

“Is Newfoundland and Labrador in the best possible position to compete globally and maximize opportunities presented to us?”

Newfoundland and Labrador has incredible potential. On the cusp of phenomenal growth and prosperity, the people of this province must unite to ensure the economic and social impacts are maximized. Rich in natural resources, Newfoundland and Labrador has the potential to become an energy superpower. Mining and oil extraction alone represent 4.76 billion dollars of the 17.87 billion dollar GDP, with agriculture, forestry, fishing, and hunting representing an additional 381.9 million dollars¹. To strengthen the economic future of Newfoundland and Labrador, these industries must continue to grow and the economic history of this province must be revived to support rural areas. To discuss the topic presented, this essay will explore the oil and gas and fishing industries by highlighting three main focus areas: economic and political stability, streamlined regulations, as well as skills and education investment.

The oil and gas industry in Newfoundland and Labrador is booming. The offshore field is now expanding to include the Hebron project, which is expected to begin oil production in 2017. With an expected 30-year life², the Hebron project must be a focus of the Provincial Government to ensure its benefits are maximized for the people and future of Newfoundland and Labrador.

In terms of economic and political stability, this Province is at a distinct advantage over other oil-rich regions. With growing conflict and instability in countries such as Nigeria and Iraq, it is becoming less profitable for oil companies to operate. This, as well as the prominence of state-owned oil companies is increasing Newfoundland and Labrador’s appeal to global oil companies.

This Province has effectively used regulation to ensure benefits to Newfoundlanders and Labradoreans are maximized as its resources are harvested. Also, the Canada-Newfoundland and Labrador Offshore Petroleum Board is ensuring open communications between industry and Government in order to streamline the processing of concerns on behalf of both parties³.

Finally, the importance of skills and education investment is paramount in the oil and gas industry. The Provincial Government invested in skilled trades for this purpose⁴, but is lacking focus on the apprenticeship aspect of these programs⁵. Without a renewed focus on this, newly trained trades

people are leaving the Province to complete their education, decreasing their likelihood of participating in this booming industry. Also, the recent announcement of the outsourcing of the Hebron project's third module has led to \$150 million in compensation to the Province⁶. This money has been classified for several investments across Newfoundland and Labrador, but could have been more effectively used towards an apprenticeship programs as recent graduates will no longer have access to training opportunities that would have come from the development of the third module.

Overall, Newfoundland and Labrador is focused on maximizing the opportunity presented by its rich offshore oil reserves and is successfully competing in the global oil and gas market. The Province is in a great position in terms of political and economic stability and streamlined regulations, ensuring that Newfoundland and Labrador remains an attractive region for investment and exploration. With this, the benefit to Newfoundlanders and Labradoreans could be increased by not only considering funds channeled through the Government, but also incorporating a better program for skills enhancement and apprenticeship training.

Newfoundland and Labrador was founded on one strong industry: the fishery. This industry determined settlement patterns that still exist today, but with resource abuse by both local and international fishers, the industry has been struggling for over twenty years⁷. The industry as a whole needs to be revived and the people of this Province must recognize that the industry must change if it has any hope of thriving in the global marketplace.

Newfoundland and Labrador is lacking in terms of economic and political stability with regards to the fishery. Though the Government appears to support the growth and evolution of this industry, the actions of the Provincial Government do not fully reflect their understanding of where the industry must go. On the contrary, the quota regulations and Employment Insurance programs do provide economic stability to those involved in the mainly seasonal industry.

In terms of streamlined regulations, this Province must revise its strategy in order to compete on a global scale. The main issue in regulation currently is the minimum processing requirements for product leaving Newfoundland and Labrador. This has led to various conflicts as global markets, mainly in Asia, are now demanding an unprocessed product⁸. Though the Government claims to have these processing requirements in place to maximize the benefit to Newfoundlanders and Labradoreans, there

will only be a benefit if the product can be sold. It may take time, but it is vital for regulations to move with the ever-changing global market.

The final and arguably most relevant concern within the fishery is education and skills investment. This not only concerns the individuals who have been left unemployed due to fishery restructuring, but also the population as a whole. The latter group is most relevant to this topic, as society's perception of an industry often determines its future. Many Newfoundlanders and Labradoreans see the fishery as a way to support the endless cycle of individuals relying on Government support to survive. Though this is the unfortunate truth currently, a change in attitudes can and will revive the industry.

The fishery is an industry in Newfoundland and Labrador that does not just represent the past; it has the potential to be a prominent economic driver in rural areas into the future. With strong economic stability, the Province must come together to strengthen regulation and education to ensure the future of the fishery reaches its full potential.

Is Newfoundland and Labrador in the best possible position to compete globally and maximize opportunities presented to us? Overall, the Province is moving towards this goal, but there are still several focus areas that can improve the likelihood of long-term success. The political and economic stability of the Province is strong, but the improvement of regulations as well as increased skills and education investment will further improve the Province's social and economic future.

Word Count: 999

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