

APPENDIX 3D

**GOVERNMENT
ENGAGEMENT
REPORT**



CBEC NOTE ON APPENDIX 3D

While the Global Public Affairs report provides considerable detail on potential strategies and key decision- makers, this work is largely speculative in nature; caution is warranted when utilizing this information to forecast future government actions and positions.

Government Relations Strategy Development

Prepared for: Calgary Bid Exploration Committee

May 2017

1.0 Objective

This document outlines the key federal and provincial considerations to inform the feasibility of a potential Calgary 2026 bid. This includes political and policy context, key timelines, and stakeholders for inclusion in the Calgary Bid Exploration Committee (CBEC)'s report to City Council.

2.0 Federal

2.1 Federal Context

From a federal perspective, much of the Trudeau government's focus on sports and commemorative events has hinged on Canada's 150th and related initiatives and programming at the centre of the 2017 sesquicentennial activities. Much of the Canada 150 planning and execution has occurred only in the last few months, and these activities have consumed large segments of Canadian Heritage and Sport Canada alike.

Outside of the 150th, the sport file is led by Carla Qualtrough, who also doubles as the Minister responsible for Persons with Disabilities. Minister Qualtrough is well-regarded by both her caucus colleagues and by external stakeholders. She is accomplished (a constitutional lawyer, former senior political staffer, former Paralympian, to name a few) and is respected both locally and internationally for her track record in sports and related organizations.

At a basic level, the Trudeau government has tried to establish itself as one which is supportive of sport, tying this into the pursuit of its other priorities such as: women's issues¹ physical health and well-being, First Nations and Indigenous community development, youth issues and urban renewal, to name a few².

In the 2017 federal budget, the government invested a new \$25 million into its Athlete Assistance Program – the first new injection of funds to this program since 2004. In a budget that was generally conservative in nature and without many large flagship expenditures (due to economic uncertainty at a national level, coupled with a lack of clarity as to the cross-border impacts of decisions yet to be rendered by the Trump administration), this sport investment stood out and was held up by the government, particularly Carla Qualtrough, as an expression of its commitment to sport in Canada.

Outside of Minister Qualtrough, there is also a strong bent within the Government Caucus towards professional/amateur sport and physical activity. In recent months, media has covered groups of MPs (across party lines) that have sprung up as amateur sport leagues – swimming, skating, skiing, etc. This is closely connected with the demographic of the current Parliament of Canada – a majority of Parliamentarians are young, physically active and engaged in sports to varying degrees.

¹ <http://pm.gc.ca/eng/news/2016/08/21/statement-prime-minister-canada-closing-rio-2016-olympic-games>

² <http://pm.gc.ca/eng/minister-sport-and-persons-disabilities-mandate-letter>

This collective of potential champions will need to be explored and fully leveraged by CBEC as it explores the feasibility of a Calgary bid. We do know that Mayor Nenshi and Prime Minister Trudeau discussed a Calgary bid for the 2026 games in late 2016 and while non-committal, the PM emphasized the necessity of having strong public support for a bid. For comparison sake, back in 2003, when polled, 64% of respondents in Vancouver were supportive of the city's bid for the 2010 Games vs. 36% who were opposed. The expectation is that the Government of Canada would need to see this kind of strong majority of support, prior to strongly getting behind a Calgary 2026 bid.

Budget 2017 also included a chapter titled “Building Strong Indigenous Communities,” which committed investments in several programs to support Indigenous culture, language, skills development, sport, historical preservation etc. Budget 2017 reads;

Budget 2017 proposes to invest \$18.9 million over five years, starting in 2017–18, and ongoing funding of \$5.5 million every four years thereafter, to support Indigenous youth and sport. This investment will increase support for culturally relevant sport programming for Indigenous youth and children at the community level. It will also help to strengthen Indigenous leadership and ensure the national sport system is more inclusive of Indigenous Peoples through training and collaboration with the National Sports Organizations. This investment will also establish stable, ongoing funding for the North American Indigenous Games—the largest sporting and cultural gathering of Indigenous Peoples in North America. This high-profile event brings together over 5,000 participants to participate in traditional and mainstream sporting events and allows Indigenous youth to develop and showcase their athletic abilities while celebrating their heritage.³

The House Standing Committee on Canadian Heritage (CHPC) has also agreed to undertake a study titled “Indigenous Participation in Sport.” This study has not yet begun and based on the Parliamentary and Committee calendars, it is not expected to begin until the fall Parliamentary session in late September or early October, 2017. This Committee is chaired by Hon Hedy Fry, Member of Parliament for Vancouver Centre. There are currently no Alberta based MP's on this Committee.

