

fiscal responsibility **02**

Costing Our Approach: Our Firm Commitment to Fiscal Sustainability

- The 2011 Blue Book, *New Energy*, highlights our priorities – the initiatives that we have chosen to make Newfoundland and Labrador stronger.
- Each year, in choosing Budget initiatives, we will establish a ceiling for new spending growth and make our choices accordingly.
- The pace of growth of public investments must be sustainable. Our commitment to fiscal sustainability is firm. In implementing the commitments identified in this Blue Book and in fulfilling our responsibilities as a government, we will ensure annual provincial expenditures *do not grow beyond the level our economy can sustain*.
- To be fiscally responsible in certain circumstances, we may need to rearrange priorities. We will make those decisions in consultation with Newfoundlanders and Labradorians in the pre-Budget process.
- Implementation of our priorities will be phased, if necessary, to accommodate fiscal constraint.
- It should be noted, however, that a number of expenditures involve spending money to save money.
- Priorities that require upfront investment to reduce future costs will be acted upon early in the mandate.
- Every year, we shall ensure all our investment choices are fiscally responsible and sustainable.

Responsible Approach to Debt Management

We have demonstrated a responsible approach to debt management by reducing Newfoundland and Labrador's net debt by nearly a third since 2003, from a high of

almost \$12 billion to about \$8.2 billion – a reduction of nearly \$4 billion.

- We will continue to demonstrate our commitment to fiscal security by continuing to pay down the province's debt in a responsible, balanced manner.
- We will take on additional public debt for specific purposes **only** if it is affordable and makes our province stronger and our children better off than they would otherwise be.

Long-term Plan to Secure Pension Liabilities

Approximately \$3.9 billion of the province's \$8.2 billion net debt consists of unfunded public pension plan liabilities and other post-retirement liabilities. Since 2003, we invested approximately \$2 billion of Atlantic Accord revenue into the Teachers' Pension Plan and nearly \$1 billion into the Public Service Pension Plan. Nevertheless, by 2029 according to the current trend, the Teachers' Pension Plan will be only about 21% funded and the Public Service Pension Plan will be only about 42% funded. Addressing public pension plan liabilities and other post-retirement liabilities will be a priority.

- We will develop a long-term plan to reduce our unfunded public pension plan liabilities in a responsible manner by making set periodic payments.
- At least a third of any surplus will be invested in the pension funds.

Annual Reduction of Direct Debt

The second component of the province's net debt is direct debt, which we have continued to pay down annually as this debt becomes due, without re-borrowing.

- We will continue to make payments on the province's direct debt, thereby reducing interest payments.

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Commitment to Low and Competitive Taxes

As we have demonstrated through some of the most significant tax cuts in our province's history, we believe in keeping taxes low so Newfoundland and Labrador families have more disposable income to invest in themselves and their communities.

- We will ensure Newfoundland and Labrador families continue to enjoy tax rates that are low and competitive.
- We will review our income tax rates and provisions to ensure that our income tax system is progressive and competitive.

Residential Energy Tax Rebate

• As announced on April 19, 2011, our government has introduced a tax rebate equal to the eight per cent provincial portion of HST on residential electricity and heating. All residential electricity is eligible for the rebate, not just the heating portion. This \$38 million initiative will directly result in lower energy bills and benefit all residents of the province, particularly during the cold winter months. A family purchasing \$5,000 of residential energy a year will save an estimated \$400.

- Since the Home Heating Rebate program will also be continued, the total benefit to the people of Newfoundland and Labrador will be an estimated \$55 million a year.

Maintaining Our Solid Record of Family-friendly Tax Policies

We are committed to maintaining the suite of tax reductions, fee reductions, tax credits and incentives that our government has provided since 2007, which include the following:

- Personal Income Tax cuts, which were the biggest personal income tax rate reductions ever in Newfoundland and Labrador
 - Low-Income Tax Reduction
 - Home Heating Rebate
 - Low-Income Seniors' Benefit
 - Refundable Tax Credit for Seniors
 - Heating Allowance
 - Provincial Home Repair Program
 - Residential Energy Tax Rebate
 - Residential Energy Efficiency Program
 - Voluntary Firefighter Tax Credit
 - Child Tax Credit
 - Reduction of vehicle registration renewal fees and other fees.

Since 2007, our government has introduced tax reductions totaling approximately \$1.6 billion in cumulative savings for taxpayers. In 2011, Newfoundland and Labrador taxpayers are paying approximately \$500 million less in taxes as a result of these measures.

Workforce Development Secretariat

- We will establish a workforce development secretariat in the provincial government to link industrial development and employment opportunities with people who do the work. This unit will work with all departments, provincial and federal, that focus on employment, education, skills development, business development and industrial development. It will have the mandate and power to cut across all departments and agencies to achieve results. The cost of establishing the secretariat is \$3.5 million.
- The workforce development secretariat will engage in an awareness campaign to highlight the career disciplines in which skilled labour is in short supply and opportunities are strong in Newfoundland and Labrador so prospective students can make informed education and career choices.
- It will collaborate with developers and employers to ensure we continue to recruit and train the skilled workers we need to enable projects to proceed, to advance industry expansion and to support existing enterprises.
- It will recruit Newfoundland and Labrador expatriates to come home to take these skilled careers and participate in building our province.

Advancing Apprenticeship Opportunities

In many trades, a graduate must complete apprenticeship training to qualify for employment. We will increase our supply of skilled workers by advancing apprenticeship opportunities by:

- Expanding the government apprenticeship hiring program to allow for additional apprenticeship placements within government departments and agencies.
- Including in tender specifications a requirement to hire a specified percentage or number of Newfoundland and Labrador apprentices.

- Requiring that industry demonstrate a commitment to hiring a specified percentage or number of Newfoundland and Labrador registered apprentices and engineering and technology students when approving development plans for large-scale projects.
- Working with labour to encourage greater use of apprentices among employers and greater participation of member journeypersons in mentoring apprentices.
- Developing individualized apprenticeship training plans for registered apprentices with more than 7,200 logged apprenticeship hours to help them obtain journeyperson certification.
- Offering a study guide for registered apprentices and trades qualifiers to use before challenging the journeyperson exam.

Women in Skilled Trades

A PC government will continue to invest in and support initiatives that provide access for and encourage women to become involved in skilled trades careers.

To encourage more women to consider apprenticeship training, we will embrace opportunities to build on the successful arrangement we negotiated with International Brotherhood of Electrical Workers (IBEW) to increase female representation in skilled trades. The terms of the contract included the development of a mentorship program in the electrical trade. The IBEW also committed to match female students in their first year of apprenticeship with appropriate employment.

Additional measures aimed at improving women's participation opportunities in skilled trades:

- Continuing to support the female industrial training officer position with the Department of Education, based in Corner Brook. The officer has been able to take the lead in

promoting women in skilled trades and in providing support and guidance to students entering post-secondary education and to apprentices pursuing their certification.

- Continuing to provide scholarships to women enrolling in trades courses to facilitate their learning.
- Supporting initiatives to promote participation by women, such as expanding the Women in Trades initiative, supporting career exploration programs and camps for females and continuing to target scholarships for females, through the previously established Office to Advance Women Apprentices.
- Supporting high school initiatives, such as the Skilled Trades and Technology program, that encourage greater participation of females in the skilled trades.
- Working with College of the North Atlantic to increase offerings of exploration programs, such as the Orientation to Trades and Technology Program; and to hold targeted career forums for females, particularly in rural areas.
- Working with employers and unions to set goals for female participation in skilled trade employment opportunities.
- Continuing to negotiate gender agreements, as has been accomplished on major projects, to ensure women are able to avail of the benefits of these projects.
- Continuing to promote opportunities for women to enter trades and other careers in

which women are particularly underrepresented.

- Working to eliminate any systemic discrimination against women that may deny them promotion within (or entry into) certain careers on the basis of gender.
- Working to ensure all workplaces foster an atmosphere of respect for women and respond to disrespect promptly and effectively.

Labour Market Development

- Through the Labour Market Development Agreement and the Labour Market Agreement, we will work to develop training, labour and support programs that are best suited to the opportunities and circumstances in Newfoundland and Labrador.

Guide to Relocation in Newfoundland and Labrador

- As recommended in the Youth Retention and Attraction Strategy, we will maintain a web-based Guide to Relocation in Newfoundland and Labrador to provide a one-stop web portal for individuals to access information on relocating to the province. The web portal will provide access to real estate information, movers and shippers, information on schools, and community services in the destination region.

Skills Transfer

- We will ensure the agreements we enter into for resource development include skills transfer components so Newfoundland and Labrador acquires enduring expertise.

Provincial Transportation Strategy

- Reliable transportation infrastructure is a prerequisite to economic growth. We will develop a comprehensive Provincial Transportation Strategy to identify and meet our transportation needs in ways that will promote economic development and safety. This strategy will enable us to build, renew and maintain our transportation infrastructure in a way that is comprehensive, coordinated and predictable. The multiyear planning will address a range of needs from roads to ferries to air services.
- We will dedicate a portion of gasoline tax revenues to the Provincial Transportation Strategy to ensure revenue is assigned to improve our roads network.
- We will satisfy our own transportation procurement needs to the greatest extent possible from within the province.

Infrastructure Strategy

- We have made strong investments in infrastructure construction, repair and replacement, even in times of limited fiscal capacity, recognizing that such investments ultimately expand our economy and, by extension, our fiscal capacity. Since 2003, we have invested approximately \$7 billion in infrastructure (roads and highways, wharves and bridges, terminals and ferries, schools and hospitals, and more). Through investments unprecedented in scale, we have spread offshore oil revenue and other revenue throughout our province, benefiting every region of Newfoundland and Labrador. We will continue to construct new infrastructure and repair and upgrade existing infrastructure by setting responsible priorities according to our province's fiscal means.

