

**Parti conservateur
du Canada**



**Conservative Party
of Canada**

January 4, 2006

Danny Williams, Q.C.,
Premier of Newfoundland and Labrador
8th Floor, East Block
Confederation Building
St. John's NL A1B 4J6
Fax: 409-729-5875

Dear Premier Williams,

Thank you for the opportunity to discuss our policy initiatives and to share with you how a Conservative government would work hard to benefit the people of Newfoundland and Labrador. I look forward to discussing these initiatives with you in the future.

Fisheries:

Does your party support providing an early retirement program on a 70/30 Federal/Provincial cost-shared basis for workers impacted by changes to the industry?

I recognize challenges faced by those affected by changes to the fishing industry. I agree that it is important for governments to proactively assist those affected by these changes and to take a positive approach to creating new opportunities for these individuals. These individuals have an enormous amount of experience and talent to contribute to the labour force and to the future prosperity of Newfoundland and Labrador.

A Conservative government would focus our efforts on assisting these individuals through retraining programs and not on early retirement. I believe that it is more beneficial to these individuals and to the communities of Newfoundland and Labrador that we maintain a well-trained and highly skilled workforce, which includes older workers and those who no longer have employment options in traditional industries. A Conservative government would prefer to work cooperatively with the government of Newfoundland and Labrador to assist these individuals by developing programs which focus on retraining opportunities rather than focusing on an early retirement package. However, I understand that retraining is not always an option. Prior to any commitments being made, a feasibility study must be conducted to determine the affordability of an

early retirement initiative, as well as a study on the impacts of such an initiative on the labour force as a whole.

Does your party support this request for a Northern shrimp allocation?

I believe that economic development at the local level will be a significant component to the future prosperity of First Nations' communities. However, economic development must be balanced to ensure the sustainability of the resource. A Conservative government must be confident in the long term viability of the shrimp stocks in that area before a reallocation of quota could occur. Once we are assured of the sustainability of the stock we will give serious consideration to this initiative.

Will your party support imposing custodial management on the continental shelf immediately outside Canada's 200 mile exclusive economic zone to preserve fish stocks from unsustainable harvesting practices?

A Conservative government would support extending custodial management of the Continental Shelf beyond the 200 mile limit, to the nose and tail of the Grand Banks and the Flemish Cap in the North Atlantic. Under 12 years of Liberal mismanagement, cod stocks have collapsed in the Atlantic. International over fishing has contributed to this collapse and cannot continue. It is both a matter of environmental stewardship and of protecting Canada's economic interests. A Conservative government would commit to protecting these resources.

Does your party support the province's view that recovery of cod stocks is best achieved through the implementation of the Canada-Newfoundland and Labrador Cod Recovery Strategy, and not through the listing of cod as a species at risk of extinction under the deferral Species at Risk Act?

I do not believe that listing cod as a species at risk will achieve the desired results of cod stock recovery. A Conservative government wants to see the stocks return and I think an important aspect of this is ensuring that the provinces have a greater role in managing the fishery. Another aspect of the recovery will involve an investment in science and management. Science is not enough, however, and I believe that for too long, the wisdom of those who actually derive their living from the ocean has been ignored. A Conservative government is committed to changing that and will consult more widely with corresponding provincial departments and with fishermen.

Does your party support the development of a comprehensive Aquaculture Framework Agreement, including the provision of financial support for the establishment of a cod aquaculture demonstration farm?

The Conservative Party of Canada is committed to rural Canada. I believe that aquaculture provides an excellent opportunity for rural and coastal communities to diversify and revitalize their local economies and contribute to the province's overall economic growth. A Conservative government would consider supporting a federal/provincial aquaculture framework agreement with the possible direction of research and development funding toward such an initiative.

Energy:

Does your party support efforts to develop the hydro-power resources of the Lower Churchill River System for the primary benefit of Newfoundland and Labrador, including the provision of a Federal Government guarantee to proceed with the project?

We support this proposal in principle and believe that it is important for Newfoundland and Labrador to have greater control of its energy mix. A Conservative government would welcome discussions on this initiative and would hope that the potential exists for it to proceed in the spirit of past successes such as the Hibernia project.

Does your party support the transfer or sale of the Federal Government's share in Hibernia to the province of Newfoundland and Labrador provided the Federal Government is kept whole on their expected return at the time of their initial investment?

Presently, this is not an endeavour that a Conservative government would support, but we would be willing to discuss this in the future.

Federal Presence:

Does your party support immediate efforts to significantly increase the Federal Government's presence in the province, commencing with the immediate restoration of forecasting services at the Gander Weather Office?

There is an over-concentration of certain federal government services in some areas of the country and an effort must be made to ensure that there is a fair distribution of the federal government presence across the country. Each specific region of Canada has its own unique weather forecasting challenges and requirements and I think it is unacceptable that weather forecasting services were ever removed from Gander. A Conservative government would support the restoration of forecasting services at the Gander Weather Office.

