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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Terre- Neuve et Labrador | 40e | 1ère | Discours du Trône | 25 avril 1985 | William Anthony Paddon | Lieutenant Gouverneur | PC |

It is my privilege and pleasure to welcome you to this First Session of the Fortieth General Assembly of the Province of Newfoundland.

To Members who have recently won re-election to this Honourable House -- welcome back. To those Members who are newly-elected -- I wish you success and fulfillment in your pursuit of the people's business.

In my address to you on March 12 of last year I indicated that "...my Government remains convinced that an offshore agreement which is fair and equitable to Canada and to this Province can be achieved. Both as Canadians and Newfoundlanders we continue to give the highest priority to the realization of such an agreement. An offshore agreement which recognizes the legitimate rights of both the Federal and Provincial Governments will result from an act of political will on both sides. Traditionally, this kind of matter has been settled in Canada by negotiation, not by litigation. My Government is convinced that this is the way Confederation is intended to work and remains confident that a negotiated agreement will be achieved."

It gives me a great deal of pleasure, therefore, to inform this Honourable House that my Government signed an agreement with respect to the offshore with the Government of Canada on February 11 of this year. This agreement, called The Atlantic Accord, covers the sharing of management powers and the sharing of petroleum revenues from the 700,000 square miles of our Province's continental margin. The basis of my Government's agreement with the Federal Government is the equality of both Governments in the management of the offshore and the equality of treatment of our Province with other petroleum-producing provinces with regard to the collection of oil and gas revenues. In effect, the offshore agreement provides the Province with the ability, over time, to become a full and equal partner in the Canadian Federation.

The discovery of the Hibernia oilfield in 1979 greatly raised the hopes and expectations of the people of Newfoundland and Labrador. After centuries of deprivation and hardship, after generations of mismanaged opportunities, another potential avenue to prosperity had appeared on the horizon. I say potential because at the time the ownership of the petroleum resources on the continental margin was both an open legal and political question. While my Government had been and was continuing to prepare a legal case for ownership to be argued in the courts, my Government nonetheless stated its preference for a negotiated settlement of this matter. Indeed, the Clark Administration in Ottawa had agreed to pass over ownership to the Province without court action but that Administration was defeated before it could implement this policy. The newly re-elected Trudeau Administration then stated that it was willing to put the question of ownership aside and offered negotiations on joint management and revenue-sharing. What followed were years of trust betrayed, acrimonious debate and eventually, court action. In the final analysis, all negotiations failed and my Government lost its bid for ownership in the Supreme Court of Canada just a few days prior to my address to this Honourable House last year.

Mr. Speaker and Members of the Honourable House of Assembly:

My Government's loss in the Supreme Court of Canada occurred near the end of a particularly difficult and contentious period in the history of our Nation. Shortly thereafter, a national election propelled a new Administration into office with a mandate to renew the co-operative and consultative aspects of our national life. In this spirit, my Government entered into negotiations with the new Federal Government with a view to reaching a settlement on the matters of offshore management and revenue-sharing. As I stated earlier, an agreement to this effect was signed on February 11 of this year.

This agreement makes my Government an equal partner in offshore management by affording it equal representation with the Federal Government on a joint Board that will manage offshore development.

The agreement gives the Province the right to establish and collect offshore royalties on the same basis as other producing Provinces in the Nation. The agreement also provides that there will be no dollar-for-dollar loss of equalization payments when these offshore revenues begin to flow to the Province. Rather, the agreement provides for a generous phase-out of equalization, one that allows the Province to catch up socially and economically with the rest of Canada.

The agreement provides my Government with the right to decide on the mode of development so as to maximize local employment and business opportunities. My Government favours the use of fixed concrete platforms in offshore development and our control over the mode of development will ensure that we will be able to pursue our aims in this regard.

The Province's social legislation, including legislation relating to local preference and protection of workers, will apply to the offshore.

A development fund of $300 million will be set up, of which $225 million is a direct Federal grant. The Offshore Development Fund will be expended carefully over a period of five years to enable the Province to prepare for and take greatest advantage of offshore activity.

This agreement will be sanctioned by laws of the Parliament of Canada and this Honourable House. In this regard, my Government will shortly be placing such a Bill before this Honourable House for your consideration and debate. Not only will the offshore agreement be protected in law, but the agreement also provides that none of the laws and regulations pertaining to it can be changed without mutual consent. Furthermore, the Government of Canada has consented to place the Agreement in the Constitution of Canada if the required number of Provinces agree.

Mr. Speaker and Members of the Honourable House of Assembly:

The points just outlined form the core of an offshore agreement of which we can all be proud -- an agreement that was worth fighting for -- an agreement that was worth the wait.