Moose Management Strategy

- As we announced on July 6, 2011, we are launching a suite of initiatives to reduce the number of moose-vehicle collisions on Newfoundland and Labrador roadways. These initiatives include a wildlife fencing pilot project, a wildlife detection system pilot project, a Collision Data Management System (which will record the precise

locations of all collisions, including those involving moose), an increased number of moose hunting licences, additional brush clearing, vegetation control and measures to improve driver awareness. We will explore options to enable people receiving moose hunting licences to designate surrogates to hunt a moose for them. We will work with the province's outfitters on ways to provide more moose-hunting opportunities for non-resident hunters.

Provincial Ferries and the Vessel Replacement Strategy

- We will continue to implement our vessel replacement strategy, which envisions the construction, here in this province, of a total of ten ferry vessels to help us meet our intra-provincial marine transportation needs.
- We will develop a long-term ferry fleet management strategy to plan rationally, in advance, for vessel maintenance and replacement to minimize disruptions to people who depend on these marine services.
- We will work closely with provincial ferry user committees and unions to undertake measures to improve scheduling and contingency planning for service disruptions.
- We will continue to invest in provincial wharves and terminals for our provincial ferry services.

Air Access Strategy

- In 2010, we released our five-year air access strategy, "Taking Flight", to foster and accelerate air access development. The strategy is to attract new national, trans-border and international routes; enhance the capacity and frequency of flights at our airports; increase passenger and cargo demand for air services; establish NL as a passenger and cargo hub for the North; establish NL internationally as a preferred destination for tourism and business; establish strong partnerships and alliances between private and public stakeholders; and set the province's direction on air service development to 2015. We will continue to implement the strategy's recommendations in the years to come.

Payroll Tax

• To make the tax on labour competitive with the rest of Atlantic Canada, we will work toward the elimination of the Health and Post Secondary Education Tax (HAPSET), which is also known as the payroll tax. We have already taken incremental steps in this direction. As we stated on April 19, 2011, retroactive to January 1, 2011, the payroll exemption threshold has been raised from \$1 million to \$1.2 million, meaning an additional 90 businesses will not have to pay any payroll tax while the tax burden is reduced for 845 others. This measure puts \$2.3 million back into the hands of the province's employers. We will raise the exemption incrementally, reducing the value of the tax by approximately \$10 million per year for the next four years.

BUYNL

Newfoundlanders and Labradorians are bringing products to markets both locally and around the world. If people were to see a full inventory of the products we produce, they would be amazed at their number and variety, and inspired to buy locally, if not to launch enterprises of their own or to partner with other producers for greater success. An online catalogue or database of locally-manufactured products, developed incrementally over time, would tell the province's story. While such a project could be formidable in scope, there are also reasonable ways of showcasing the broad range of products produced by local companies large and small across a wide range of sectors.

• We will work collaboratively with local business associations to develop a plan for producing an online BUYNL catalogue to showcase locally-manufactured products and their producers. The project will, by its nature, be a work perpetually in progress, but the benefits of telling this story are such that it is worth the effort.

Import Substitution

Many of the products our retailers sell and consumers buy in Newfoundland and Labrador could be produced here at home. Local enterprises could be supplying the local market and also exporting those products abroad. For certain sectors and certain products, such as agrifoods, small-scale manufacturing and professional services, it seems reasonable to produce things locally that are currently imported.

We will extend and strengthen the province's Supplier Development Program, which helps local small and medium-sized enterprises supply quality goods and services at competitive costs to public and private sector entities in local, national and international markets. Collaborating with public sector entities, industry associations and private sector companies, we help local firms identify potential buyers for their products and services, navigate and interpret the procurement process, access supply opportunities, and establish mutually beneficial vendor-buyer partnerships. Our Department of Innovation, Trade and Rural Development will work with industry associations and private sector firms to systematically identify and take advantage of import substitution opportunities in all regions of the province.

Tender Review

• Through reform of public tendering practices, we will open doors for local firms – both individually and in multi-enterprise networks – to supply public institutions. Our Government Purchasing Agency will implement revisions to reform procurement and capital works tendering projects to make them more amenable to local suppliers bidding on contracts. The Public Tender Review Committee will examine possible impediments to local firms succeeding in procurement opportunities due to the nature of tender and bid packages, and will provide suggestions with respect to removing these impediments.

- We will examine ways to subdivide tenders so local firms are able to bid on components they are capable of doing without being shut out by components that fall outside their range.

- The Government Purchasing Agency will continue to roll out the Tender Award Reporting System to all government-funded bodies allowing for the collection of purchase and award information that will be used to further supplier development.

- The Government Purchasing Agency will acquire a procurement system which will provide supplier, product and bid opportunity information as an instrument to grow supplier capacity within the province.

Enterprise Retention

- We will help work with Memorial University's Faculty of Business and representatives of the business community to identify and address barriers to survival and growth facing local businesses. In partnership with the Atlantic Canada Opportunities Agency, Memorial University's Faculty of Business and small business leaders, we will initiate a review of the suite of programs available to the Small and Medium-sized Enterprise sector with a view to coordinating efforts and filling gaps to strengthen the sector.

Business Support Programs

- We will review all programs available to enterprises in Newfoundland and Labrador to ensure they are properly focused and flexible to meet the needs of local entrepreneurs.

- We will also work with the Government of Canada to examine and improve programs offered either jointly or exclusively by the federal government to ensure they are properly focused and flexible to meet the needs of local entrepreneurs.

- We will identify new and better ways to prepare businesses to take maximum advantage of venture capital, angel investments, bank-based programs and other sources of capital for product development, business expansion and diversification.

Women Entrepreneurs

- We will continue to work with the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) to promote opportunities for women to establish, expand and diversify business enterprises in our province.

- In particular, we will continue to invest in the Self-Employment Assistance program (SEA), which provides financial and entrepreneurial assistance to eligible individuals who are interested in seizing opportunities to start a business.

- We will continue to support the network of women business owners who have joined forces to pursue export markets for their products and services.

- We will partner again with NLOWE and the Government of Canada in organizing international trade missions to identify new opportunities for business sales and international partnerships that can lead to greater success.

- We will partner with NLOWE in sponsoring Supplier Development Sessions, connecting businesses with government purchasers.

- Under the Business Networks Program, we will continue to work with NLOWE to make Newfoundland and Labrador an international leader in developing a supplier diversity strategy for certified women business owners, and to enable business owners to leverage the advantages of being certified as a women-owned business by WEConnect Canada, a leading international certification standard for Canadian women-owned businesses.

Head Start for Youth in Business

We will build on recommendations of Youth Retention and Attraction Strategy to provide a stronger head start for young people interested in a future in business.

- We will move forward with the Entrepreneurship Forum to target youth entrepreneurs from each region and enable them to collaborate with a panel of business advisors for mentorship and direction.

- We will promote youth entrepreneurship by encouraging successful young entrepreneurs to provide advice and mentoring to other young people interested in establishing small businesses.
- We will identify opportunities to promote succession planning, especially in rural areas.
- We will encourage the establishment of more cooperatives in rural regions to enable young entrepreneurs to pool resources and expertise to promote business success.
- We will expand the ExportAdvantage Internship Program to enable more employers to hire qualified graduates with training in international business.
- We will put a special emphasis on working with young entrepreneurs interested in creating sustainable businesses based on renewable resource development, ecotourism or environmental protection to promote economic diversification.

Business Networking

- We will continue to support forums that encourage networking among businesses, sector by sector, and across various sectors. Networking opens doors for improved marketing, partnership building, enterprise diversification, skills development, knowledge growth and business success.

Competitive Corporate Taxation

We believe corporate tax policies can be used to promote development and employment growth. We already have a competitive corporate tax rate and a low small business tax rate. We have a solid foundation on which to build an even more competitive taxation regime, and room to maneuver to introduce some innovative programs through the tax system to stimulate more investment in the province. We are prepared to use our tax system in creative ways to stimulate more investment in the province.

- We will commission a comprehensive review of the rates of business tax and other costs imposed by the government,

comparing them with those of other jurisdictions.

- We will consult regularly with business and labour associations on measures we can take and instruments we can use to make our business environment even more attractive and even more competitive. We will work to make Newfoundland and Labrador one of the most competitive tax regimes in North America to promote growth and jobs.

Capital Wealth Management

- We will continue to facilitate the growth of a concentrated body of expertise in Newfoundland and Labrador in capital wealth management.

Stock Savings Plan

- We will review the Newfoundland and Labrador Stock Savings Plan to determine if revisions or alternatives are required to encourage Newfoundlanders and Labradorians to invest more in provincial enterprises.

Minimum Wage

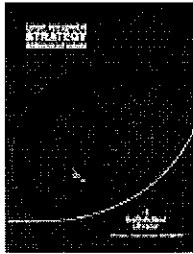
- Having raised the minimum wage incrementally over the past five years, we will convene an advisory committee on the minimum wage in 2012 and every two years thereafter.

Growing Business and Confidence

Many of our policies on business attraction and growth are dealt with in subsequent sections regarding specific industries: mining, energy, agriculture, fisheries, tourism and so forth. Businesses thrive where opportunities abound, and they certainly do abound in Newfoundland and Labrador. General approaches we have taken and will continue to take include investing in reliable infrastructure; maintaining competitive tax rates; reducing red tape; advancing education and training to establish pools of skilled labour to meet business and industry demands; advancing professional networks and associations; taking the lead in drawing together labour and business; promoting and marketing Newfoundland and Labrador; and ensuring public officials are knowledgeable and responsive to business needs.

Export Development Strategy

• In 2010, we unveiled our province's Export Development Strategy. Our vision is to lead in the provision of market entry and expansion expertise that results in enhanced export success for Newfoundland and Labrador companies and increased economic growth for the province.



