



Noteworthy

Government comments on NLMA Arbitration Ruling

Health and Community Services Minister Gerald Smith and President of Treasury Board and Minister of Finance Joan Marie Aylward commented on the decision of the arbitration ruling involving the province's physicians. Government and the Newfoundland and Labrador Medical Association (NLMA) agreed to binding arbitration in October 2002 to conclude an agreement for the next three years. The ruling of the Arbitration Panel was received by government on April 15.

"This process was agreed upon in good faith by both parties and we are pleased that the process is now concluded. It is now time to move forward in cooperation with our physicians, and finalize a new agreement," said the ministers. "Government has committed to abide by the ruling of the arbitration panel, and we will live up to that commitment and ensure our physicians receive this award."

The arbitration ruling is binding on both parties and was guaranteed by government in advance of the arbitration hearings. It was enacted into legislation last fall. "The arbitration panel had a challenging task of analyzing and ruling on a very complex issue. We feel they completed this task fairly and with consideration for both sides," said Minister Aylward.

Minister Smith explained that government and the NLMA have already taken steps to build a new relationship. "Immediately following the conclusion of the job action by physicians, government and the NLMA formed the Physician Services Liaison Committee. We agreed to the establishment of this committee to provide a mechanism whereby medical issues of mutual concern can be addressed cooperatively between the government and the association." ❏

Premier, Minister discuss HYDRO jobs

Premier Roger Grimes and Mines and Energy Minister Walter Noel met with Newfoundland and Labrador Hydro (Hydro) president William Wells to discuss the recent announcement concerning the reduction of temporary positions for Hydro's upcoming work season.

"During the meeting, we discussed union concerns regarding the reduction in temporary positions this summer," said Minister Noel. "The union has indicated that they have ideas on how to achieve these cost savings without layoffs. Mr. Wells has agreed to meet with union representatives in an effort to achieve cost savings in the most prudent manner possible. We await the results of this upcoming meeting, and hope that all viewpoints will be addressed in a productive manner.

"It remains government's position that Hydro must operate as an efficient corporation and provide the ratepayers of this province with least-cost electricity rates. Government will encourage that all cost saving measures be investigated before staff reductions occur," said the minister. ❏

Proposed changes to accounting legislation

George Sweeney, Minister of Government Services and Lands, has announced proposed changes to the *Public Accountancy Act*. These changes are a result of recent public consultations held to obtain input into proposals submitted by several bodies, including government, the Public Accountants Licencing Board, and the Institute of Chartered Accountants of Newfoundland.

"We have considered the feedback received during the public consultation process and compared them to research of accounting practices in other jurisdictions to make our decision," said Minister Sweeney.

The request of public accounting firms to have the option to operate in a corporate form or as a limited liability partnership will be allowed through an amendment to the legislation. As a result of departmental analysis, it has been determined that the restriction of the practice of review engagements to only those

licenced under the *Public Accountancy Act* is not in the public interest. Additionally, government will not be proceeding with the proposal to restrict auditing firms from providing other services to their clients, or to restrict the period that a firm can perform audits for a client.

"It is believed that restricting the practice of review engagements would add unnecessary cost to small businesses, particularly in rural areas, and unnecessarily restrict competition. The proposal to restrict auditing firms from providing additional services to their clients raises similar concerns. Concerns about the lack of auditor independence would be better addressed on a national basis through the Assurance Standards Board. For these reasons, changes will not be made to the legislation in these areas at this time," said Minister Sweeney. ❏