After years of struggle, we again have at our disposal a tool with which to make our Province and its people proud and prosperous contributors to the Canadian Confederation. We have, however, had such opportunities in our all too difficult history. We have proven that having the power to do great things is not enough. We must now take up the difficult task of using our new-found power wisely and compassionately so as to ensure that citizens in all areas and all economic sectors of our Province benefit from offshore development. This is a task as large and as important as the attainment of the offshore agreement itself. This is a task to which my Government pledges its undying efforts, a challenge in which all our people are invited to participate.

The offshore agreement signals the beginning of a new era for the Province of Newfoundland and Labrador. I am confident that we shall rise to the challenge that it presents and that through it, we shall forge a brighter future for ourselves and our children.

Mr. Speaker and Members of the Honourable House of Assembly:

Over the past several years the Province's fishing industry has been characterized by considerable instability, especially in respect of its overall economic performance. Notwithstanding this consideration, the fishing industry remains the principal employer within our Province and has a very pervasive impact on the Province's economy, especially in rural Newfoundland and Labrador. It can be stated that a combination of factors have impacted on the industry' s performance during this period. Factors internal to the industry such as labour-management relations, working capital deficiencies, and a high leverage debt position have had a significant negative impact on overall industry profitability. Factors external to the industry such as relatively depressed markets, foreign exchange fluctuations and unstable interest rates have also had an adverse impact on most sectors of the industry.

From my Government's perspective, the financial restructuring related to the offshore sector of the industry leading to the establishment of Fishery Products International represented direct co-operative action by both orders of government to establish the industry on an on-going stable basis. Since this company accounts for approximately sixty percent of the industry's output it is clearly evident that the company's future performance will have a major influence on the performance of the industry at large, especially in the context of industry viability and employment stability. Recent additions to the Company's management and the Company's Board of Directors provide the focus around which the Company can be established on a solid corporate basis and play a vital role in the Province's economy.

My Government has already made a major financial commitment to Fishery Products International and it can be anticipated that additional commitments will be required. In this context, my Government, in concert with the Federal Government, is addressing a number of issues related to the Canada/Newfound- land Fisheries Restructuring Agreement. I would remind Honourable Members that it was only at the insistence of my Government that this Agreement provided that all fish plants remain open, that all communities be given a chance to prove that they could support productive and viable enterprises. My Government remains strongly committed to the spirit and letter of the Restructuring Agreement and this sense of commitment will guide us in our dealings on this important matter.

While the offshore fishery has been the subject of much public debate over the past couple of years, my Government wishes to remind Honourable Members that our commitment to the inshore fishery is both extensive and ongoing. First of all, Fishery Products International itself runs about 30 inshore plants and we support their continued operation. Second, the Province has guaranteed loans and made operating monies available of up to $20 million to 22 smaller inshore plants around the Province. My Government also owns and leases approximately 50 fish processing facilities and runs 5 plants in Labrador; all of this in support of the inshore fishery. Dollar for dollar, job for job, this has been a very wise investment by my Government for, by and large, these small and medium-sized plants have not only stabilized employment in their respective communities, but also have done relatively well financially.

My Government has also been a strong supporter of the resource short plant program. This has been a key factor in maintaining employment levels over a longer period of time in communities dependent on so-called seasonal plants. While the resource short plant program has had its growing pains, my Ministers remain committed to the concept and will continue to work with the Federal Government to improve its effectiveness.

My Government has spent millions to upgrade marine service centres and building baited-gear holding units, regional ice-making facilities and other facilities for the benefit of inshore fishermen. Indeed, my Ministers hope to see all our programs related to marketing, quality upgrading and secondary processing oriented even more towards the inshore sector. As well, my Government has started a new program of aquaculture or sea farming and is experimenting with new technologies which will enhance our inshore and middle distance fleets.

My Ministers announced on March 20th last that they had reviewed the licensing policy with regard to existing inshore plants. While my Government is not willing to see the number of inshore plants increase, it has decided to accept applications from existing plants for expansion and modernizations where sufficient private and public sector funds exist to insure ongoing or increased economic viability. This policy change will not add to the existing overcapacity in fish plants but will rather increase the viability of the existing inshore fishery.

The motivating force behind all these policies is simple -- the inshore fishery is vital to hundreds of communities in this Province. It is the single most important industry. It will take a lot of money and hard work to help it through today's rough times to a day when it can attain its true potential. That is not a pipe dream but a practical and sensible objective.

Mr. Speaker and Members of the Honourable House of Assembly:

Now that the offshore agreement has been signed and now that the fishery restructuring process is well underway, my Government is in a position to turn its attention to one other long outstanding issue. The Upper Churchill power contract and other hydro power issues have been a considerable source of concern to my Ministers and has for some time aggravated the state of relations with our sister-Province of Quebec. This winter, in particular, has highlighted the terrible tragedy that is inherent in the Upper Churchill contract. While our citizens suffer under the weight of increasingly higher electric bills, whole sections of the North American continent enjoy relatively inexpensive hydro power because of the Upper Churchill contract. This Province has now developed all of the feasible on-island hydro sites and we are becoming increasingly dependent on expensive oil-fired electrical generation.