The strategy has four general goals and 14 strategic priorities, all of which will constitute the core of our trade policy moving forward. The goals are these: to increase the export knowledge and preparedness of Newfoundland and Labrador companies; to increase the number of new exporters; to increase the sales and growth of existing exporters; to diversify markets of existing exporters; and to introduce new exporters to targeted markets. We wholly embrace the Export Development Strategy and consider it to be an integral part of this document.

Networks and Niche Development

- We will work to nurture a coordinated and mutually supportive approach among the provincial, federal and industry agencies working on trade and export development to improve the export performance of Newfoundland and Labrador firms.
- We will focus on diversifying successfully into non-resource, knowledge-based goods and services that we can sell to the markets of the world.
- Through our branding strategy, we will continue to promote our province as a great place to work and raise a family, and our people as innovative and energized.

National and International Trade Agreements

- We will take full advantage of the North American Free Trade Agreement, which gives us open access to the huge North American marketplace, and we will work to produce more high-quality specialty products that can also penetrate other markets, especially in Europe and Asia.

- To protect and advance our best interests, Newfoundland and Labrador has elected to join the talks between the Government of Canada and the European Union toward the development of a Canada-European Union Comprehensive Economic and Trade Agreement. We will continue to work to ensure every agreement to which we are a party advances our best interests, including the Atlantic Procurement Agreement and the Agreement on Internal Trade.

Trade Partnership Development

- We will identify opportunities both at home and abroad to forge new and stronger partnerships connecting local firms, sectors and communities with others around the world, capitalizing on our strengths to open markets to local products, services and people.
- We will continue to sponsor and participate in forums that encourage networking among businesses, both within and among sectors of our economy, recognizing that networking opens doors for improved marketing, partnership building, enterprise diversification, skills development, knowledge growth and business success.
- We will build on successful partnerships already achieved in international markets, recognizing that such successes build goodwill and open doors to other enterprises.

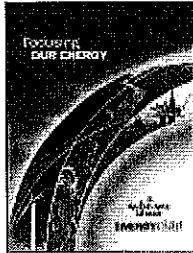
Cultivating Global Awareness and Skills

- To ensure global thinking permeates everything we do, we will strengthen efforts to work with existing firms to take advantage of emerging global value chains in order to produce and service products that are international in scope; provide educational opportunities in K-12 and post-secondary settings to forge stronger connections with people in countries that are current or prospective trading partners; and work with immigrant communities to build a better understanding of the economies, cultures and languages of old and new trading partners.

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Energy Plan

• In 2007, we released our province's first comprehensive energy plan, "Focusing Our Energy", a strategy developed to prepare Newfoundland and Labrador to capitalize fully on the extraordinary energy resources that stock our "energy warehouse". Appreciating the importance of "getting this right", we have adopted a perspective sufficiently broad to encompass all our energy resources and sufficiently far reaching to take us out to and beyond the return of Upper Churchill control in 2041.



Lower Churchill Phase One – Muskrat Falls

• The principal reason for developing Phase One of the Lower Churchill project at Muskrat Falls is that this is the least-cost option for meeting our province's energy needs and it will result in the lowest power rates for consumers. Without Lower Churchill development, our province would be facing the prospect of financing enormously expensive upgrades and eventual replacement of the Holyrood Generating Station, which would do nothing to ease our reliance on the costly, nonrenewable fossil fuels we burn there for energy.



• To determine that the Muskrat Falls project truly is the least-cost option for providing electricity to Newfoundlanders and Labradorians, two independent reviews of this project were commissioned: one by the Public Utilities Board and the other by Navigant, an internationally respected leader in the energy sector. Released in September, the Navigant report confirms Nalcor's findings that Muskrat Falls will save ratepayers \$2.2 billion over fifty years and is the least-cost option.

• This project will produce more power than we can use. Even if we did not sell that extra power, the project would still be the least-cost option to meet our electricity needs. Selling the extra power will create revenues for our province. That is why we have brought Emera into the picture. The agreement with Emera allows us to turn the value of that surplus power into extra revenue to benefit our province's people.

• One of the most significant gains for our province is the ability to transmit power in Nova Scotia, New Brunswick and New England. This gives us a route to get the additional power to export markets. It also opens the door for us to export additional power in the years that follow. For the very first time, Quebec will not have the power to block us from exporting our power to markets. There are protections for this province every step of the way to protect the best interests of the owners of this power, the people of Newfoundland and Labrador.

Jobs and Benefits

• The estimated total capital cost of the project is \$6.2 billion, including \$2.9 billion for the generating facility at Muskrat Falls and transmission infrastructure in Labrador; \$2.1 billion for the Labrador-Island link and transmission infrastructure upgrades on the Island; and \$1.2 billion for the Maritime Link. The project will generate 8,600 person-years of "direct" employment and 18,400 person-years of total employment in Newfoundland and Labrador. At peak employment during the construction phase, which we expect to occur in 2013, we will see about 2,700 people working. Total income from the construction phase for labour and business in Newfoundland and Labrador will be approximately 220 million dollars a year, which adds up to 1.4 billion dollars over the course of the project. This activity will generate some 210 million dollars in provincial tax revenues, plus some 525 million dollars in federal tax revenues. Nation-wide, the construction phase will generate 540 million dollars a year in labour and business income, totaling 3.5 billion

dollars by the time this project has been completed.

Renewable Power for Sustainable Growth

• Development of the clean hydropower resources of the Lower Churchill is a vital component of our comprehensive Energy Plan and a giant leap forward for sustainability. Few factors can drive sustained economic growth more effectively than a large supply of renewable energy at a relatively low cost. Lower Churchill development means transforming from an economy reliant on nonrenewable energy revenues to an economy grounded on sustainable, renewable, clean energy resources. As hydro-power can fuel sustainable economic activity in perpetuity, it is a key vehicle for our drive to self-reliance.

Our plan to develop the renewable resources of the Lower Churchill is to complete Muskrat Falls first and then Gull Island. Three decades from now, in 2041, our renewable energy strength will be even greater as the entire 8,000-plus megawatts of Upper and Lower Churchill power will be ours to control, harness and market to support industry and prosperity in Newfoundland and Labrador. Energy from the Churchill River system will fuel industrial expansion and employment growth throughout Labrador and the island. It will ensure our province's status as eastern North America's energy warehouse for generations to come.

Hydropower for Coastal Labrador

• In conjunction with the signing of the Muskrat Falls term sheet, we also announced the provision of 2.5 million dollars to further study small-scale hydroelectric projects for Labrador coastal communities. The province currently provides almost 20 million dollars a year in grants and subsidies to lower the costs to consumers in Labrador's coastal communities of the electricity that is currently provided through diesel generation. We are hopeful that this study of small hydro sites will provide alternative methods of providing reliable and clean power to these households.

We will actively seek proposals from businesses and partnerships to construct a power line to supply communities of Labrador's North Coast.

Upper Churchill Contract Strategies

• The Upper Churchill Contract has three decades more to run. In the initial phase from 1972 to 2016, Quebec has been paying a quarter of a cent per kilowatt hour. From 2016 to 2041 under the renewal phase, Quebec will get Upper Churchill power for just a fifth of a cent per kilowatt hour. Meanwhile, they have been selling that power at a huge markup. In 2008, the power they were getting from us for a quarter of a cent per kilowatt hour they were selling for 9 cents per kilowatt hour – 36 times what they paid for it. In 2008, Quebec made 2.3 billion dollars from Upper Churchill power. Our province made 50 million, which is to say that for every dollar they made, we made 2 cents. CFLCo is currently before the Court seeking redress for this injustice.

National Energy Corridors

• The federal government has tremendous power and leverage to lower barriers between provinces and forge a path toward fairness and true community. We will continue to press Ottawa to take a lead role in opening east-west energy corridors that give provinces the freedom to transmit energy to markets within the country. The Government of Canada should get involved in opening these corridors because it is good for the Canadian economy, it is good for the people of Canada, it builds regional strength and it creates economic opportunity.

Affordable Industrial Power

• We will work with industries to achieve competitive power-purchase agreements.

Climate Change Action Plan

• We will implement the Climate Change Action Plan 2011 entitled "Charting Our Course", which we released in August 2011. This Action Plan builds on the province's first-ever Climate Change Action Plan, which we released in 2005. The Office of Climate Change, Energy Efficiency and Emissions Trading within the Executive Council (which we established in 2009) will be the lead agency for strategy and policy development, including a new Climate



Change Action Plan, a greenhouse gas strategy and a five-year energy efficiency strategy. We were determined to make strategic linkages with existing processes, including the Environmental Assessment process related to specific initiatives, the Strategic Environmental Review process related to general initiatives, the Natural Area Systems Plan, the Innovation Strategy, the Energy Plan and the Waste Management Strategy.

Energy Efficiency Action Plan

• We will implement the Energy Efficiency Action Plan 2011, entitled "Moving Forward", which we released in August 2011. This plan aims to provide a comprehensive picture for the province of energy consumption, energy efficiency efforts to date, and new directions for the future. We recognize the importance of leading by example in the government's own operations as well as providing a strong and sustained focus that reaches out to all sectors of the economy.



Residential and Industrial Energy Efficiency

We will examine best practices to strengthen initiatives that advance residential and industrial efficiency.

Energy Innovation Roadmap

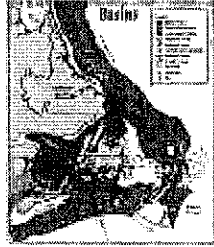
• We will abide by the Energy Innovation Roadmap Phase One, which we released in 2010, and we will support the production of Phase Two of the Roadmap. Phase One includes a detailed analysis of Newfoundland and Labrador's energy sector and innovation opportunities in several key areas, including oil and gas, hydroelectricity, onshore wind, remote energy systems and energy transmission. It also considered health and safety and environmental protection to guide future improvements in technology and practices. Phase Two of the project will define the actions required to develop, commercialize and market innovations and technologies within the priority areas identified in Phase One, and it will identify the investments and partnerships required to support the long term implementation of the roadmap.