In addition, CHPC undertook a study between October, 2016 and February, 2017 titled “Canadian Women and Girls in Sport.” It was agreed to by Committee members that no more than seven meetings would take place on this study, of which five have taken place, and the purpose of the study was to “examine Metis, First Nation and Inuit participation in amateur and professional sport across Canada; consult with the directors of the North American Indigenous Games (NAIG) to find best practices on Indigenous participation in sport from across North America; make recommendations which will encourage increased participation in amateur and professional sport as well as increased fitness levels / health of Indigenous citizens, with a focus on youth; and report its findings back to the House.”⁴ A findings and recommendations report from this study has yet to be released.

2.2 Challenges and Opportunities

Opportunities:

- If deemed feasible, a Calgary 2026 bid could provide an opportunity to engage the federal government with a 'visionary' legacy initiative that it could get consistent mileage out of for

³ <http://www.budget.gc.ca/2017/docs/plan/chap-03-en.html>

⁴

<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=e&Mode=1&Parl=42&Ses=1&DocId=8729856>

the remainder of its mandate, and beyond. Similar to how past federal governments have played on the decision-making around a particular Olympics in Canada (Vancouver 2010, Calgary 1988) and then laid claim to their success when the Games were underway, even if that party were no longer in power, there is an opportunity here for the Liberals under Justin Trudeau to see an opportunity that, if leveraged properly, provides both short-term and long-term benefits.

- Potential support from the federal government could provide the Liberal government an opportunity to demonstrate its commitment to Alberta. The economic benefits to the city and province would need to be proven.

Challenges:

- As mentioned above, the Trudeau government tabled a 2017 budget that was risk-averse and relatively constrained, due to overall uncertainty about Canada's economic prospects in the short to medium term. Given that an Olympic bid, even if several years out, elicits comments and conversation about large expenditure, the government may feel challenged to support an initiative that takes away money and focus from its principal priorities as identified in the 2017 federal budget, including innovation and R&D, clean technology and digital industries, skills and training, support for First Nations and Indigenous people, youth engagement – as much as some of these could be reflected in a Calgary 2026 bid. These priorities can generally be applied nationally as opposed to regionally, therefore Calgary should be as competitive as anywhere else in the country to secure support and access funding for initiatives that take these into account.
- While sport issues do make up a significant portion of Minister Qualtrough's priorities, she is even more focused on physical disability and accessibility issues, which form the other part of her portfolio. There will be a need to cultivate a range of influential champions for a Calgary 2026 bid – within Cabinet, within the broader Liberal Caucus, within the senior levels of the bureaucracy – for this to gather momentum in Ottawa.

2.3 Key Messages

To be aligned with Communications Plan.

2.4 Government Influencers

Department	Official	Rationale
Canadian Heritage	Minister Carla Qualtrough	Minister responsible for sport issues; former Paralympian with strong ties to Paralympic/Olympic networks and executives, both in Canada and internationally.
Canadian Heritage	Matt Stickney Chief of Staff to Minister Qualtrough	Matt is the Minister's most senior advisor; originally from Western Canada (BC) with long-established ties in the Liberal Party.
Canadian Heritage	Kristina Molloy Director of Policy, Minister's Office	A senior advisor to Minister Qualtrough (currently on leave for medical issues); comes with extensive background in sport – Kristina was a senior official with the Toronto 2015 Parapan Games and has also worked with the Rick Hansen Foundation. She held a consulting role with the London 2012 Olympic Games and was the Manager, Paralympic Games with the Vancouver 2010 Committee.
Canadian Heritage	Marie-Genevieve Mounier	Marie-Genevieve is responsible for all policy decisions and advice on major sport events and public commemorations (includes all ceremonial

