



29 September 2015

Honourable Allen Roach
Minister of Finance
Government of Prince Edward Island
2nd Floor, Shaw Building
PO Box 2000
Charlottetown, PE C1A 7N8

Dear Minister Roach,

I have been honoured to welcome you back to Cabinet and to your new role as Minister of Finance, and for the collaborative work we have begun in the past few months. Together, we will work to fulfill the trust that Islanders have placed in us to lead with integrity and purpose, as we build a prosperous, caring and engaged society for the people of Prince Edward Island. We have a clear and coherent plan to enhance PEI's quality of life, to advance our economic growth, and to build strong community across our Island, as outlined in the Speech from the Throne, and your Department will play an important part in achieving those goals.

As a Government, we are committed to openness and transparency, and to the highest standards of ethical conduct in our decision-making and governance processes. We will be accountable for our actions, and we will increase opportunities for Islanders to engage in shaping our future path and in carrying out the work of Government. You and your colleagues play a crucial role in fulfilling those commitments.

I look to you to ensure adherence to the strengthened measures that are being put in place for expense disclosure by Ministers and senior officials; to be frugal in conducting your duties; to deal with citizens and clients in a fair, transparent and balanced way; and to ensure open, merit-based processes for hiring and board appointments within your area of responsibility.

I also encourage you to commit to making sure that Prince Edward Island Government services can be easily accessed by our citizens, community groups and businesses. As we work internally and with regional governments to reduce unnecessary regulation and improve service delivery, I welcome your ideas and leadership.

.../2

Honourable Allen Roach

September 29, 2015

Page 2

Our work over the coming term of office will be shaped by our commitments to the people of Prince Edward Island as set out in our campaign document, *Let's Work Together!* We have set out a plan to build a prosperous economy, achieving growth above national averages, and develop a stronger society through the three integrated priorities of people, prosperity and engagement. Working across Cabinet, Government and community, we will strive to put in place the best supports for all Prince Edward Island residents, to allow them to meet challenges and to flourish as individuals and families. We will create more opportunities for business, trade and jobs. And we will strive to put Prince Edward Island on the map as an innovative leader.

I look to you to help our Government achieve these goals by taking action to ensure the necessary fiscal management, including the active attention to our success in meeting projected revenue and expenditure targets. You will work with all your Cabinet colleagues to ensure that our various management plans are on target.

The Department of Finance is entrusted to manage our objective of achieving and maintaining budget balance, and to provide direction across Government on the management of fiscal, human and capital resources in a prudent, transparent, and accountable way. Working with your Deputy Minister, your principle aims are to ensure fiscal responsibility and responsiveness to changes where economic conditions arise or opportunities arise.

In this context, I ask to you place particular priority on the following areas:

- Work with all Departments to ensure we meet our budgetary objectives for fiscal 2015-2016 and setting the course for full balance in 2016-2017;
- Lead the stewardship of Government finance, including effective expenditure management and close revenue tracking, against targets set in the annual fiscal plan;
- Ensure overall financial accountability and attention to structural changes which affect the PEI economy and the fiscal plan;
- Protect our current credit rating;
- Provide guidance and ensure fiscal accountability for any collective agreements to be signed, and notably the Master Agreement with PEI Physicians and the PEITF Agreement;

.../3

Honourable Allen Roach

September 29, 2015

Page 3

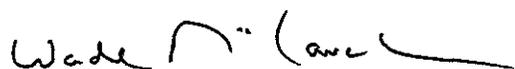
- Working with the Departments of Communities, Land and Environment; and Transportation, Infrastructure and Energy, lead the development of a new funding system for municipalities on PEI; and
- Contribute to the work of the Board of Economic Advisors.

Your leadership work can and will only be accomplished through active engagement with many Government and economic partners. To this end, I expect you to work closely with your provincial and territorial counterparts, and especially those in Atlantic Canada, as well as the Federal Government, to ensure fiscal plans are consistent with economic conditions and collaborative opportunities.

I also look to you to develop and maintain effective, trusting relationships with your Deputy Minister and departmental officials. Our dedicated and professional public service is vital to the attainment of our goals as a Government, including careful, prudent management to achieve our commitment of a balanced budget in 2016-17. Your Deputy Minister is your primary source of support in achieving your responsibilities as outlined above. Within this context, your Deputy Minister is ultimately accountable to me, through the Clerk, for supporting you in a manner consistent with the duly-approved policies of Government, and the overall agenda and direction of Government. I ask you to bear these dual accountabilities in mind as you continue to develop your working relationship with your Deputy.

These are exciting times for Prince Edward Island. I am confident that, working together, we will make great strides to fulfill the potential and opportunities of our Province and our residents and ensure that we can face the future strong, proud and optimistic.

Sincerely,



Wade MacLauchlan

Premier

c: David Arsenault, Deputy Minister