Alternative Energy

• Alternative energy sources include energy from earth (geothermal, biomass), air (wind), fire (solar) and water (tides, waves). We have successfully employed technologies that harness geothermal energy to offset energy requirements in some public buildings, such as schools. We will continue to seek ways to use innovative, environmentally-friendly technologies to shift our reliance on electricity. We have also been inspired by the success of the wind / hydrogen / diesel clean-energy project in Ramea and will look for opportunities to apply this technology (or similar innovations) in other remote and rural locales of the province.

Exploration

With development projects at Hibernia, the Hibernia South Extension, Terra Nova, White Rose, North Amethyst (a satellite field of White Rose) and Hebron, plus continuing exploration in other regions, Newfoundland and Labrador has become one of Canada's petroleum giants. We are determined to build on these successes to promote continuing exploration, development, technology transfer and other local benefits so that all regions of Newfoundland and Labrador will continue to benefit from the development of our oil and gas resources. In accordance with our 2007 Energy Plan, we will encourage oil and gas exploration activity through a range of initiatives, including these:



- Through a working group comprising the provincial government and petroleum industry representatives, including Nalcor, we will continue to identify measures to promote targeted exploration activity and address other industry needs.
- Through Nalcor, we will continue to purchase existing proprietary seismic data for reevaluation and acquire new data to fill in gaps.
- We will continue to develop data management information repositories for onshore and offshore resources.
- We will advance a comprehensive petroleum resource marketing plan.

Effective Management and Maximized Benefits

As the 2007 Energy Plan states, governments, as resource owners, have four levers at their disposal to ensure sound and effective management and to maximize benefits over the long term:

1. **Equity Ownership:** Taking equity ownership in projects to ensure first-hand knowledge of how resources are managed, to share in that management, to foster closer government/industry alignment of interests and to provide an additional source of revenue.
2. **Fiscal Regime:** Implementing a progressive fiscal regime, including royalties, that provides an appropriate sharing of the downside risk, the upside potential, as well as clarity to potential investors.
3. **Regulatory Framework and Land Management:** Ensuring we have an effective and efficient regulatory and governance structure to encourage responsible, timely and effective resource development.
4. **Local Benefits:** Encouraging industry sustainability by strategically capturing local benefits through business development, technology transfer and job creation, and increasing the level of processing, refining and other value-added activities in the province. This will also result in the expansion of local capabilities and increase our competitiveness.

Equity Ownership

- We will continue to pursue the acquisition of the 8.5 per cent federal interest in the Hibernia Project in a manner that makes economic sense for the province.
- We will establish a policy to obtain a 10 per cent equity position in all future oil and gas projects requiring a Development Plan approval, where it fits our strategic long-term objectives.

Fiscal Regime

- We will implement the Offshore Natural Gas Royalty Regime when industry consultations are complete. This regime has five key objectives: encouraging development of economic projects; obtaining higher royalties from a project when prices and profitability are higher and providing "downside protection" for developers in low

price environments; creating a predictable and transparent system; designing a system that is sufficiently flexible to adapt to different types of projects; and ensuring the regime is internationally competitive.

- We will establish an internationally competitive Generic Offshore Oil Royalty Regime in line with the principles and structure of the Offshore Natural Gas Royalty Regime.

Regulatory Framework

- We will review the onshore petroleum regulatory structure to ensure it responds to the needs of industry and the province.
- We will continue to work with the federal government and stakeholders to improve the efficiency and effectiveness of our current offshore regulatory structure, consistent with the principles of the Atlantic Accord.
- We will work with the affected Aboriginal governments and groups to ensure that developments in areas under claim or subject to a treaty are managed efficiently and effectively for the benefit of those Aboriginal peoples and other residents of the province.

Employment and Industrial Fabrication

- We will focus on benefits requirements that target maximum sustainable supply and service industries and employment where we have the potential to create or capitalize on our competitive advantages. To accomplish this, we will work with our stakeholders and partners, including unions, fabrication yards and oil and gas companies.
- We will establish a fund with an initial \$5 million investment to provide financial incentives for export-based petroleum fabrication and manufacturing opportunities. These financial incentives will be based on clear guidelines, targets and program parameters.
- We will develop and implement a comprehensive capability marketing plan to be used in conjunction with our supply and industrial fabrication industry companies to sell our expertise inside and outside the province.

Refining, Secondary Processing and Other Value-added Activities

- We will aggressively pursue refining, petrochemical, and other value-added secondary processing opportunities. We will request that companies provide an assessment of the feasibility and provincial benefits of refining oil and/or pursuing other secondary processing opportunities in Newfoundland and Labrador prior to submitting a Development Plan.

Landing Natural Gas

- We will request that all companies provide a detailed assessment of the feasibility and provincial benefits of landing gas in Newfoundland and Labrador prior to submitting a Development Plan.

Land Management

- We will encourage the federal government to work with us to establish time limits for developing new and existing significant discovery licenses offshore; to ensure companies outline detailed plans and timelines for execution for exploration activity; to establish a reporting and monitoring program which will ensure the exploration activity is being pursued as planned; to facilitate the development of satellite fields including reduced cycle time approvals; and to develop open-access requirements to existing facilities by third parties.

Boundary Resolution

- We will be vigorous in defending Newfoundland and Labrador's rights and interests in negotiating resolutions of disputed boundaries in such regions as 'Old Harry'.

Offshore Safety

- We accept the recommendations of Commissioner Robert Wells to promote offshore safety, including his call for the establishment of a separate Canada-Newfoundland and Labrador Offshore Safety Board. We will continue to press the federal government to endorse these recommendations.

Comprehensive Review of Marine Safety Centre of Excellence

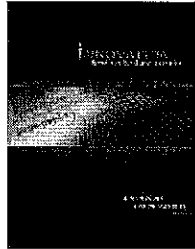
- We will continue to press the Government of Canada to work with our government in

commissioning a comprehensive review of marine safety in waters off Newfoundland and Labrador with a view to ensuring Canada – arguably the world’s greatest coastal state – becomes the global leader in marine safety. A broader examination of safety may lead to recommendations that some of the safety functions consolidated at Trenton or Halifax might be better consolidated hundreds of kilometres farther east in ocean-bound Newfoundland and Labrador; or that the safety functions of 9 Wing Gander, 5 Wing Goose Bay and CFS St. John’s should be bolstered to improve mariner safety; or that Newfoundland and Labrador bases of operation could serve as staging grounds for Northern Gateway operations extending into the Arctic; or that

existing expertise in marine technology, R&D, industry and training which abounds in Newfoundland and Labrador could be harnessed more effectively to promote Canada’s supremacy in maritime search and rescue; and so forth. Canada is blessed with incredible rescue professionals, experienced in the harshest of conditions. We have a real opportunity here to set an example for the world, not only with respect to rescue techniques, but also with respect to the organization of rescue services. There is far more we can do to harness the strengths we already have in order to build the kind of marine safety network we are capable of achieving for the benefit of those brave enough to work at sea.

Innovation Strategy

• Our Innovation Strategy has proven to be a solid foundation for growth. We are continually assessing its progress and endeavouring to maximize success through the application of the



strategy's accountability framework. With this strategy to guide us, we will nurture a strong culture of creativity and cooperation with the necessary skills and knowledge, the right financial supports, the supportive regulations and policies, good physical and information infrastructure, appropriate and competitive industry structures and the ability to identify and capture market opportunities for new or better goods and services. Components of the strategy include support for youth innovation, a scholarship fund, a graduate employment incentive and R&D incentive information for businesses.

Technology Parks and Other Support for Strategic Clusters

• The Innovation Strategy identifies promising clusters in a range of disciplines, such as marine technology, environmental technology, information technology, life sciences, and cultural and tourism industries. Technology Parks encourage the transfer of technology from universities and colleges to the marketplace, foster close interaction between businesses located in the park and the public sector (including institutions and related spin-offs if they are nearby), nurture start-up and emerging technologies, and promote economic development. By nurturing collaboration and cooperation, we will increase the number of high-value jobs, strengthen our industrial base, aid in research and development, and bring homegrown efficient solutions to market.

Research & Development

In 2008-09, we launched our province's new Research & Development Corporation (RDC) to work with, and encourage collaboration among, R&D stakeholders including industry,

academia and government agencies and departments.

• Through the RDC and the Innovation Strategy, we will continue to incubate vital new opportunities that will propel Newfoundland and Labrador toward new growth as we head deeper into the 21st century.

• We will continue to provide, through the Research & Development Corporation, funding to stimulate a significant level of pure and applied research in Newfoundland and Labrador.

• We have been taking advantage of the Embedded Entrepreneur Initiative of NRC-IOT, which provides entrepreneurship and managerial guidance for ocean-industry businesses to work with researchers focusing on strategic areas, helping to bring industry-relevant ideas from concept to prototype. We will continue to emphasize collaboration and partnerships among institutions, between education and industry, and within strategic clusters throughout our regions.

• We will continue to harness the power of our public post-secondary institutions – Memorial University, the Marine Institute and College of the North Atlantic – to help us make the most of our investments through the Industrial Research and Innovation Fund (IRIF).

• We will continue to demonstrate due diligence in working to capture venture capital as well as research financing from a wide range of sources. Our initiatives will facilitate commercialization by charting a course from prototypes to saleable products.

• We will partner to make Newfoundland and Labrador more competitive in terms of spending per capita on research and development.

• We will also strive to increase the share of private-sector R&D significantly as a proportion of total R&D. The government

will partner with large industrial players active in the province to find mutually beneficial ways for them to increase significantly their research and development investments here.

Health Research

• As a government, we have invested significant funds in health research and facilities, including the Newfoundland and Labrador Centre for Interdisciplinary Research in Human Genetics. We will build on those investments.