The solution to this on-going problem is quite simple -- we need access to a larger block of inexpensive power from the Upper Churchill project.

My Government has been heartened by recent statements by the Prime Minister of Canada which indicate that he personally, and the Federal Government generally, are now willing to become involved in helping us resolve our long-standing problems with Quebec. Indeed, my Ministers are gratified to hear that the Government of Quebec itself has expressed a renewed interest in co-operative Federalism. With new and positive attitudes developing in Ottawa arrangements can be arrived at with respect to the whole issue of Labrador hydro power. If substantive changes can be made to the Upper Churchill contract, then my Government is only too willing to discuss with our sister Province the possibility of joint co-operative development of a number of other rivers that transverse our common border.

In this light, my Government will soon be making new initiatives on the whole issue of Labrador hydro power. My Ministers are confident that the renewed spirit of Federal/Provincial co-operation which now abounds in our Nation will, in the near future, lead to a fair and just resolution of this long outstanding problem between ourselves and Quebec.

Mr. Speaker and Members of the Honourable House of Assembly:

The value of mineral production reached an estimated $993 million in 1984 and is expected to exceed $1 billion in 1985, marking a return to levels not seen since 1981. The increase in value is indicative of a considerable recovery in our mineral industry, most notably in iron ore production. The value of iron ore production in 1984 reached an estimated $867 million and employment in Labrador West stabilized, with small seasonal variations.

Assistance is being provided under the Burin Peninsula Development Fund and through the Newfoundland Industrial Development Corporation to St. Lawrence Fluorspar Limited to open a new fluorspar mining operation at St. Lawrence. Work has already started on the construction of a new fluorspar mill and in the infrastructure needed to start mining again in St. Lawrence. The new mining and milling operation will create up to 150 direct jobs.

Another example of the ability of my Government to have meaningful input in the development of the Province for the benefit of its people is the reactivation of the asbestos mine in Baie Verte. When conditions were very bleak for that area of the Province, my Government moved to reclaim the assets and provide financial assistance, along with the Government of Canada, in order to permit the new owner to revitalize its operations.

In southwestern Newfoundland, there are two very interesting gold deposits, the Cape Ray deposit northeast of Port aux Basques and the Chetwynd deposit near Grand Bruit.

During the 1984 field season, New Ventures Equity Limited did over 700 feet of underground development on the Cape Ray deposit, and successfully proved the reserves at about 600,000 tonnes. The company completed a feasibility study in midlanuary, 1985, which is now being assessed.

My Government is hopeful that viable mining operations will result from these new discoveries.

Another gold discovery of great interest is one made in Labrador in 1984 by Geologists of my Government's Department of Mines and Energy. When data about this discovery was released in February, 1985, it caused a staking rush in the eastern Labarador region around Makkovik which I expect to result in significant company exploration in 1985.

In 1979, the Iron Ore Company of Canada discovered a major deposit of rare earth and rare metal minerals in northern Labrador, about 150 km west of Nain along the border with Quebec. The Company has indicated that the deposit contains at least 25 million tons with potential for more based on drilling results. These are high value commodities that have developing markets,

especially in Japan and the United States. The Company is investigating potential market demand as well as various possible modes of development.

The mining industry, therefore, has stabilized with regard to production and employment levels. My Government is confident that continuing strong exploration and development of new mineral deposits will result in a resurgence of activity in the mining sector.

Mr. Speaker and Members of the Honourable House of Assembly:

All citizens of our Province were shocked and concerned to learn in the Fall of 1983, that the Bowater Company had been trying, without success, for two years to sell its pulp and paper operation based in our West Coast City of Corner Brook. The Company also informed my Ministers that if a buyer could not be found it intended to shut down and abandon its operations in the Province. The consequences of such a shutdown were too devastating to realistically contemplate. Therefore, the only option open to my Government was to ensure that the Corner Brook Mill and related operations were sold, and sold to a buyer willing to invest in the long-term future of the operation.

By December 1983, the Province had convinced Bowater that Government should take the lead in a major world-wide divestiture effort. A divestiture information package was circulated to 150 companies and by April of 1984 my Government was doing detailed analysis of five bids. The bid by the Kruger Company was deemed to be the one providing the best hope for a long-term future for the Corner Brook operations and a formal agreement was reached between that Company and my Government on September 18 last. The Kruger Company subsequently reached agreement with its unions in November and signing ceremonies pertaining to the final sale of the mill and related operations were held in the city of Corner Brook on December 21, 1984.