	Assistant Deputy Minister, Sport, Major Events and Commemorations	and protocol responsibilities). Martin Boileau, the long-time Director General of the Sport Canada branch, has recently taken a medical leave. Another key official in this group is Michael McWhinney (Executive Director, Hosting Program and Federal Secretariat).
Canadian Heritage	Minister Melanie Joly	While the sport portfolio does fall to Minister Qualtrough, it is still important to engage Minister Joly as the senior Heritage Minister, and to secure her support for a Calgary 2026 bid. Minister Joly is highly influential at the Cabinet table and would be very valuable as a champion.
Sport Canada	Patrick Borbey Associate Deputy Minister (outgoing)	The Associate DM at Canadian Heritage is ultimately responsible for the sport component of the portfolio. Borbey has recently been announced as the new President of the Public Service Commission, and his replacement has not been named. To be monitored.
Privy Council Office	Ian McGowan Deputy Secretary to the Cabinet (Governance)	The Deputy Minister supporting Cabinet on all matters of operations and governance, including major government and public events.
Privy Council Office	Allen Sutherland Assistant Secretary to the Cabinet (Machinery of Government)	This group in PCO (the PM's department) advises on all matters of major public events and protocol.
Prime Minister's Office	Katie Telford Chief of Staff to the PM	At a point, the Calgary 2026 bid will need to be addressed directly with Katie, the PM's most senior advisor.
Prime Minister's Office	John Zerucelli Director of Operations	John manages all aspects of the PM's operations and tour, including on questions of protocol and public events.
Prime Minister's Office	Tim Krupa Special Assistant, Policy	Tim is responsible for the sport file in the Policy group at PMO.
Prime Minister's Office	Jessie Chahal, Prairies Desk	Jessie is originally from Calgary (graduated from UofC in 2012) and is the PM's primary stakeholder liaison for Western Canada.
Finance Canada	Richard Maksymetz Chief of Staff to Minister Bill Morneau	Richard is originally from Alberta and is one of the Trudeau government's principal advisors writ-large on Western Canadian issues. Previously worked as a senior advisor in the Christy Clark government.
Finance Canada	Michelle Kovacevic Assistant Deputy Minister, Social Policy	Michelle is the most senior official at Finance responsible for all social policy expenditures and investment review, including sport. She is an athlete and has competed in sport previously.
Infrastructure Canada	Minister Amarjeet Sohi	Important to engage as Minister of Infrastructure, but also as an Alberta MP
Infrastructure Canada	Gurpreet Vinning Western Desk, Minister's Office	Gurpreet is the primary point of contact for all capital infrastructure asks in the Western provinces (including Alberta); he is originally from BC.

Infrastructure Canada	Nathalie Lechasseur Director, West Region	Nathalie leads the team that advises the Minister and his office on all capital requests from Western Canada. This group manages the project assessment and due diligence process for every project coming to the department seeking funding.
Other	Shoaib Rasheed Ministers' Regional Office, Calgary	Shoaib has recently been hired to staff the MRO in Calgary; need to engage as a key local champion for a Calgary 2026 bid.

2.5 Third-party stakeholders

Initial list would include Sport Matters, key corporate/government relations executives at the major Olympic sponsors (Coca Cola, McDonald's, Dow, GE, Panasonic, Samsung, Toyota, etc).

2.6 Key dates

Date	Event	Description
Fall 2017	Final recommendations expected from federal review of sports funding	Announced in late 2016, the federal government engaged external review of sport funding (including Own the Podium) to assess effectiveness and determine go-forward. Findings expected in coming months.
Fall 2017	Fall Economic Statement from Finance Minister Bill Morneau	Annual event – the 2017 Fall Economic Statement expected to resemble more of a mini-budget – could provide vehicle for announcement.

3.0 Provincial

3.1 Provincial Context

There are several important considerations at the provincial level that help to build the context behind a potential bid for the 2026 Olympics.

The Government of Alberta is fresh off its 2017-2018 Budget announcement, where Finance Minister, Joe Ceci outlined the budget priorities of the province over the next year. While showing modest signs of improvement, the economic reality is that the province is facing record levels of unemployment and ballooning debt levels as they continue to try and sustain most front line services and social programming, with declining resource and corporate tax revenues. On March 16, Minister Ceci announced the budget deficit for the next fiscal year at \$10.3 billion and an infrastructure deficit up to \$16 billion with plans to lower government spending moving forward.

Calgary as the potential host city, has been particularly affected by the provincial downturn. Corporate vacancies have risen to over 30% in the downtown core and unemployment has risen to over 10% as businesses have downsized. As a by-product of the economic struggles Calgary has faced, organizations across different sectors are seeking additional support from the provincial government in the form of operating grants and funding for capital infrastructure projects. These

conditions have made the request for financial support and investment under the province's capital plan an extremely competitive space.

The infrastructure priorities of the province have shifted in response to the collapsing resource economy. As noted in the Department of Infrastructures 2017-2020 Business Plan, the plan writ-large is to support the Alberta Jobs Plan. Specific investments in green infrastructure are being made towards combatting climate change and encouraging investment in renewable energy technologies and waste reduction, strengthening asset management practices, and aligning business with environmental smart practices.