Broadband Province-wide

• We will work with the private sector and the federal government in a concerted effort to provide province-wide high-speed access within four years. In June 2011, we invited internet service providers to develop a plan to assist in improving broadband access in underserved areas. Through the Rural Broadband Initiative, we will work with industry and government partners, and within the confines of a sector that is heavily-regulated by the federal government, to advance initiatives that improve broadband access. The call for proposals creates the environment to have formal discussions with industry and protects their intellectual property while providing the government with the ability to address broadband availability. Already our investments have totaled \$20.6 million and levered more than \$90 million. Broadband access is now available in 450 communities – up from 114 in 2003.

e-Government Infrastructure

Newfoundland and Labrador is becoming a leader in e-government through the work of the Office of the Chief Information Officer (OCIO) across all departments. We are ready to do more to harness the power of modern computer and telecommunications technologies to deliver services more effectively to the people of Newfoundland and Labrador while at the same time nurturing public service expertise and provincial leadership in the information technology and information management fields.

• Through the OCIO, we will install Consolidated Server Architecture, including redundancy backups to guard against catastrophic failures, in order to improve reliability and reduce risk to government.

• We will continue to expand the Information Management Capacity Assessment Tool (IMCAT) across government departments to enable them to assess and improve their information management capability.

• Through the OCIO, we will develop an e-government framework to facilitate an orderly implementation of service improvement opportunities both within the organization and for clients of government departments and agencies.

• Through the OCIO, we will implement appropriate back-office processes to improve the internal efficiency of government as it relates to client-focused service delivery.

• Where appropriate, the government will network with Newfoundland and Labrador-based information technology firms and professionals to support the government's initiatives while promoting growth in our province's IT sector.

Digital and Cellular Telephone Service

• We will work with service providers to develop a plan to expand digital and cellular telephone access to more regions of the province.

Establishing and Promoting Innovation Successes

• We will work with innovators, enterprises and educators to identify opportunities to establish and promote our province's leadership, on an international scale, in key areas in which we have natural strengths, including ocean technology, fisheries sciences, aquaculture, marine transport, life sciences research, aerospace technology, software development, and communications technology engineering, digital multimedia production, web development, electronic game development and film production.

2011 Memorandum of Understanding

In the summer of 2009, in an attempt to end a protracted strike in the Newfoundland and Labrador shrimp fishery, the Fish, Food and Allied Workers, the Association of Seafood Producers and the Government of Newfoundland and Labrador signed a Memorandum of Understanding designed to provide the level of analysis required to inform the debate on the rationalization and restructuring initiatives necessary to ensure the long-term stability of the province's fishing industry. In 2011, the province received the report of the independent chair of the Memorandum of Understanding Steering Committee on Fishing Industry Rationalization and Restructuring.

Fisheries Marketing

On July 18, 2011, we announced that we are accepting all seafood marketing proposals in the report of the independent chair of the MOU steering committee. Specifically, we will explore options with the federal government and the fishing industry to establish a seafood marketing council, a number of seafood sales consortia and improved access to inventory financing for the province's fishing industry.

- We will provide support to the fishing industry to help them further develop the details of how a provincial seafood marketing council would be structured and function. The industry will be required to play an active role in establishing the council, including sharing in funding the organization.
- We are willing to provide funding to offset initial incremental set-up costs for participants who are interested in establishing sales consortia, subject to input and support from the federal government and the fishing industry. We are also willing to participate in a working capital guarantee program, which could be accessed by sales consortia to enhance their inventory financing capacity.

- We will work with federal government agencies and commercial banks in a collaborative effort to assist in the provision of inventory financing arrangements. We will also work with the sales consortia after they have been established. The purpose is to make available to sales consortia inventory financing greater than that which would otherwise be available from commercial banks. This should enable consortia to have a greater ability to hold product in inventory for an extended period, to allow for a more orderly release of product into the marketplace than is currently the practice in the industry.

Fisheries Rationalization and Restructuring

The MOU report states that, because of market forces, the fish processing sector has been downsizing and the downsizing will continue. The report calls for deliberate rationalization of the sector by a further 30 per cent over a relatively short period of time at a cost of approximately half a billion dollars.

While the MOU report lays out an approach to rationalization, it does not present a plan for fishing industry restructuring. The report makes clear the parties could not reach an agreement on how to proceed with restructuring, stating "at this juncture many key industry participants appear unwilling or unable to contemplate more fundamental restructuring initiatives". However, the report also states that "initiatives designed to support rationalization alone will be insufficient to allow industry and government to achieve the kind of meaningful restructuring that is necessary".

Rationalization without restructuring would leave significant and fundamental challenges unaddressed. A massive expenditure that leaves the problems unsolved is not the solution.

Considering the importance of this industry to Newfoundland and Labrador, we cannot cease trying to chart a way forward as partners around the table: harvesters,

processing plant workers, other fisheries workers, the fisheries union, processing plant owners large and small, and the provincial and federal governments.

- Therefore, we will be vigorous in working to engage again the parties to the Memorandum of Understanding, and others if that is determined to be helpful, to complete the critical phase that is missing from this MOU report by developing a comprehensive restructuring proposal for a sustainable fishing industry in Newfoundland and Labrador.

Workforce Adjustment

- We will continue to advance measures to assist workers and communities affected by the closures of fish processing plants. The MOU report describes the measures we have already taken over the past eight years to assist communities affected by processing plant closures. These include:

- *Transition support services through HRLE to help displaced workers develop an individualized transition plan to include access to labour market information, retraining options, counselling on relevant provincial and federal programs concerning employment opportunities, resume writing, job search, training, wage subsidies and self-employment supports. This also includes retraining through public, private and non-profit training institutions.*

- *Regional economic diversification through programs made available through INTRD. This includes wage subsidy to support transition to other jobs, through the Fish Plant Worker Employment Support Program (FPWESP) - Wage Subsidy component for Small- and Medium-sized Enterprises (SMEs) which provides new entrepreneurs and expanding small businesses with funding to employ fish plant workers negatively affected by the closure of a fish plant.*

- *Short-term job creation through the Fish Plant Worker Employment Support Program (FPWESP), which provides a short-term solution to help workers deal with their immediate financial needs. Eligible workers are employed by local governments and community organizations to work on projects*

that contribute to tourism development, economic development, community/municipal infrastructure or community services.

Fish Harvesting Sector Measures

- We will press Ottawa to work with the province and fish harvesters to identify ways and means to rationalize the harvesting sector without harming harvesters in the process.

- We will press Ottawa to bring forward a program for fishing licence buyouts.

- We will press Ottawa for reform of capital gains policies for fishing enterprises.

- We will be forceful in pressing Ottawa to enhance the province's voice and role in the management of fisheries issues that fall within federal jurisdiction.

Lobster Licence Buyout

- We will cost-share with the federal government a lobster sustainability and rationalization program to enable licence-holders to exit the industry, thereby enhancing the viability and incomes of those who remain.

Sustainable Management and Custodial Management

- We have long expressed frustration that the Northwest Atlantic Fisheries Organization (NAFO) has been ineffective in curbing unsustainable fishing practices. We have long called on the Government of Canada to stand boldly before the United Nations and declare it will assume custodial management of the fish stocks of the northwest Atlantic to terminate the unsustainable fishing practices that are threatening the recovery of the fish stocks of the region. We are calling once again on the Government of Canada to assert custodial management over the Nose and Tail of the Grand Banks and the Flemish Cap.

Fisheries Science

- We will continue to invest provincial funding in our new fisheries scientific research initiative. In 2010, we announced the provision of \$11.75 million to establish the Centre for Fisheries Ecosystem Research at Memorial University's Fisheries and Marine Institute. This funding included \$6.5 million

for human resources and operating costs of the centre over the next five years plus \$5.25 million to charter large vessels, such as the *RV Celtic Explorer*, for offshore research. We also announced \$2 million to fund the Canadian Centre for Fisheries Innovation (CCFI) plus \$200,000 for a highly-sophisticated inshore fisheries research vessel, the *RV Gecho II*, to study coastal bays with unique habitats, inshore spawning and nursery habitats, enabling the province to better monitor inshore and offshore species migration. Our total investment was \$14 million. This vital work will continue.

- We are calling on the Government of Canada to enhance offshore fisheries research initiatives significantly in order to better understand what is happening in the northwest Atlantic. Canada ought to be the world leader in fisheries science and expertise, and Newfoundland and Labrador ought to be the place in Canada where fisheries science and expertise is concentrated.

- We are also calling on the Government of Canada to preserve and indeed enhance its investments in coastal surveillance using vehicles that operate on, above and beneath the ocean surface. Investments in the Canadian Navy and the Canadian Coast Guard and the utilization of satellite technology and other resources ought to reflect the enormous importance of safeguarding this vital resource.

Fisheries Loan Board

The FFAW has called for the establishment of a fisheries loan board. Our province operated such a board many years ago. Nova Scotia currently operates a Fisheries and Aquaculture Loan Board. We will learn from past practices in our province and examine the best practices of other jurisdictions with a view to establishing a fisheries loan board that will strengthen the fishing industry in Newfoundland and Labrador.

Fisheries Technology and New Opportunities Program (FTNOP)

- Through our Fisheries Technology and New Opportunities Program, we will continue to support research and environmentally sustainable fisheries development work in the

harvesting and processing sectors with emphasis on more-efficient utilization of traditional species, better use of under-utilized species and enhanced value-realization of all fisheries resources. The program is helping our fishing industry become more innovative and competitive. Through this initiative, we will continue to support projects that contribute to the processing, harvesting and marketing sectors.

Canada-EU Comprehensive Economic and Trade Agreement (CETA)

- We will strive to ensure our province's best interests are protected under any Comprehensive Economic and Trade Agreement between Canada and the European Union. We will continue to address trade concerns such as tariffs so our products can compete more effectively in the marketplace.

Aquaculture Industry

- We will continue to invest in aquaculture to replace some of the wild fish supply that has been lost and give fishing communities an alternative to reliance on wild fisheries.

- As the latest annual report of the Department of Fisheries and Aquaculture indicates, we will complete the development of an Aquaculture Development Framework and put the framework into action.