Equalization:

Does your party support these reforms to the equalization?

Much of the tension that has arisen between the federal and provincial governments over the last decade is a result of the fiscal imbalance. Paul Martin's government denies the fiscal imbalance exists despite the fact the provinces are struggling to deliver essential services such as health and education while the federal government accumulates surpluses. I don't think this is fair and I don't think this is right. A Conservative government is committed to bringing balance to the fiscal relationship between the federal and provincial governments.

A Conservative government would also support changes to the equalization program to ensure provinces and territories have the opportunity to develop their economies and sustain important core social services. We will remove non-renewable natural resource revenue from the equalization formula to encourage the development of economic growth in the non-renewable resource sectors across Canada. The Conservative government will ensure that no province is adversely affected from changes to the equalization formula.

Labrador:

Does your Party support a Federal-Provincial cost-shared agreement to complete the TLH?

Yes, a Conservative government would support a cost-shared agreement to complete the Trans-Labrador Highway.

Is your party committed to both maintaining a foreign military training program at 5 Wing Goose Bay and utilizing the base for regular Canadian Forces training activity by designating an operational requirement for it? Further, is your party committed to building a substantive and meaningful federal presence in Goose Bay, as part of a broader economic diversification effort, to compensate for an expected decrease in military activity?

A Conservative government will establish in Newfoundland and Labrador the following new operational requirements for the protection of Canadian sovereignty and security:

- *Station a new Rapid Reaction Army Battalion (approximately 650 regular force personnel) for enhanced Atlantic army response at CFB Goose Bay.*
- *Establish a new Territorial Defence Battalion composed of approximately 100 regular force and 400 reserve force personnel in the area St John's, to assist the Federal and Provincial governments in countering threats to our security as well as responding to natural disasters.*

- *Station a new long range Unmanned Aerial Vehicle (UAV) Squadron at CFB Goose Bay to provide surveillance over the Atlantic Ocean and Eastern Arctic.*

A Conservative government will also maintain a foreign military training program at 5 Wing Goose Bay and actively encourage increased allied flying training operations at 5 Wing Goose Bay.

Overall, the Conservative plan for national defence will result in a significant increase in employment in Goose Bay and the St John's area, resulting from a significant expansion of the federal defence presence in Newfoundland and Labrador.

Does your party support establishing a reserve at Sheshatshiu by June 30, 2006?

A Conservative government would have to consult with effected First Nations communities on the establishment of a reserve at Sheshatshiu before proceeding with such an initiative. Although every effort would be made to proceed in a timely fashion, it would be premature to commit to a timeline until such consultations have taken place and a satisfactory agreement has been struck with the Sheshatshiu Innu First Nation.

Marine Atlantic:

Does your party support these actions?

A Conservative government would live up to and respect its constitutional responsibilities to the province of Newfoundland and Labrador and would give serious consideration to implementing your stated recommendations, however we would have to review the financial implications of the rate reduction.

I recognize the importance of a reliable and affordable ferry service to the economy of Newfoundland and Labrador. The ferry service is a literal as well as symbolic link between Newfoundland and Labrador and the rest of Canada. In many ways it is as important to Canada as it is to Newfoundland and Labrador. It is crucial that the federal government respect that link to the benefit of both Newfoundland and Labrador and the rest of Canada.

Economic Development and Infrastructure:

Does your party support the Federal Government entering into bilateral, cost-shared agreements to address economic development and infrastructure priorities in Newfoundland and Labrador?

The federal Liberal government has neglected the infrastructure needs of the provinces. A Conservative government would develop infrastructure programs which will allow provinces to address their unique needs and requirements. I cannot commit to specific

projects, but I look forward to partnering with provincial governments to address the infrastructure deficit resulting from 12 years of Liberal neglect and inattention.

Does your party support ensuring provincial facilities, such as the Marystown Shipyard and Bull Arm Fabrication Site, benefit from federal shipbuilding and repair contracts to help transform this sector's capacity to the mutual advantage of Canada and Newfoundland and Labrador?

A Conservative government would be bound by specific guidelines governing the awarding of contracts but would welcome competitive bids from Newfoundland and Labrador shipyards on any contracts which arise in this area.

Does your party support the Federal Government cost-sharing the above project?

First of all, let me applaud your efforts in instituting a waste reduction and management plan. Responsible waste management is an important component of modern environmental stewardship. A Conservative government will develop a multi-pronged approach to reducing greenhouse gases and to preserving Canada's environmental integrity which has been threatened by the federal Liberal's broken promises on the environment. In the future, I would certainly be interested in examining your proposal further to determine if funding for your plan can be accommodated through our made-in-Canada plan to reduce greenhouse gases.

Thank you once again and all the best to you in the New Year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Harper', written in a cursive style.

*Hon. Stephen Harper, P.C., M.P.
Leader of the Opposition
Leader of the Conservative Party of Canada*