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Premier says great lessons to be learned from Iceland and Norway

The successes in jurisdictions like Iceland and Norway in the fishery and energy industries should be achievable in Newfoundland and Labrador, said Premier Danny Williams today. The Premier visited the two countries last week and was accompanied to Iceland by the Minister of Fisheries and Aquaculture, Tom Rideout.

Information gained through meetings with the Energy Ministry in Norway also strengthened the Premier's resolve to stand firm on his government's position vis-à-vis the province's return from our oil and gas resources.

"When you look at what the Norwegian government has done over the years to ensure their natural resources benefit the people of Norway, I am more convinced than ever that our government's position with the oil and gas companies is reasonable and fair," said Premier Williams. "When you consider the enormous taxation levels in Norway and equity participation, the fact that we are looking for a greater return on a field that has been sitting idle for 30 years is certainly realistic."

The Premier commented that obviously the main difference in Norway and Newfoundland and Labrador is that Norway is a country; however, he firmly believes that with the support of the federal government greater returns are attainable.

"It is important for Canadians to remember that if we can get the federal government's support on moving projects like the Hebron field forward, then not only do the people of the province benefit but indeed all Canadians benefit. As it stands, without that development the taxpayers of Canada are subject to lose billions of dollars, so I sincerely believe that the time has come for the federal government to stand with the provinces and territories and demand greater benefits from our resources for our people," said Premier Williams. "Norway has done exactly that and is now one of the highest performing countries in the world, with the highest standard of living. Let's embrace the Norwegian approach and see our citizens benefit in the same way corporations have benefited from energy prices around the world."

The Premier was also very keen to learn more about the alternate technologies being developed in Iceland, specifically in hydrogen energy. "They are leading the world in innovative energy expertise like hydrogen technology. It was amazing to see the progress they have made in that area, and I am excited by the potential for hydrogen technology in our province. The information we gathered in both countries will certainly benefit us as we finalize our Energy Plan in the coming months."

The policies and strategies that have been applied in both of these countries have resulted in robust economies and could be adopted to build a stronger more prosperous Newfoundland and Labrador. "From their socially-minded approach to the development of their oil and gas resources to best practices in aquaculture and fish harvesting and processing, we have much to

learn from Iceland and Norway,” added the Premier. “The models for success are right there for us to use, and I am anxious to apply the knowledge that we gained last week to our local industries.”

Minister Rideout added that there are many best practices that can be learned from the Icelandic fishery. “There has been incredible diversification within the Iceland economy, coming out of their fishing industry,” said Minister Rideout. “Some companies that started out in the fishery are now diversifying into other sectors on a global basis. Their fishery also makes good use of technology and their science and resource management is extremely efficient. They are very focused on getting the best possible return for the resource and I believe we can learn from some of their policy decisions.”

The Premier and minister met with several government and industry officials, and were struck by the similarities between Newfoundland and Labrador, and Iceland and Norway.

“I recall commenting on several occasions, that if these northern countries can turn opportunity into success, then we can certainly do it in Newfoundland and Labrador,” added the Premier. “This is especially the case with Iceland, where you see a geographically isolated region with a very small population base. And yet they have a strong economy partially based on a prosperous fishery. Both Norway and Iceland have certainly encountered challenges in the fishery, yet they continue to be models for success that we can learn from.”

As the provincial government continues to invest heavily into aquaculture, learning from the success of the Norwegian industry will be key to similar success in Newfoundland and Labrador. The Premier commented that over several years of strategic policy and planning, Norway is now a world leader in aquaculture. The province has already partnered with Norwegian companies in technology sharing. “Aquaculture can and should be a significant component of revitalizing rural communities and we must continue to build upon these partnerships and learn from their experience as move this industry forward.”

#### NOTE TO EDITORS:

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#### Media contact:

Elizabeth Matthews, Office of the Premier, (709) 729-3960, 351-1227,  
[elizabethmatthews@gov.nl.ca](mailto:elizabethmatthews@gov.nl.ca)

Lori Lee Oates, Department of Fisheries and Aquaculture, (709) 729-3733, 690-8403,  
[oatesll@gov.nl.ca](mailto:oatesll@gov.nl.ca)

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