The signing of this agreement with Kruger was both a source of relief and joy to my Ministers. Sixteen months of gruelling effort by many people had gone into its making and the scarce financial resources of the Province through grants, loans, guarantees and tax relief had been pledged in the amount of $64 million.

However, our efforts were well worth the sacrifice as the new Kruger venture in our Province is a project involving an expenditure of $200 million which will, at its conclusion, provide the City of Corner Brook and the Western region of the Province with a measure of social and economic stability well into the future.

One of the factors which enabled the Kruger venture to proceed was a Federal/Provincial agreement on Pulp and Paper Modernization which provides cost-shared grants. This same Agreement also provided a grant which acted as a catalyst to spark a $33 million modernization program at the Abitibi Price Mill in Grand Falls. As well, with the aid of another Federal/Provincial Agreement on Forestry, my Government has entered into agreements with both paper companies on silviculture and other modern forestry practices. Through wise management of the forest resources and constant upgrading of paper mills, the Province is ensuring that our paper products remain competitive in world markets for years to come.

Mr. Speaker and Members of the Honourable House of Assembly:

My Government is aware of the employment potential of imminent oil and gas developments. At the same time, my Ministers remain extremely concerned over the very high rate of unemployment in Newfoundland and Labrador, especially among our youth and in certain geographic and economic sectors of the Province. We are also aware of and sensitive to the personal and social consequences that prolonged bouts of unemployment have on the lives of

individuals.

For these reasons, I was pleased, on the advice of my Government, to appoint a Royal Commission to hold an inquiry into employment prospects and the problem of unemployment. The Commission, under the Chairmanship of Dr. Douglas House, will document the regional and demographic aspects of our unemployment problem, will identify the various causes and contributing factors and will evaluate the various measures now being taken to create employment and improve the employment prospects of Newfoundlanders and Labradorians.

A number of studies of our unemployment problems have been done over the years and my Government is confident that the Commission will make use of such data in addition to doing research of its own. The Commission will be holding public hearings in all regions of the Province and my Government is optimistic that all citizens and groups with concerns will bring them forth in this forum.

My Government realizes that it is easy to be cynical about an inquiry into a problem that has plagued our society for generations. However, future oil and gas developments provide us with an opportunity to create much new employment and it is our wish that this employment be distributed to as many areas and economic sectors of the Province as possible. It should be remembered that my Government's control over the mode of offshore development gives it the power to direct how and where this development will take place. I would urge our citizens, therefore, to take the mandate of our Royal Commission seriously and participate in its activities to the fullest extent.

Mr. Speaker and Members of the Honourable House of Assembly:

Having just discussed how seriously my Government views the matter of unemployment, it is perhaps appropriate to reference two employment programs being sponsored by my Government.

My Government is committed to maintaining a social welfare system consistent with the needs of the less fortunate in our society. The budget for social welfare has grown from $123.3 million in 1979 to $212.6 million in the past fiscal year -- a growth of 72%. These funds, however, have not been entirely expended on those unable to help themselves. One of the programs involved has a large job creation element -- The Employment Opportunities Program.

The Employment Opportunities Program of the Department of Social Services has developed into a major program of my Government. Within recent years the main thrust has been in the Community Development Program. My Government believes very strongly that most people want to work, and therefore, offers them the opportunity for short term employment.

There are many success stories related to this program. Quite a number of those who have been employed in it have gone on to permanent employment. It has been of immeasurable assistance to the disabled and senior citizens by providing much needed services into their homes.

This past fiscal year the program started with $16 million and by Special Warrant $6 million more were added for a total investment of $22 million. There were approximately 8500 people employed in this program during the past fiscal year. My Government anticipates that this program will be continued and funded on a priority basis again in this new fiscal year.

Another sector of our society particularly hard hit by unemployment is the youth sector. Our young people are caught in a particularly vicious circle -- one can't get a job without experience and one can't get experience without a job.

To address this problem, my Government recently reached agreement with the Federal Government to fund a $7 million summer job program for students. This program will offer learning-related job experience this summer to approximately 6000 students who will be returning to or going on to a post-secondary institution. My Government normally employs about 1000 students in summer employment so we anticipate this year that we will be providing work experience to about 7000 students.

Mr. Speaker and Members of the Honourable House of Assembly:

In my address to you of last year, I indicated that "my Government, conscious of both its role as chief employer in the Province and its commitment to represent males and females equally, will implement an affirmative action program for women". My Government appointed a Task Force to study affirmative action programs for women in the Public Service. That Task Force has since reported and its recommendations are now under active consideration.

At the same time, my Government directed the Public Service Commission to implement an Accelerated Management Development Program for Women with demonstrated potential for advancement. The Accelerated Management Development Program has now been established and will take the form of an eighteen month training and development program for participants representing each Department of Government.