Underpinning the commitment to green infrastructure, is the government's aim to safeguard provincial assets through a life-cycle approach to existing infrastructure. The primary strategic objective of the department is to preserve assets by repurposing existing buildings where possible to decrease the carbon footprint of the province, while addressing the infrastructure deficit in the long-term.

The investment objectives of the province coupled with a challenging fiscal reality suggest that the IOC's Agenda 2020 will be the strongest plank to demonstrate the alignment of the priorities of the Bid Exploration Committee and the government.

Alongside the Infrastructure Business Plan, the Culture and Tourism portfolio released its 2017-2020 Business Plan, outlining its strategic objectives over the next four years. The government has been clear about building the province's culture and tourism industry, not only recognizing it as a key component behind civic pride, but also as a tool to grow the economy in the face of declining commodity prices in the oil and gas sector. The Ministry has been directed to grow this industry in step with the government's wider agenda towards economic diversification in the province. This presents a hook for any organization seeking government support for a large-scale event with Alberta tourism implications, but must be understood in the context of the priorities of other departments.

On Calgary 2026 specifically, the government has not formally articulated any kind of messaging surrounding the possibility of a bid, nor have they instructed its members to communicate on the feasibility of a bid. However, they have explicitly communicated through the Department of Infrastructure concerns surrounding the reductions in government spending to reduce deficits noting the risks it poses to the delivery of the capital plan. Understanding the financial pressure on the province's capital plan, and the governments efforts to lower spending, provides important context in determining the feasibility of a bid and the likely position of the government on it.

3.2 Challenges and Opportunities

Opportunities:

- Agenda 2020 is aligned with the government's priorities on the repurposing of existing facilities to save on cost.
- The government has yet to communicate a position on the feasibility of a bid, which poses an opportunity to provide fact-based information to decision makers.

Challenges:

- The government is sensitive to its fiscal situation. There is already a significant spending on infrastructure projects (with more requests to government in the pipeline) and a record budget deficit. The government will be sensitive to any public push-back to a potential bid.
- The poor economy has made requests for government financial support a very competitive space.
- The government has yet to communicate a position on the feasibility of a bid. Formal process may not be decided which will affect CBEC's line of sight on government involvement through the bid process.
- The province will be challenged to manage the expectations of a possible large request from Calgary while being mindful of the impact of attention turning away from other priorities and geographies in the province.

3.3 Key Messages

To be aligned with Communications Plan.

3.4 Government Influencers

Ministry	Official	Rationale
Office of the Premier	Hon. Rachel Notley Premier	The Premier is the head of the Alberta government and President of Executive Council. She is the most important political personality in the province.
Office of the Premier	John Heaney Chief of Staff	Heaney is the senior-most political advisor to the Premier. He is the most influential stakeholder in the administration of the government's political strategy. His opinion is highly valued by the Premier.
Premier's Southern Alberta Office	Anne McGrath Executive Director	McGrath is second only to the Premier's Chief of Staff in terms of influence on the outward operation of the government. Headquarter in Calgary, she oversees all stakeholder relations in the southern region of Alberta. She has a close personal relationship with the Premier.
Executive Council	Lora Pillipow Deputy Secretary	As Deputy Secretary to Executive Council, Pillipow manages the execution of strategic priorities downloaded to her from the Premier and her cabinet.
Finance/Treasury Board	Hon. Joe Ceci Minister	As head of the Treasury Board and Minister of Finance, Ceci is the senior-most person in government in charge of executing the province's spending priorities across all Departments. He is a senior Calgary-based MLA and important member of cabinet.
Finance/Treasury Board	Graham Mitchell Chief of Staff to Minister	Mitchell is the senior-most political advisor to Minister Ceci. Mitchell is also widely recognized as the most senior political staffer outside of the Premier's Office. He has a long history supporting the NDP across the country.
Finance/Treasury Board	Lorna Rosen Deputy Minister	As Deputy Minister, Rosen is the senior-most bureaucrat in the Department. She is in charge of executing the direction of the Minister and government.
Culture/Tourism	Hon. Ricardo Miranda Minister	Miranda leads the Culture and Tourism portfolio in Alberta. As Minister, he sets the strategic