- We will complete and implement the Aquaculture Sustainable Management Framework.

- We will continue to invest in strengthening our aquaculture industry, building on the enormous capital investments we have made to date to grow opportunities in rural areas.

- We will work to expand aquaculture to other regions.

- We will focus on developing stable, sustainable careers in this industry, emphasizing quality over quantity of product.

- We will target additional regions for aquaculture enterprise development while continuing to work with regions where aquaculture has proven to be successful.

- We will work to grow fish species that can be processed locally into lucrative value-added products, and work with processors to make this happen.
- We will promote local consumption of locally-grown fish.
- We will further advance initiatives to expand cod aquaculture, recognizing the added time and investment needed to produce cod for market.
- We will ensure optimal use is made of the Centre for Aquaculture Health and Development, located in St. Alban's.
- We will explore new opportunities to develop farmed and wild fish products that cater to Asian markets where the love for diverse and innovative seafood products is renowned.

- We will explore new ways to process farmed and wild fish and add value to the products we market.
- We will continually update information on best practices in aquaculture health on a global basis.
- We will ensure aquaculture developers file rehabilitation and closure plans and post financial assurances for site liabilities prior to starting operations to ensure funding is available for the province to carry out the necessary site rehabilitation should the lessee be unwilling or unable, for example through bankruptcy, to do so. This greatly reduces the risk of future orphaned or abandoned aquaculture sites being generated in Newfoundland and Labrador.

Leader in "Blue" Technology

Our strategic location in the North Atlantic positions us perfectly to capitalize on opportunities in the ocean technology – or "blue" technology – sector. For centuries, we have been fishers and mariners. Today, our expertise extends to fish farming, subsea cabling, deep-ocean exploring and offshore oil production. The ocean is the last great frontier on our planet, and we are already among the world's leading pioneers, harnessing the power of institutes, infrastructure, technology and minds that are among the best anywhere. New opportunities abound in oil and gas, fisheries and aquaculture, fisheries science, ocean observation, weather forecasting, subsea robotics technology, marine transportation, vessel design and engineering, marine recreation and tourism, offshore safety, defence and security, education, advanced R&D, advanced simulation and modeling. The work we have progressed over the past eight years has already opened wide the doors of opportunity here. The American-based *Marine Technology Reporter* describes Newfoundland and Labrador as "an international epicenter of marine technology." We believe a sector already worth some \$250 million a year to our province's economy can grow in value to more than \$1 billion a year by 2015. That means rewarding careers for our people, new investment, diversification and sustainable economic activity for our communities.

Ocean Technology Sector Strategy

• In 2010, we launched our province's Ocean Technology Sector Strategy with the release of "Oceans of Opportunity". The strategy identifies the role of the government as threefold: (1) to help identify and eliminate barriers to ocean technology development by providing improved access to capital, facilitating initiatives in international markets, and



providing resources to market products and services; (2) to advance collaboration between industry and educational institutions to foster an environment of innovation, and help develop and attract a highly-qualified workforce; and (3) to encourage local business operators and related organizations to consider the innovative products and services produced by the ocean technology cluster as a means of advancing their own business objectives.

- We will appoint an Assistant Deputy Minister for Oceans to coordinate the government's activities in the ocean technology sector in cooperation with the RDC.

Incubation

- We will adopt an improved technology incubation model. We will provide greater access to funding for start-up firms and incubation facilities through a new Ocean Technology Development Fund to complement existing provincial and federal programs. We will support product development and marketing efforts of post-incubation and independent start-up companies. We recognize that public operations can serve as a beta test ground, a first market, or a technology demonstration platform. We will advocate for businesses, departments and agencies to use technologies developed by the local ocean technology cluster.

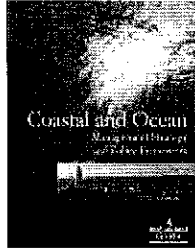
Partnerships

- We will explore the role of research and educational institutions in developing and transferring skilled people and new technologies to industry.
- We will continue to work toward the establishment and successful operation of a comprehensive ocean observing system in the Northwest Atlantic Ocean as a means of growing the ocean technology cluster in the province. This would be a means of linking several small-scale ocean observing systems currently in place, including the SmartBay initiative, the Bonne Bay Marine Station, the

Newfoundland Operational Ocean Forecasting System, and private sector activity related to the collection and analyzing of information in the marine environment to provide forecasts or data for its clients.

Coastal and Ocean Management Strategy and Policy Framework

• In 2011, we released our new provincial Coastal and Ocean Management Strategy And Policy Framework to provide long-term strategic direction on sustainable use of coastal and ocean resources in Newfoundland and Labrador. We will follow through in putting the strategy and framework into practice. Our vision is of healthy and productive coastal areas and ocean resources contributing to a prosperous economy and to the well-being of present and future generations of Newfoundlanders and Labradorians. The strategy is grounded on five principles: conservation, precaution, sustainability, integrated management and adaptive management.



Marketing Intelligence

• We will collaborate with key stakeholders to identify international markets where technologies, services and expertise

developed by locally-based companies fill an identified market niche or are competitive.

• We will cooperate with industry associations and non-governmental organizations to develop improved market intelligence and provide a more receptive channel for industry input into future government actions and policies.

Infrastructural Supports

• We recognize the value of strong infrastructural supports for the development of the ocean technology cluster. Examples include the wave tank at the Institute of Ocean Technology, the marine simulator at the Marine Institute, offshore construction facilities at Bull Arm and Cow Head, and the synchrolift in St. John's harbour.

Collaboration

• We will bring together representatives from each of the oceans-related industries from the private, public and education and training sectors to start strategizing about how best to manage and develop our various oceans industries in an integrated and mutually supportive way. The provincial government will convene regular meetings of senior public and private sector representatives involved in the various oceans-related industries for the purpose of developing an integrated and synergistic approach to ocean-industries development.

Recognizing the Value of Mining

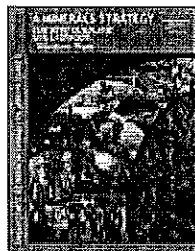
Iron. Nickel. Copper. Cobalt. Gold. Uranium, Fluorspar. Zinc. Lead. Silver. Antimony. Molybdenum. Titanium. Vanadium. Tungsten. Dimension stone. Anorthosite. Dolomite. Silica. Gypsum. Limestone. Barite. Pyrophyllite. Aggregate. Slate. Peat. Rare earth elements. Such commodities hold the promise of investment and employment opportunities throughout Newfoundland and Labrador, particularly in rural regions.

Consider how mining and processing have transformed Labrador West into a centre of immense wealth and opportunity. Other regions are also seeing the benefits of exploration and development, and we have only scratched the surface (quite literally in some cases) of the opportunities that abound here. Over the past five years, the mining industry has been the second-largest contributor to the provincial Gross Domestic Product after petroleum, employing 5,000 people while generating \$3.3 billion in mineral shipments, \$72 million in exploration investments, and nearly a billion dollars a year in direct and indirect revenues. In rural regions, the sector holds great promise for further economic development and job growth.

- Recognizing that Newfoundland and Labrador is a treasure-trove of minerals, most of them undeveloped or undelineated, we will do far more in the years to come to put our province's mineral wealth to work for the prosperity of our province and the self-reliance of our people and communities.

Minerals Strategy

• We will move forward to implement the new Minerals Strategy. In 2011, our government released a consultation paper on the development of a minerals strategy for Newfoundland and Labrador, the first wholesale review of minerals policy undertaken by any



government in the province since the Moores administration of the seventies. The strategy will pursue four goals: competitiveness for the industry, fair return for our people, progress for our communities and workers, and sustainability.

Promotion and Investment Attraction

- To attract external investment and its many direct and spin-off benefits, we will do more to promote the competitive advantages of mineral exploration in the province, concentrating on the mineral potential, geoscience database, regulatory regime and stable environment.
- We will target potential investors from traditional and emerging markets.
- We will engage more strategically in conferences, trade shows, investment symposia and information sessions at such venues as the Prospectors and Developers Association of Canada Annual Meeting, Cordilleran Round-Up, China Mining, the Mineral Resources Review, Labrador Expo and other in-province opportunities.
- We will keep our promotional activities fresh, focusing on delivery via the internet, trade journal articles, and direct advertising.
- We will partner, where appropriate, with industry associations, federal departments and other provincial departments to promote our industry.
- We will continue to help local prospectors to attend national mining conferences to promote networking.

Exploration and Development Incentives

- We will maintain strong investments in exploration and development through our Mineral Incentive Program, which assists the local exploration industry, helps attract exploration investment to the province and leverages some two dollars for each dollar invested.

- We will conduct a cost-benefit analysis of the various mineral exploration incentives (such as tax credits or direct incentives) offered by other jurisdictions in selecting best practices for Newfoundland and Labrador.

Prospector Assistance

- Recognizing the importance of prospectors in contributing to lucrative mineral discoveries, we will maintain the Prospector Training and Assistance Program.
- We will continue to facilitate the work of prospectors through support of the Matty Mitchell Prospectors Resources Room in collaboration with the Newfoundland and Labrador Chamber of Mineral Resources.
- We will continue to provide direct financial assistance to eligible prospectors for traditional and grass-roots prospecting, for air support to remote properties and for advanced prospecting projects.

Public Geoscience

- To ensure our geoscience database is comprehensive and current, we will continue to invest in improving the collection of geoscience data, which benefits the mineral exploration sector, recognizing that every dollar invested in public geoscience yields at least five times that investment in exploration investments, and potentially much more if exploration leads to a mine.
- We will invest in maintaining our core libraries so the information is available to mineral exploration companies, whose work can lead to economic growth.

Infrastructure

- We will identify the key infrastructure needs for further mining exploration and development, and will make prudent investments to open up new opportunities.

