economic opportunities for First Nations, Métis, Inuit, and other underrepresented groups is a priority for the Government of Canada. The <u>Indigenous Loan Guarantee Program</u> has been doubled to \$10 billion to support Indigenous equity in major projects. The Canada Infrastructure Bank is also targeting \$3 billion for Indigenous infrastructure projects.

Canada is investing in projects like the <u>Manitoba Indigenous Critical Minerals Partnership Initiative</u> to support critical mineral opportunities for First Nation communities and workers. In collaboration with the Southern Chiefs' Organization, Manitoba, and the City of Winnipeg, Canada is also advancing revitalization and reconciliation efforts through investments in the landmark <u>Wehwehneh Bahgahkinahgohn project</u> and <u>Portage Place</u> to create affordable housing, community and cultural spaces.

Diverse entrepreneurs are also receiving dedicated services and funding through the expanded Black Entrepreneurship Program, Futurpreneur, Women Entrepreneurship Strategy, and the Prairie Business Service Network.

### Canada is supporting new economic opportunities across the Prairies

Examples of investments made since December 2023 that align with the Framework



Foran's McIlvenna Bay net-zero copper-zinc mine:

Canada is investing \$217 million through the Strategic Response Fund, Critical Minerals Infrastructure Fund, and Canada Growth Fund. Currently with MPO.

Strathcona Resources carbon capture partnership:

The Canada Growth Fund will contribute up to \$1 billion to help cut the company's oil sands emissions by two million tonnes per year.

- Growing Alberta's life science sector:
  The Strategic Response Fund is investing \$62 million in Entos
  Pharmaceuticals' new biomanufacturing hub and \$15 million in Northern RNA.
  - Clean manufacturing and transportation:

Canada is investing \$15 million in New Flyer Industries' all-Canadian build zeroemission transit buses.

Boosting value-added agriculture:
Sustainable Canadian Agricultural
Partnership agreements with the Prairie
provinces are supporting co-investments to
expand valued-added crop, livestock, food
and beverage, and ingredient production.

Growing the Prairies defence industries:

Canada is supporting regional defence and aerospace firms through investments like PrairesCan's support for Calgary's ConvergX.

Building a skilled workforce:
Through the Sustainable Jobs Training
Fund, ESDC is investing \$9 million in
Alberta Machine Intelligence Institute
(Amii) project to help workers gain Al
and machine learning skills for careers

in low-carbon economy.

- Accelerating clean electricity:
  Canada is helping strengthen grids and advance clean electricity opportunities with Prairie partners, including Manitoba Hydro, SaskPower, and Indigenous led projects like George Gordan First Nation's solar farm.
- Strengthening Churchill's northern trade corridor:

Transport Canada and PrairiesCan are investing \$175 million for upgrades to the Port of Churchill and Hudson Bay Railway. Currently with MPO.

Calgary International Airport expansion:

The Canada Infrastructure Bank and Prairies Can are investing \$180 million in YYC's partnership with Lufthansa to test and maintain next generation lowemission aircraft.

Connecting communities to major projects:

PrairiesCan is supporting a regional growth plan for communities and First Nations in the Humboldt region to plan for and participate in BHP's \$14 billion potash mine.

- Support for coal communities:
  Canada is working with 32
  communities in Alberta and
  Saskatchewan that depend on coal
  mining and generation, helping to
  diversify their local economies.
- Manitoba Indigenous Critical
  Minerals Partnership Initiative:
  Canada is supporting 15 projects
  to help Indigenous communities,
  businesses, and workers
  participate in mining, processing,
  and supply-chain opportunities.
  - Supporting Indigenous spaces and revitalizing downtown Winnipeg: Canada is collaborating with the Southern Chiefs' Organization, Manitoba, and the City of Winnipeg to advance revitalization and reconciliation efforts on the landmark Wehwehneh Bahgahkinahgohn project to transform the former Hudson's Bay building.

## Conclusion

The Government of Canada is committed to continuing to work with all orders of government, Indigenous Peoples, industry, and people who live and work on the Prairies to build an economy that is prosperous, diversified, and sustainable.

Since December 2023, PrairiesCan has exceeded its initial \$100 million commitment for project investments that align with the Framework. In addition, federal departments have invested over \$7 billion through their respective programs that are helping to realize new economic opportunities aligned with the Framework's priority areas.

Through the Prairie Project Table, PrairiesCan has developed a successful mechanism for high-impact prairie projects to be considered by multiple federal departments concurrently. This makes it easier for ambitious ideas to get started, cutting duplication and ensuring federal investments are tailored to Prairie priorities.

The Prairie Partnership Initiative is the next phase for supercharging the collaborative work started by the *Building a Green Prairie Economy Act*. It will expand the Prairie Project Table to make it easier for government partners and project proponents to work together to identify ambitious projects for pathfinding and co-investment to drive the Prairie economy forward in alignment with our government's core missions.

PrairiesCan will also coordinate its efforts with the Major Projects Office to support supply-chain development and community participation for existing major projects and incubate early projects that could one day become projects of national interest.

Our collaboration is just getting started. By working together, the Prairie economy will become stronger and more dynamic. Generational investment will build on key Prairie strengths, advance Indigenous economic reconciliation, and expand connections to domestic and global markets. Clean energy products and advanced technology will drive new economic opportunities and communities on the Prairies, large and small, will thrive.