		direction of the ministry and reports directly to Executive Council, of which the Premier is the head.
Culture/Tourism	Lisa Blanchette Chief of Staff to Minister	Blanchette is the senior-most political advisor to the Minister and is the chief administrator and manager of his office. Blanchette acts as the primary liaison between the Minister's Office and the upper levels of the bureaucracy.
Culture/Tourism	Meryl Whittaker Deputy Minister	New to the role, Whitaker acts as the head of the Culture and Tourism department and is the senior-most advisor to Minister Miranda in the bureaucracy. Whitaker executes the strategic direction of the Minister and the government.
Culture/Tourism	Chris Heseltine Assistant Deputy Minister, Tourism	As the ADM in charge of the Tourism branch of the department, Heseltine crafts and executes the province's direction in terms of its tourism priorities.
Culture/Tourism	David Link Assistant Deputy Minister Heritage	As the ADM in charge of the Heritage branch of the department, Link crafts and executes the province's direction in terms of its heritage and culture priorities.
Indigenous Relations	Richard Feehan Minister	Feehan leads the Indigenous Relations portfolio and represents the Government of Alberta to the province's First Nations bands. As Minister, he is in charge of leading and executing the government's priorities and plans for indigenous populations, as well as upholding the law as it pertains to treaty agreements.
Indigenous Relations	Phil Johnson Chief of Staff	Johnson is the senior-most political advisor to the Minister and is the chief administrator and manager of his office. Johnson acts as the primary liaison between the Minister's Office and the upper levels of the bureaucracy.
Indigenous Relations	Donovan Young Deputy Minister	Young acts as the head of the Culture and Tourism department and is the senior-most advisor to Minister Feehan in the bureaucracy. Whitaker executes the strategic direction of the Minister and the government.
Indigenous Relations	Stan Rutwind Assistant Deputy Minister, Consultation and Land Claims Division	Rutwind liaises with band organizations and directs all consultation around land claim disputes.
Infrastructure	Hon. Brian Mason Minister	Mason leads the Infrastructure portfolio in Alberta. As Minister, he sets the strategic direction for the province's Capital Plan and aligns the infrastructure priorities of each of the portfolios with the wider government's. He is a long-time serving NDP MLA and very influential in cabinet.
Infrastructure	Peter Dalla-Vicenza Chief of Staff	Dalla-Vicenza is the senior-most political advisor to the Minister and is the chief administrator and manager of his office. Dalla-Vicenza has a long history serving New Democratic governments and is one of the most

		senior staff members outside of the Premier's Office.
Infrastructure	Shannon Flint Deputy Minister	Flint acts as the head of the Infrastructure department and is the senior-most advisor to Minister Mason in the bureaucracy. Flint executes the strategic direction of the Minister and the government including oversight of the development of the province's Capital Plan.
Environment and Parks	Hon. Shannon Phillips Minister	As Minister, Phillips is the head of the Alberta Parks Department and is a senior member of the government's cabinet and a high profile NDP MLA. She is very vocal on a range of issues.
Environment and Parks	Brent Dancey Chief of Staff to Minister	Dancey is the senior-most political advisor to the Minister and is the chief administrator and manager of her office.
Environment and Parks	Steve Donelon Assistant Deputy Minister, Parks Division	As ADM of the Parks Division, Donelon will work to execute the priorities of the government on the management of the parks department. His vision and opinion will be very important in understanding how an Olympic bid would involve the government via the parks department.
MLA Banff-Cochrane	Cameron Westhead	Westhead is the MLA for the riding Banff-Cochrane, which would potentially be the location for a number of alpine/mountain events. He should be engaged as part of a broader caucus outreach program.
Opposition	Brian Jean Leader of the Official Opposition	As Leader of the Opposition, Jean is in charge of holding the government to account across a range of issues. The Wildrose are a party built on low spending and balanced budgets. It will be important to understand their position on a possible bid.
Opposition	Derek Fildebrandt Finance Critic	As Finance Critic, Fildebrandt is primarily focused on the spending priorities of the government. He is a very vocal member of the Opposition.

3.5 Third-party stakeholders

To be determined.

3.6 Key dates

Date	Event	Description
June 1, 2017	Alberta legislature rises for the summer	Cabinet members tour the province for pre-budget consultations and MLAs return to their constituencies to meet with the public. This presents opportunity for CBEC to engage with government officials around process.
Late Summer 2017	Capital Plan considerations	General time for capital plan priorities to be filed by each ministry to the infrastructure department.

October 16, 2017	Civic elections	
October 30, 2017	Alberta legislature resumes Fall session	Members of the Legislative Assembly return to the fall session to continue their legislative agenda and committee work.