Regulation and Legislation

- We will ensure our legislation, regulations and permitting process for mineral exploration, mine development and quarry development are modern, balanced and reflective of the needs of the industry and the province.

Access to Land

- In developing the government's Natural Areas System Plan (NASP), we will ensure the process of defining areas in which exploration is not permitted balances conservation, economic opportunity and, where applicable, Aboriginal interests.

Research and Development

- Through geoscience data collection and high-level scientific analysis by Geological Survey professionals, we will continue to expand the body of knowledge available to prospectors and developers.
 - We will continue to finance impartial, state-of-the-art geoscientific investigations throughout Newfoundland and Labrador to unveil the distribution, nature, quantity and origin of Newfoundland and Labrador's mineral resources.
 - We will engage the province's Research & Development Corporation (RDC) and our province's post-secondary R&D professionals, including Memorial University's Department of Earth Sciences and the Inco Innovation Centre, to stimulate strategically-advantageous research and development activity in our province's mining and mineral exploration sector.
 - We will promote the development of technological solutions that may assist in locating deeply buried mineral deposits, improving the efficiency of exploration, providing metallurgical solutions to improve extraction and efficiency of mining, developing innovative mining techniques, and providing means of reducing the environmental impact of mining.
- #### **Developing New Resources**
- We will promote the search for commercially-attractive new deposits of both conventional and unconventional mineral commodities.
 - We will explore opportunities to meet the major demand in the northeastern United States for aggregate (crushed stone, sand and gravel).
 - With the world's largest producer of rare earth elements, China, reducing the

availability of these minerals, which are vital for modern technologies such as computers, cell phones, lasers, catalytic converters and other leading-edge products, an opportunity exists for Newfoundland and Labrador to develop our own deposits of rare earth elements both in Labrador and on the island. We will work with developers to explore opportunities to turn these resources to our advantage.

- We will explore opportunities for development of the dimension stone and industrial mineral sectors.

Taxation

- We will review the tax regime – the Revenue Administration Act, the Mineral Act and the Mineral Holdings Impost Act – to ensure it strikes the right balance between providing appropriate revenue to the province while remaining competitive in the global mining industry. Any incentives or relative advantages we may provide will be promoted fully to ensure the province reaps their benefits through increased investment and development activity. We will continue to ensure the province benefits fairly in corporate income tax from mining operations.

Benefits

- In recognition that minerals are nonrenewable resources that ought to benefit not only current generations but also future generations of Newfoundlanders and Labradorians, we will ensure the province maximizes benefits from mining through such provisions as may be negotiated, including local employment benefits, gender equity plans, use of local supply and contracting companies, spin-offs in research and development, training, secondary processing of raw materials in the province, and the negotiation of impacts and benefits agreements with Aboriginal groups in certain circumstances.

- We will continue to apply the provisions of the Environmental Assessment Act, which may include the completion of a benefits agreement pertaining to a particular project as part of the approval process.

Training, Education and Workforce Issues

- Consistent with the letter and spirit of the recommendations of the 2007 Skills Task Force, we will continue to strengthen post-secondary programs to train trades and management professionals for the mining industry so we reap maximum benefits from these developments.

- We will do more to ensure the people of our rural communities have access to employment opportunities as well as education and training so they can benefit fully from local mining and exploration opportunities.

- We will identify ways to ensure that members of society who continue to be under-represented in some areas of the mining sector – particularly Aboriginal people and women – can avail of the opportunities.

Health and Safety

- We will review and continually monitor occupational health and safety legislation and regulations regarding mines, to ensure our people are operating in healthy and safe workplaces.

- We will improve mine safety of worker regulations in light of the findings of consultations we have undertaken through the Department of Government Services.

- We will introduce strengthened mine health and safety regulations, learning lessons from mining accidents and tragedies in other jurisdictions so we can prevent them from occurring here. These strengthened regulations will cover a wide range of issues: illumination, cap lamps, conveyor belts, emergency procedures/mine rescue, and requirement for geological characterization and composition analysis of rock being mined or quarried; underground mine operations; open pit mine designs; mine shafts; mine hoists; the handling and storage of explosives; and the use of electricity in mines.

- We will take measures to ensure our mining workplaces are respectful, free of discrimination and harassment.

Healthy Relationships

- We will encourage exploration and mining enterprises and the local communities to develop healthy relationships through community engagement and consultation, addressing any reasonable concerns the local residents may raise.

Outreach

- We will continue to engage in outreach initiatives through our Mines Branch, in conjunction with those delivered by national and local mining industry associations, including the Prospectors and Developers Association of Canada's "Mining Matters", Women in Mining (WIM) Canada, the Mining Industry Human Resource Council (MiHR), Aboriginal groups, mining companies, other governments and our departments of Business, Education, and Innovation Trade and Rural Development. This outreach will include providing ready public access to user-friendly information that will be needed to make informed decisions on many issues from exploration to rehabilitation, including planning for the long-term use of public lands. Through outreach, we will also inform young people of mining sector careers that may be available to them, and inform entrepreneurs of business opportunities that may be available to them.
- We will continue to promote the creation of rock kits for schools, to help inform our students of our mineral resources, mineral exploration activities, mining operations and mineral resource uses.

- We will continue to engage in outreach programs such as Provincial Mining Week, a Mining in Society show and a Women-in-Mining forum.

Sustainable Mining and the Environment

- We will work with mining industry communities to understand and address environmental issues associated with industry activities.

Climate Change

- In collaboration with our mining sector, we will explore actions – such as innovation in energy efficiency, technology development and investment in new capital projects and technology – that mining companies can take to adapt to changing climate conditions and reduce greenhouse gas emissions to meet established or anticipated targets. Our government, through our Climate Change Action Plan, has committed to reduce GHG emissions by 2020 by 10 per cent below 1990 levels.

Agrifoods Strategy

- We will implement our new five-year Agriculture and Agrifoods Action Plan entitled “Our Farms, Our Food, Our Future”.

Greater Food Security

- We will work to increase the production of food to enhance food security and reduce the carbon footprint associated with food transport.
- We support the “slow food” movement, which aims to promote increased supply of local food demand with locally-grown food products. We will work with farmers to ensure Newfoundland and Labrador is able to supply increasingly more of the foods we consume, thereby increasing food security.
- We will work to encourage Newfoundlanders and Labradorians to purchase and consume more locally-produced food products.
- We will promote the purchase and use of Newfoundland and Labrador-produced foods by Newfoundland and Labrador schools, hospitals and other public institutions.
- We will promote the growth of a local food security network, develop domestic produce markets and assist growers.

Marketing and Trade

- We will gather farmers, trade professionals and others to determine ways to market Newfoundland and Labrador agricultural products more effectively.
- We will cooperate with our agricultural industry to aggressively market the full gamut of homegrown products both locally and in markets beyond Newfoundland and Labrador.
- We will advance the establishment of an online database identifying locally-produced agricultural products.

Working Capital

- We will explore opportunities to provide or secure greater working capital for innovative agricultural enterprises where such help is warranted. We will maintain the provincial Agrifoods Assistance Program.
- We will continue to support a farm loan guarantee program to provide farming enterprises with access to capital they need to grow.
- We will promote continuing growth and diversification through continued strong investments in the Agriculture and Agrifoods Development Fund.
- We will continue to work with the Government of Canada through the Atlantic Innovation Fund and with outside investors to leverage additional funds to move agrifoods projects forward to commercialization.

Agricultural Land

- We will continue to advance the land-clearing program and work with farmers and others to find ways to engage more land suitable for farming for agricultural purposes.

Dairy

- We will work with the Dairy Farmers of Newfoundland and Labrador to facilitate further growth in the value of the province’s dairy industry, including through the expansion of value-added food production and an expanded School Milk Program.
- We will engage the province’s dairy farmers – among the most successful in the country – to identify best practices in the industry and share that knowledge with other farmers in our province, ensuring that the government shares the vision and complements the approach of those with proven agricultural expertise.
- We will work to expand the local goat industry, providing training for producers and seizing opportunities to supply the

demand for goat products such as meat and dairy products.

- We will work to identify opportunities to diversify into the production of cheese, yogurt and other value-added dairy products.

Poultry

- We will work with the Egg Producers of Newfoundland and Labrador to strengthen and expand the local industry, seizing opportunities to claim a greater share of the production of egg-based value-added products.
- We will work to expand the size and value of the local turkey production industry, addressing barriers to competitiveness such as the high costs of feed and rations.
- We will work with the Chicken Farmers of Newfoundland and Labrador to facilitate an expansion in the size and value of the local broiler (chicken) industry, addressing barriers to competitiveness such as the high costs of feed and rations.

Other Farmed Animals

- We will work to expand the local sheep production industry, facilitating the introduction of sheep that are specially suited to the local environment and working with producers to identify opportunities to increase the value of trade in local sheep products. We will also identify opportunities to expand local beef and swine farming.
- We will work to expand the size, diversity and value of the local fur industry, working with farmers to facilitate expansion in an environmentally-responsible manner.

Crops

- We will support research and development initiatives focused on the development of new or improved crops.
- We will work to increase the value and marketability of local cranberry, strawberry, bakeapple, partridgeberry and blueberry products.

- We will work to achieve sustained regional self-sufficiency in forage production, facilitating the shift to increased production of silage corn. We will identify land in Labrador suitable for forage production and provide opportunities to utilize this land appropriately.

- To facilitate crop production, we will work with local apiarists to facilitate the expansion of the province's apiculture (bee-keeping) industry, ensuring the bees kept in this province are disease-free to the greatest extent possible.

- We will promote increased local farming of root crops; herbs and spices; and medicinal herbs such as echinacea, goldenseal, ginseng and St. John's wort.

- We will work to explore opportunities for non-timber forest production of resources that might include wild mushrooms, fiddleheads, fir pitch and bent willows.

Infrastructure

- We will maintain support for the Fruit and Vegetable Storage Program.
- We will continue to provide off-farm access roads and electrical services for agricultural operations.