Briefing sessions were held in each Department to inform female employees of the nature and extent of the Program. Employees were subsequently invited to apply for the career development opportunity and nearly 200 applications have been received to date. The selection process has commenced with a view to identifying on the basis of merit, one female employee from each Department to take part in the eighteen month Program.

The Program has been received by employees with interest and enthusiasm. It is anticipated that this first Program will serve as a useful pilot project for the introduction of a permanent Accelerated Management Development Program.

My Government is committed to improving the role of women in all aspects of our society. While we do not have the financial levers at present to embark on many new and expensive programs in the social policy area, my Government nonetheless feels confident that the progress made by our Accelerated Management Development Program is clear evidence that things can be done when we remain committed.

Mr. Speaker and Members of the Honourable House of Assembly:

My Government intends to introduce amendments to the statute law of the Province in order to ensure that Newfoundland legislation is in compliance with the Canadian Charter of Rights and Freedoms with particular reference to the equality rights provisions contained in Section 15 of the Charter.

My Government played a strong role in the achievement of the 1981 constitutional compromise which had an entrenched Charter of Rights and Freedoms as one of its main components. In addition, my Government was an early advocate of constitutional guarantees of fundamental rights and freedoms. Indeed, this proposal was contained in the Government's 1980 constitutional White Paper.

The record of my Government in law reform and in particular the protection of human rights is a significant one. The Matrimonial Property Act of 1979 provided for explicit recognition of the contribution of both spouses to a marriage and an equitable sharing of assets built up during the course of a marriage. Amendments have been introduced to The Newfoundland Human Rights Code to extend its protection to those who are physically and mentally disabled and to prevent harassment of individuals.

It is within this context then that the Government has completed a review of the entire statute law of the Province and has prepared and published a report on the results of that review. The omnibus Bill to be introduced in this Session will amend those laws of the Province which are clearly inconsistent with the Charter. As the Courts interpret the meaning of the Charter in the coming years, further amendments to our provincial laws will be required.

Mr. Speaker and Members of the Honourable House of Assembly:

In 1980 my Government announced that it was prepared to enter into land claims negotiations with the Labrador Inuit Association and the Naskaupi Montagni Association.

Following extensive discussions with the Federal Government, my Government is pleased that negotiations will commence this year with the Labrador Inuit Association in an effort to achieve a fair land claims settlement.

It is hoped that a land claims settlement with the Labrador Inuit Association will assist our native people to preserve and enhance their traditional lifestyles while at the same time improving their position within Newfoundland society as a whole. It is also hoped that negotiations will be able to begin in the near future with the Naskaupi Montagni Innu Association. My Government will enter into such negotiations in the spirit of achieving social justice for our native people.

Mr. Speaker and Members of the Honourable House of Assembly:

While my Government has been preoccupied these past few years with economic matters arising from the recession, we have not forgotten the rich cultural aspect of our provincial life. My Government founded the Newfoundland and Labrador Arts Council and provides the Council with annual funding to facilitate its Grants to Newfoundland Artists Program.

My Government also supports the local publication of Newfoundland books through its Publishers' Assistance Program. Since 1983, $180,000 has been allocated to assist in the publication of over one hundred titles. My Government has developed and implemented a Sustaining Grants Program for Newfoundland professional theatrical companies. This Program, through the provision of $115,500 in operational funding, has allowed larger cultural and artistic groups to engage in realistic long-term planning, thus offering a greater variety of cultural attractions to a wider theatre-going audience.

My Government has also pioneered a further program of support for local artists by committing 1% on the capital cost of new public buildings towards the purchase of decorative works of art for those buildings.

These cultural program areas will be funded again in the new fiscal year and my Government is also optimistic that additional funding will be provided to the many local museums throughout the Province. While funds remain scarce, it is, nonetheless, my Government's view that cultural expenditures are an investment in the well-being of our people and therefore should be funded even in the severest of restraint periods.

Mr. Speaker and Members of the Honourable House of Assembly:

In 1980, my Government set forth, as part of its Five-Year Development Plan, a Hospital Construction Program aimed at improving and replacing existing facilities as well as construction of new facilities. Since then, hospitals have been completed and are operational at Port aux Basques and Bonavista. A new hospital for the Clarenville area is nearing completion and a new hospital for the Burin Peninsula area is currently under construction. As of March 31st, 1985, $36 million has been spent on these projects. As well, an additional $12 million was spent during this period on improvements to existing facilities and in the construction of new clinics.

My Government recently announced the commencement of a $16 million Redevelopment Program for the Central Newfoundland Hospital at Grand Falls. My Government is also committed to improved facilities for the Grace General Hospital, St. John's, pending the outcome of the deliberations of the St. John's Hospital Council with respect to the organization and coordination of hospital services within the St. John's region.

