



# Noteworthy

## **Premiers Grimes and Hamm** *work together for offshore revenues*

Newfoundland and Labrador will join with Nova Scotia to seek a better deal from the federal government on offshore resource revenues, Premier Roger Grimes announced. Newfoundland and Labrador and Nova Scotia are not the principal beneficiaries of their respective offshore accords because of the clawback, or the tax back rate, Ottawa imposes on resource developments.

“For every dollar Newfoundland and Labrador makes in offshore oil revenues, we only keep 30 cents. This current arrangement makes it almost impossible for the province to get on its feet and eventually move from a ‘have not’ to a ‘have’ province status and contribute significantly to the national growth,” said Premier Grimes.

Premier Grimes and Premier Hamm have been seeking an elimination/reduction of the clawback to retain a greater portion of offshore resource revenues. The two premiers pledged to develop a joint submission to the federal government on the principal beneficiary issue. Premier Hamm said the two provinces will assess the economic impact of this issue on the Atlantic region to help the provinces argue their case for action.

The premiers also acknowledged that they may look for different solutions in some areas. Premier Grimes added that this would enable the province to capitalize more fully on its opportunities in the resource sector, assisting Newfoundland and Labrador to further expand its economy and reduce the economic and fiscal disparities that currently exist between the province and the rest of Canada. ☞

## **Summer Student Employment** **best ever**

This has been a very successful year for student employment programs in the province, with more than 3,000 students obtaining employment, according to Youth Services and Post-Secondary Education Minister Sandra Kelly.

“Students are returning to school having gained more experience, worked longer and earned more money than any other summer,” said Minister Kelly.

“The best news perhaps is the significant employment success story in rural Newfoundland,” said Minister Kelly. Approximately 75 per cent of student placements occurred in rural areas of the province, allowing students to find employment in their home communities. The minister also said that employment programs are critical in addressing students' post-secondary education costs and youth unemployment.

“Increased provincial funding, through the Student Investment Opportunity Corporation, enabled us to increase the number of jobs available by five per cent and, perhaps more importantly, enabled us to increase the value of all jobs and tuition vouchers available by 25 per cent.” Funding for all program areas increased and most SWASP applications were approved. ☞

## **Social assistance caseload lowest in nine years**

For the month of July, the number of people receiving income support in the province dropped to its lowest level in nine years. The latest decline comes after several months of steadily decreasing caseload numbers. The social assistance caseload for the month of July was 28,496, while the number of actual recipients was 53,071, a level not seen since 1992.

“The social assistance caseload decrease can be attributed to a number of reasons including active employment measures, increased job opportunities and changing demographics,” said Gerald Smith, Minister of Human Resources and Employment. “However, another major factor is the department's overall redesign of our income support program.”

Since 1998, the Department of Human Resources and Employment has been redesigning its income support program. “Through our redesign initiatives, clients can access programs and services beyond financial support,” said the minister. “Our income support program now offers further resources that make the transition from income support to the labour market possible.”

The decline, after several months of steadily decreasing caseload numbers, indicates that many clients are leaving the system and rejoining the labour market. Year to date employment growth in Newfoundland and Labrador for 2001 is 3.2 per cent. ☞