Professionalization and Succession Planning

- We will work with farmers to promote professionalization and succession planning in the province's agriculture industry.

New Entrants

- We will develop a suite of initiatives to attract and support new entrants in various sectors of the agricultural industry. We will facilitate mentoring and mutual support networks.

Organic Farms

- We will explore opportunities to gain a greater share of the growing market for organic foods, and work with organic farmers to identify incentives and other assistance that may facilitate growth.

Future of Forestry

Our forests have immeasurable value to Newfoundlanders and Labradorians. They are vital ecosystems that sustain life in incredibly complex ways, whether by giving wildlife, fish and plants a place to thrive, or by helping to filter our atmosphere and drinking water, or by producing and safeguarding our soil. They are spectacular attractions for tourists, hunters and recreation enthusiasts, providing a means for people employed in these sectors to earn a living. They are classrooms where students and researchers engage in the sciences and pursue valuable research and development work that may lead to important scientific and technological advances. They provide resources we can harvest to sustain economic activity and employment in many communities, including Corner Brook, and many other logging and sawmilling communities. While the province has experienced the impact of the radical shift in the North American pulp and paper industry, our forests remain a valuable resource that we will use to build thriving, sustainable enterprises and employment opportunities for people in many regions.

Forest Innovation Strategy

- We will develop a Forest Innovation Strategy to identify new opportunities for the Newfoundland and Labrador forest industry. The strategy will consider opportunities across a broad spectrum, examine the best practices of other jurisdictions worldwide, identify opportunities for small-scale enterprise development, examine opportunities for diversification and value-added production, consider strategies for modernization of forest operations, and identify opportunities for research and development as well as commercialization. The strategy will not only build upon the work of the Forest Industry Competitiveness and Strategy Study but examine the full breadth of forest-based development opportunities.

Centre for Forest Science and Innovation

- We will complete the establishment of the Centre for Forest Science and Innovation to draw together the expertise and research activities of the provincial and federal governments, Memorial University, College of the North Atlantic and other entities. We will continue to partner in the Model Forest of Newfoundland and Labrador. We will continue to invest in developing our province's expertise in forest management and research.

Forest Research and Innovation Fund

- We will invest through the Forest Research and Innovation Fund to advance the work of the Centre for Forest Science and Innovation and the Forest Innovation Strategy. Grants will support research as well as modernization and diversification of forestry operations.

Resource Analysis and Management Strategy

The key principle guiding all our actions in the forestry sector is sustainability. To apply this principle effectively, we must continually advance our understanding of the dynamics at work in our forest ecosystems.

- We will continue to require timber resource analyses and forestry development plans to assess and manage our forestry resources responsibly, strategically and sustainably in the best interests of the people of Newfoundland and Labrador.

Resource Replenishment

- To promote sustainability, we will continue to invest in the Wooddale Provincial Tree Nursery and the Goose Bay Tree Nursery to facilitate silviculture and reforestation.

Forest Protection

- We will continue to examine the impact of climate change on our forests and seek ways to avoid the worst consequences, such as soil erosion, vulnerability to forest fires and pest infestations.

- We will maintain the fleet of new waterbombers the province recently purchased to better protect us from forest fires.

Competitiveness and Diversification

- In 2008, we released the recommendations of a Forest Industry Competitiveness and Strategy Study regarding the current state and structure of the industry and provide a path forward that is responsive to the global economy. Our approach gave people closest to the resource an opportunity to be part of the formulation of policy that will guide the future direction of the forest industry. We will continue to work with the forest industry to promote competitiveness and diversification.

Corner Brook Pulp and Paper

- We will continue to work with Kruger to promote the success of the Corner Brook Pulp and Paper mill. We will continue to work with all sectors in the forest industry – newsprint, sawmills, wood pellets – to promote competitiveness and diversification.

Wood Pellet Production

- We will reform the Residential Wood Pellet Rebate Program to promote the use of wood pellets for home heating.
- We will identify and pursue opportunities to promote and grow the province's wood pellet industry.

Ecotourism

- We will explore new opportunities for forest-based ecotourism.

Education

- We will continue to sponsor the Junior Forest Warden Association, through which young people have opportunities to learn about forest ecology.
- We will build on the success of the 2009 "Futures from Forests" initiative, which was designed to get senior and junior high school students thinking about the forest industry and how forests are managed in Newfoundland and Labrador. The resource package produced by the Department of Natural Resources, Department of Innovation, Trade and Rural Development and Natural Resources Canada's Canadian Forest Service was unveiled during National Forest Week.
- We will build on the success of the 2010 "Kids in the Woods" event, tree-planting ceremonies, forest tours and presentations to school-age children that coincided with National Forest Week.

Vision 2020 – Provincial Tourism Strategy

- Having charted a bold course in concert with our tourism industry partners in Hospitality Newfoundland and Labrador, we will put into action all the goals of “Vision 2020: Uncommon Potential – A Vision for Newfoundland and Labrador Tourism”



and take Newfoundland and Labrador’s tourism product to the next level. Produced in 2009, Vision 2020 is a 10-year strategy to make Newfoundland and Labrador a leading tourism destination offering an authentic and exotic experience through the ‘creativity’ brand pillars of our people, culture, and natural environment. Our target is to double the annual tourism revenue in Newfoundland and Labrador by 2020. Vision 2020 as an integral part of our Blue Book. We will work with Hospitality Newfoundland and Labrador and others to implement and evaluate Vision 2020.

Winter Tourism

- We will focus greater attention on developing and marketing winter tourism opportunities in Labrador and on the island.
- We will open a discussion about the next step in promoting Marble Mountain, including targeted advertising to capture a greater share of the eastern North American market. We will continue to invest in snowmaking equipment for Marble Mountain. We will also consider the best options for the long-term success of Marble Mountain accommodations currently owned by the province, including the option of selling the villa and some land to the private sector for new development that promotes entrepreneurship and spinoff successes.
- We will work to develop a strong Labrador winter tourism product that will appeal to tourists seeking unforgettable winter tourism experiences that reflect our province’s Aboriginal heritage. We will highlight Cain’s Quest and the Labrador Winter Games as examples of unique experiences.

New Product Development

- We will continue to develop and promote shoulder-season and multi-season tourism opportunities. We will work to develop new tourism products in places such as Twillingate and Labrador.

Task Force on the Quality of the Tourism Experience

- We will establish a Task Force on the Quality of the Tourism Experience to identify deficiencies in tourism products and propose solutions to raise the bar and benefit enterprises and the province. The task force may examine a wide range of issues, including accommodations, food, signage, information and interpretation.

Standards of Excellence

- We will work with Hospitality Newfoundland and Labrador to introduce a rating system for tourism operators, rewarding those that invest in raising the standard of the product they offer.

Social Media Marketing

- We will take our online tourism tools to the next level of interactivity, further integrating our travel information and trip planning with the online sites of municipalities and businesses, harnessing the full power of mapping initiatives such as Google Maps, Bing Maps and Wikimapia; linking creatively into the global positioning system (GPS) functions of personal communication devices; exploiting the tourism benefits of near-field communication (NFC) technology, location-based service (LBS) mobile marketing and Quick Response (QR) code applications; and fully engaging social media technologies for photo sharing (Flickr, Panoramio), video sharing (YouTube), livecasting (Skype, Ustream.tv), microblogging (Twitter), social networking (Facebook), location-based social networking (Foursquare, GoWalla) and others. We will be even more sophisticated in targeting online marketing to web users according to search keywords, site themes and location identifiers. We will capitalize fully on positive international media coverage of

Newfoundland and Labrador's travel destinations and tourism products. We will seize opportunities to tap into the youth tourism market, inviting social media whizkids to generate a high 'coolness' currency among youth, who may see Newfoundland and Labrador as a cool place to study, work, live and raise a family.

Cultural Vehicles

- We will capitalize on tourism marketing opportunities associated with high-profile cultural vehicles.
- We will work collaboratively with artists – particularly those who have demonstrated success in the cultural tourism sector – to find effective ways to steadily expand our cultural tourism offerings to increase the value, diversity and attractiveness of our tourism product.
- We will celebrate the success of the Fogo Island Arts Corporation and the Shorefast Foundation.

Multicultural Vehicles

Newfoundland and Labrador is blessed with residents, including post-secondary students and immigrants, from around the world. Many of these people maintain strong connections with other countries; they speak the languages; and they appreciate the things about Newfoundland and Labrador that are particularly appealing to people from away.

- We will do more to engage our multicultural communities in strategic marketing activities of all sorts in order to get the word out around the world about our tourism products. We will also seek their advice about ways to improve our tourism products and services to meet the needs of people from various countries and cultures around the world.

Seniors Tourism

- We will do more to attract seniors' tour groups to Newfoundland and Labrador, emphasizing how naturally suited Newfoundland and Labrador is for nurturing meaningful friendships, celebrating our heritage and communing with unspoiled nature.

Marine Atlantic Ferry Access

- We will work with the Government of Canada to ensure the Marine Atlantic ferry system meets the needs of our tourism sector and of tourists.

Gateway Attractiveness

- We will invest in improving the look, friendliness and functionality of the province's tourism gateways in such places as Port aux Basques, Argentia, Labrador West, southern Labrador and our airports. These locations represent our opportunity to leave a positive first impression and point our guests in the direction of venues and experiences that interest them and benefit us.

Signage

- We will work with communities and enterprises to ensure that local attractions, tourism operations and communities are fully and fairly promoted under a state-of-the-art provincial signage policy that is tailored to our communities' needs.

Adventure Tourism Program

- We will expand the Adventure Tourism / Outdoor Recreation program at the Corner Brook campus of College of the North Atlantic, incorporating the work of the Centre for Forest Science and Innovation and the Forest Innovation Strategy to promote high-quality eco-tourism experiences.
- We will encourage producers of adventure tourism television programming to showcase Newfoundland and Labrador' strengths.