Recently, my Government announced its endorsement of the principles, philosophy and thrust of the report of the Royal Commission on Hospital and Nursing Home Costs. This is probably the most significant document ever produced in this Province on the health care system. It is a major blueprint for the future.

A major recommendation of that Report was that the responsibility for nursing homes be transferred to the Department of Health from the Department of Social Services to ensure a higher level of coordination for community-based services, acute care services and chronic care services under one administrative arrangement. That recommendation was implemented on April 1st, 1985.

Over 300 nursing home beds have been approved since 1982-83 and are now in various stages of planning, construction or completion. Over 200 beds are pending approval. Government is sensitive to the needs of our elderly population and will take all reasonable steps to ensure that our programs are organized to enhance, to the highest degree possible, services to this important sector of our population.

Mr. Speaker and Members of the Honourable House of Assembly:

In the last session, this Honourable House approved legislation establishing a new Department of Career Development and Advanced Studies. This was my Government's acknowledgement of the need to recognize and give new emphasis to preparing our citizens, especially the youth, and women, for career opportunities in the 80's and 90's.

The major priority of the Department of Career Development and Advanced Studies is to ensure that our Post-Secondary Education and Training System is capable of preparing Newfoundlanders for the job opportunities that will be created with the development and production of oil and gas off our coast and the new job opportunities being created in the renewable resource sectors of fishing, forestry, mining and tourism.

Through the Department of Career Development and Advanced Studies, my Government intends to introduce changes to our technical and vocational training system that will make our training institutions more responsive to the labour market needs of today's and tomorrow's society.

New emphasis will be placed on high technology training and research. With the opening of our new Fisheries and Marine Technology Institute this September, we will have a "world class" marine training and research centre to serve our newly restructured offshore fishery and the oil and gas development activities off our coast. The new Institute should open up new opportunities both for employment and research activities, a center of excellence to compare with any in this world.

In concert with this concept, it should be noted that my Government will be placing special emphasis in marine-related education, training, research and development in its expenditure of the Offshore Development Fund. In this way, the Province, in addition to capturing offshore jobs in the construction sector, will be able to avail of scientific, technological and management

jobs. Much of this expertise will also have general marine applications and thus aid the Province in its goal of becoming a world leader in the fields of marine science, technology and industry. This goal is also aided by a Marine Industries Agreement signed last year with the Federal Government. This Agreement will also provide incentives to industrial development in the marine sector. Given the Province's location in the North West Atlantic Ocean and given these two marine-related initiatives, my Government feels that our goal of becoming a world leader in this sector is both realistic and achievable over the medium and long term.

New initiatives will be taken by the new Department to create longer term employment for our youth. Special career counselling and information services will be introduced to assist young people in choosing careers and appropriate training programs that will lead to employment. It is imperative that we train the right people for the right jobs.

Major changes will be introduced into our technical and vocational training system that will facilitate the development of new training programs and provide training opportunities for the unemployed and underemployed. In this regard, my Government was pleased to have recently signed a new Training Agreement with the Government in Ottawa. This agreement, totalling some $15 million, provides my Ministers with greater flexibility in planning course offerings than we have here to for been able to do. It is our Government's intention to offer these educational opportunities to all citizens in all areas of our Province.

The need for retraining and updating the skills of our labour force has been recognized by both the Federal and Provincial Governments. My Government intends to work closely with the Federal Government in implementing special programs aimed at providing the labour force with the anticipated required skills for technology changes in the years ahead.

No greater challenge exists in Newfoundland and Labrador than the challenge to make our students the best trained in all the world. My Government intends to leave no stone unturned in accomplishing this task.

Mr. Speaker and Members of the Honourable House of Assembly:

Having placed this special emphasis on career development and our post-secondary institutions, my Government has not lessened its commitment to advancing educational opportunities in the primary, elementary and secondary phases of our students’ life.

The high school program has been reorganized and modernized with the introduction of Grade 12. On March 21st last my Minister of Education announced an accelerated school construction program. The school construction allocation to the Denominational Education Councils will be increased to $20 million a year for the next three years. An additional $10 million has also been allocated for a new provincial School for the Deaf. This expenditure of $70 million over the next three years will provide much new classroom space and will create upwards of 500 new construction jobs per year.

Education, therefore, from primary through to post-secondary, remains a priority with my Government and is being, and will continue to be, funded accordingly.

Mr. Speaker and Members of the Honourable House of Assembly:

During the constitutional debate of a few years ago, my Government conducted a strong defence of our Terms of Union with Canada. In particular, we ensured that our Province's unique denominational school system could not be changed without our consent.

The Pentecostal Assemblies of Newfoundland, while enjoying the legislative protection of this Honourable House as regards its denominational education status, was not constitutionally protected in our Terms of Union with Canada.

