



Noteworthy

Royal Commission releases Research and Consultation Plan

Commission Chair Victor Young and fellow commissioners, Elizabeth Davis and James Igloliorte, have released the Research and Consultation Plan for the Royal Commission on Renewing and Strengthening Our Place in Canada. As required by the Royal Commission's Terms of Reference, the plan's three elements are public consultations, roundtables and research.

The mandate of the Royal Commission is to conduct a critical assessment of Newfoundland and Labrador's strengths and weaknesses and to bring forward recommendations on how to renew and strengthen their place in Canada.

"A critical look at our place in Canada, with a focus on the future, is very timely. After 53 years in Confederation, Newfoundland and Labrador's place in Canada can be best described as one of stark contrasts. On the one hand, we see a very encouraging picture of Newfoundland and Labrador. We are leading all provinces in GDP growth. Our petroleum and mineral industries continue to grow, with new and exciting projects like White Rose and Voisey's Bay. A new spirit of co-operation and respect is developing between aboriginal and non-aboriginal peoples. We see a confident people, with a strong attachment to this place and one another, ready to work hard to make this province better.

"On the other hand, we see a very different picture. We have the country's highest unemployment rate and lowest personal incomes. Our provincial government struggles to provide social programs comparable to the rest of Canada, while we pay some of the highest taxes in the country. Indeed, the province's budget is in a deficit position. We find it extremely challenging to make fiscal progress because of an equalization program that significantly offsets our gains, especially from oil royalties. The purpose of our Research and Consultation Plan is to put the spotlight on these contrasts, so we can develop a plan to achieve prosperity and self-reliance."

"Through these three different but complementary approaches, we hope to capture new and imaginative ideas," added Mr. Young. "We are very excited about this work and the opportunity to talk with people about their future." ❧

Minister pleased solution reached on tax overpayments to provinces

Finance Minister and Treasury Board President Joan Marie Aylward has responded to the federal finance minister John Manley's announcement of a resolution to overpayments which had been made under the tax collection agreements (TCAs). Under these TCAs, the Government of Canada collects income taxes on behalf of most provincial governments.

This decision relates to an announcement on January 29, 2002 by the Canada Customs and Revenue Agency that it had identified an accounting problem whereby four provinces were receiving higher payments than they should under the Federal/Provincial Tax Collection Agreements. The federal government corrected the accounting error for the 2000 taxation year forward, to prevent further overpayments. While Newfoundland and Labrador was not directly affected by the tax overpayment, provinces receiving equalization had been concerned that the federal government would also move to recover related equalization payments. These tax recoveries reduce the total provincial revenues on which equalization payments are calculated.

"I am pleased that the federal government has decided not to recover equalization of \$49 million paid to our province, related to the recovery of tax overpayments for the 1997-99 period", said Minister Aylward. ❧

Premier thanks Lieutenant-Governor and welcomes incoming Queen's representative

Premier Roger Grimes thanked Dr. A.M. House for his diligent and dedicated service as Lieutenant-Governor of Newfoundland and Labrador. His Honour will be leaving the position he has served in since February 1997, as Mr. Edward Roberts will become the Queen's new representative in the province.

"It has been a great pleasure serving with Dr. House as well as Mrs. House," said Premier Grimes. "On behalf of the people of Newfoundland and Labrador, and in particular my colleagues

in the House of Assembly, I pass along best wishes to both of them for a bright and happy future.

"I would like to congratulate Mr. Edward Roberts on his appointment to the position of Lieutenant-Governor. Also, I thank him for his excellent service to Memorial University during his time as chair of the Board of Regents. Mr. Roberts is an excellent choice as Lieutenant-Governor, and I am sure he will draw on his many experiences in public service to fulfill his duties in this new role." ❧

