



## Progressive Conservative Party of Newfoundland and Labrador

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April 26, 2019

Via email: [jleonard@baclocal1nl.com](mailto:jleonard@baclocal1nl.com)

John Leonard, President  
TradesNL  
80 Mews Place  
St. John's, NL  
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Dear Mr. Leonard:

**Re: Upcoming Provincial Election**

Further to your correspondence dated April 10, 2019, please see our responses below:

### **PC Response Question 1:**

I am committed to ensuring the majority of construction on any future resource development project takes place in Newfoundland and Labrador, maximizing the number of jobs for our residents. As you describe, this has traditionally been achieved through a balanced approach, utilizing royalties, construction jobs for local residents and equity stakes. The recent Equinor project has seen a shift in this balanced approach with the Liberal Government pursuing an equity stake with no commitment to royalties or more importantly, local jobs. This is a lost opportunity to create jobs for Newfoundlanders and Labradorians. A Crosbie Government will be focused on ensuring maximize benefit in resource development projects, with a focus on construction jobs for local residents.

One of the biggest threats to resource development projects is the Government of Canada's Bill C-69. Under this Bill, the Government of Canada will be able to stall resource development projects with a much longer approval process, where opponents with no direct stake in those projects or our province will be able to drag things out or effectively shut things down. In our oil

and gas sector, nearly 100 billion barrels of potential petroleum resources would be stranded – just like Alberta oil – when it ought to be driving job growth and prosperity. C-69 will impact investment in all of our resources offshore and on land, and endanger the fishing industry if its approach to resource use is applied to fisheries regulations, as they are sure to be.

We must not be silent in the face of efforts to usurp our rights and damn the future of industries that promises hundreds of billions in returns and thousands of jobs. The Atlantic Accord recognizes our right to be the principal beneficiary of our own offshore oil and gas resources, and control the pace and mode of development, just like every other province. We must not allow the extremist ideologues in the Liberal government to deny us development opportunities and jobs.

In keeping with the spirit of the Atlantic Accord that Newfoundland and Labrador is to be the principal beneficiary of our resource development, a Crosbie Government will use the Atlantic Accord as the guiding principle for negotiations with the oil industry surrounding benefits agreements. This means Newfoundlanders and Labradorians should be the principal beneficiaries of jobs and Newfoundland and Labrador companies should be the principal beneficiaries of construction, supply, service, and maintenance contracts.

A Crosbie Government will take a “life of field” perspective with respect to all oil and gas development. This perspective will ensure local economic benefits and local jobs accrue all along the way, from land tenure to exploration to production to decommissioning. Maintenance, operations, supply and service will provide Newfoundlanders and Labradorians with jobs and Newfoundland and Labrador companies with economic benefit.

A “life of field” approach will ensure the great perspectivity identified through seismic and geoscience will result in job growth in our provincial economy. A Crosbie Government will work with the service sector to ensure they are ready to take full advantage of future growth.

A Crosbie Government will negotiate benefits agreements that target maximum sustainable supply, service, and maintenance industries with employment opportunities where we have the potential to capitalize on our competitive advantages, and indeed to “create” competitive advantages. The agreements will include commitments related to employment, contracting and procurement, gender equity and diversity, and prescribe work to be done in the province related to engineering, construction and fabrication.

Keeping in line with ensuring our province is the principal beneficiary of our offshore resources, a Crosbie Government will modify the land tenure award system to consider not only the highest bidder but also the provincial benefits. This will become an integral part of all future bids.

#### **PC Response Question 2:**

The Bull Arm Fabrication Site is a world class facility, which a Crosbie Government will retain as a Crown asset and ensure it is maintained in a state of readiness for usage by the private sector. A

Crosbie Government will promote Bull Arm as a facility for construction, fabrication, topside development, and maintenance of offshore platforms and drill rigs. With the changing oil and gas industry, we need to look for new opportunities for the Bull Arm site. A Crosbie Government will commit to doing a full assessment of how Bull Arm can be positioned to take advantage of future opportunities in the oil and gas industry.

It is important that TradesNL workers continue to get work at Bull Arm in any future projects. A Crosbie Government will commit to working with TradesNL through a Special Project Order. This will ensure maximize benefits will accrue to our skilled trades workers.

**PC Response Question 3:**

I will commit to ensuring any future Special Project Orders contemplated for resource development projects include all member unions of Trades NL. As you have demonstrated, members of Trades NL have participated in many oil project SPOs and proven they have the skills and expertise to get the job done, productively, in a safe and efficient manner. This approach has fostered a healthy labour relations climate and enabled projects to be completed on time and on budget. We know this approach works. Further, I understand the concerns raised about “wall to wall” agreements and the impact this can have on labour unrest

**PC Response Question 4:**

Yes, I will commit to developing and implementing a Community Benefits Agreement policy for Newfoundland and Labrador. I also commit to engage and include Trades NL in the development of such policy. A Crosbie Government believes that Newfoundlanders and Labradorians should be the beneficiaries of all of our province’s renewable and non-renewable resources. It is the goal of a Crosbie Government to develop and expand a supply chain that supports all natural resource development so Newfoundlanders and Labradorians are the principal beneficiaries of all of our province’s resources. That supply chain would offer opportunities in terms of ongoing maintenance and retrofits

**PC Response Question 5:**

A Crosbie Government’s objective is to reduce the amount of taxation Newfoundlanders and Labradorians have to endure. I certainly can see the benefits of implementing a Provincial Income tax credit to skilled workers who have to travel for work. A Crosbie Government would be open to working with you to explore this concept further and possibly consider it as part of a future Budget process.

**PC Response Question 6:**

I commit to ensuring student training approved by the province will maintain or enhance current requirements for hands-on training as part of their pre-service course work. Book knowledge is

not sufficient to make an apprentice ready. The apprentice must be able to demonstrate hands-on competence that can only be gained by hands-on training.

Yours truly,



Ches Crosbie, Leader  
Progressive Conservative Party  
of Newfoundland and Labrador