I am, therefore, pleased to inform Honourable Members that my Government, in concert with the Federal Government and the Pentecostal Assemblies of Newfoundland, has been drafting a constitutional amendment that would provide the Pentecostal school system with the constitutional protection offered the other major churches in the Province.

My Government will shortly be placing a resolution before this Honourable House as its part in the constitutional amendment process under Section 43 of the Constitution of Canada.

Mr. Speaker and Members of the Honourable House of Assembly:

It is my Government's confident expectation that the ensuing several years will see a significant growth in employment opportunities both onshore and offshore. It is anticipated that construction related to offshore development will create work for thousands of our citizens. In this respect the construction trade unions and the industry itself must prepare for the massive opportunities and challenges of the future. Moreover, it is essential that here prevail a labour relations climate conducive to industrial peace. My Government plans a series of tri-partite meetings to help establish such an industrial relations environment. It is imperative that the workers of this Province be in a position to benefit significantly from the employment opportunities soon to be available.

In order to improve the climate of labour relations in the Province you will be asked to approve a number of changes in The Labour Relations Act.

It is my Government's intention to enact the Rand Formula in the labour law of the Province. The Rand formula is a provision for compulsory deduction of union dues. It requires an employer to deduct union membership dues from the wages of all employees in a bargaining unit where a union is certified by the Labour Relations Board. The Rand Formula is already enacted by statute in the federal jurisdiction and in the Provinces of Quebec, Ontario, Manitoba and Saskatchewan. In our own Province approximately 90% of collective agreements on file with the Department of Labour have a provision at least equal to the Rand Formula. It is my Government's conviction that the enactment of the Rand Formula will be an important step in improving the labour relations climate in the Province.

Another important area of labour law reform to be introduced by my Ministers concerns first collective agreements.

Mr. Speaker and Members of the Honourable House of Assembly:

The certification of a union as a bargaining agent by the Labour Relations Board signifies that a majority of the employees support the union. Furthermore, it is to be assumed that a collective agreement will be concluded. However, the experience of the Department of Labour shows that it is generally recognized that the conclusion of a first collective agreement is often a frustrating experience for both parties.

My Government will be seeking an amendment to The Labour Relations Act to provide that where parties have negotiated and failed to reach an agreement the Labour Relations Board may, upon a request made to the Minister by one of the parties, settle the terms and conditions of an agreement.

It is my Government's belief that the enactment of such legislation will improve the mechanism and climate of industrial relations in the all important area of the first collective agreement.

My Government has decided to further amend The Labour Relations Act to rectify an inequity in the present law.

Under the existing voting provisions in The Labour Relations Act a trade union must have a majority of employees in the unit vote affirmatively to enable the Board to certify a union as bargaining agent. In order to decertify only a majority of those voting is required. In order to rectify this inequity legislation will be introduced to the effect that the same procedure will apply to decertification as presently applies to certification.

The area of public service collective bargaining is particularly sensitive and complex. Before indicating the legislation and policy my Government plans to introduce during this Session a brief review of various initiatives since 1973 might be helpful.

The Public Service / Collective Bargaining) Act of 1973 sought to provide a balancing of competing interests within the public sector in Newfoundland by providing the right to strike for the majority of public sector employees along with a mechanism to ensure essential services would be maintained throughout a strike, essential services being those necessary for the health,

safety or security of the public.

Unfortunately, because of a number of Court decisions and Labour Relations Board rulings, the essential employee provisions of the 1973 Act proved unworkable in practice.

During the 1981 Lab and X-Ray employees strike, these procedural difficulties resulted in the necessity of emergency legislation being passed in the House of Assembly designating approximately 30~o of the bargaining unit as essential and requiring the provision of essential health services by these employees.

Following that difficult situation a review of The Public Service Collective Bargaining Act was undertaken particularly in the area of essential employees with the result that Bill 59 was presented to the House of Assembly.

The intent of Bill 9 was to establish a workable mechanism in order to ensure that essential employees would be determined either by agreement between the parties or by the Labour Relations Board before a strike took place.

While the essential employee sections of the Act are of a general nature and apply to all employers and employees who bargain under The Public Service / Collective Bargaining Act, it was not the intention that every bargaining unit would necessarily require essential employees. There are a number of situations where no essential employees would be required.

My Government rejects the proposition that the right to strike pre-empts all other rights including the right to public safety and security and the right to health services. My Government also rejects the proposition that no strikes should be allowed in the public sector. In this crucial area it is necessary to establish a balance. A review of The Public Service Collective Bargaining Act has led my Government to adopt the following principles:

1) Recognition of a general right to strike in the public sector;

2) Limitation of this general right when its exercise conflicts with the right of all citizens to security of person, to appropriate health and custodial care, and to the safety of public property;

3) Limitations to the right to strike should apply only to essential workers;

4) Essential workers should be understood so as to include only those required to ensure security of person, to provide appropriate health and custodial care and to maintain safety of public property.

My Government is of the opinion that those bargaining units for which Government does not seek to designate any essential employees, the boards and commissions where no essential employees will be sought, and the Government departments which require no essential employees, should be specifically exempted from section 10 of the Act. My Ministers will be tabling such a comprehensive list in the near future.

Bill 59 further provided in clause 6 an amendment to section 23 of The Public Service Collective Bargaining Act which provided that if employees, after giving a 7 day strike notice, did not strike on the date specified they would be prohibited from striking for a month. This section has general applicability to all employees under the Act but its most important application relates to health service institutions. There is a specific prohibition against rotating strikes in health service institutions. My Government will introduce legislation which will limit the 30-day restriction to health service institutions.

In summary, therefore, my Government is determined to make every reasonable effort to improve the climate of labour relations in the Province. The achievement of this objective will require a spirit of conciliation, of give and take, of reasonableness on the part of all involved. It is my Government's sincere hope that the labour movement, employers, and Government will work co-operatively to improve the climate of labour relations and to achieve industrial peace.

Mr. Speaker and Members of the Honourable House of Assembly:

The past year has been a particularly difficult one for my Government and the people of our Province. The international recession required stringent measures to keep the finances of the Province in order. While it was Government's intention to ensure that all sectors of our society shared the burdens imposed by the recession, we are nonetheless sensitive to the fact that certain sectors suffered more than others. There was considerable acrimony in the area of labour/management relations. However, I am sure that the measures outlined in this Speech today will help greatly in restoring a sense of equity and confidence on the part of all involved.

On the economic front, the mining industry has stabilized and shows signs of growth. The forest industry has not only stabilized, but is undergoing a major modernization program that should keep it internationally competitive well into the future.

Our fishery, in particular the deep-sea fishery, has come through some very traumatic times these past few years. However, the Federal/Provincial restructuring agreement is well into the implementation phase. The new Company, Fishery Products International, has new and dynamic management and is making great strides in getting competitively-priced high quality Newfoundland fish back on the tables of the world.

On the national scene, our offshore oil agreement and our expectations of a renewed dialogue with Quebec are all symptoms of a revival of the cooperative approach to Canadian Federalism. In this spirit, my government was pleased to have recently reached agreement with the Government of Canada on a $180 million primary Highways Agreement. The funding in this Agreement allows further upgrading on the Trans Canada Highway on the Island and a continuation of the work started on the Trans Labrador Highway. This is in addition to agreements signed in the past year in minerals, planning, Burin Peninsula Development, Rural Development, Ocean Industries, Tourism, and Pulp & Paper Modernization. A number of other proposals on other sectors of the economy are still before the Federal Government and my Government shall be pursuing these with diligence.

During the last year or so, my Government has signed nearly $900 million worth of economic agreements that should provide an economic bridge to the oil production days of the early 90's. My Government is confident that the recent period of acrimony in our national life is now behind us and that all Canadians in all provinces are once again committed to internal cooperation and prosperity so that Canada can take its rightful place on the world stage.

With increasing stability in our traditional economic sectors, with steady improvements in the social policy field, and with increased harmony at the national level, my Government now looks to the potential of offshore development to cement a solid future for ourselves and our children. The offshore agreement reached with the Federal Government, though a long sought-after and good agreement, is only a first step. It gives us the power to do great things in shaping our own future and in making a larger and more positive contribution to our Nation.

My Ministers are only too painfully aware, however, that we have held power before and squandered it when we were a nation state and in our early years as a Province of Canada. Wise, compassionate and enlightened use of our new-found power over the next several years is the key. There is a tremendous obligation on Government to see that all citizens in all geographic and economic sectors of our Province benefit from offshore oil. Likewise there is an obligation on the part of our citizens to become involved in the public hearings of our Royal Commission on Employment and Unemployment and the public hearings pertaining to the planning process for offshore development.

Together -- Government, business, labour, citizens' groups and individuals can make it happen. The future is now in our collective hands. My Government is confident that we will not let this golden opportunity slip through our fingers as has happened so often with the sands of time past. In the words of the poet Tennyson, we must resolve to be:

" . . .One equal temper of heroic hearts, Made weak by time and fate, but strong in will to strive, to seek, to find, and not to yield."

Mr. Speaker and Members of the Honourable House of Assembly:

The public accounts of the Province for the period ending March 31st, 1984 will be placed before you, for your usual thorough review.

You will be asked to grant supply to Her Majesty.

I invoke God's blessing upon you as you commence your labours in this First Session of the Fortieth General Assembly. May Divine Providence guide you in your deliberations.