

# Looking ahead

## Oil industry has big role in province's future, say proponents

The organizers of this year's kick-off ceremony for Oil and Gas Week picked an appropriate setting: the main campus of the College of the North Atlantic in St. John's where several hundred students hoping to get work in the industry showed up.

"This college has really come full circle," said the chairman of the planning committee, D.F. Barnes Limited president Jerry Byrne, who is also the new chairman of the Newfoundland Ocean Industries Association. "I graduated in the 1970s. At that time it was very difficult to get a job, very challenging and what we see here now is truly what this week is all about, a world of opportunity. To be 20 again, like most of you in this room, would be something that I would love to do again, there's so much opportunity, especially in the world of oil and gas. You have an opportunity to do something here that is truly global, or you can take your boots off in your own house every night."

A 'World of Opportunity,' was the theme of this year's Oil and Gas Week festivities, with a focus on research and development.

"Newfoundland has come so far since I was a student in this college," Byrne said. "We have world class facilities, world class instructors and world class businesses making Newfoundland and Labrador one of the energy centres on the planet."

His sentiments were echoed by three of the other speakers to address the students, Natural Resources Minister Kathy Dunderdale, St. John's Mayor Andy Wells, and the interim president of CONA, Rebecca Roome.

"Our mandate is to deliver training that makes a contribution to the development of the provincial workforce and the provincial economy and oil and gas is a part of that picture," Roome noted. "It's post secondary education and training that makes the difference in developing a skilled workforce, something that you need to seek oil and gas opportunities wherever they present themselves around the globe. So working with industry partners to find the most effective and efficient ways to produce a skilled workforce is the college's priority."

Roome said the demand for skilled workers is great and will continue to be strong.

Looking around the gymnasium where the opening ceremony was held, Mayor Wells asked everyone who was

under age 30 to raise their hands. About 80 per cent of the people responded.

"For you young people, I believe the future looks very, very, very good," Wells said. "I think that you are positioned, by virtue of your age and your desire to pursue higher education, to find yourselves with excellent employment opportunities and the possibility of staying in Newfoundland. In this province we badly need highly skilled trades people, it's what you build a society on."

Wells pointed to Jerry Byrne's company, which has gone from a workforce of 10 several years ago to some 250 today, as an example of the impact the oil and gas industry is having on the region.

"And for companies like Jerry's, while we have to build an industry in this province, part of that process is looking at the wider world," Wells added. "We'll make our way as a society and as a province by our ability not only to exploit our own possibilities, but reaching out to the wider world. That's something that I think more and more companies in this province are going to be pursuing in the years to come."

Wells said unlike some critics, he believes the provincial government is handling issues in the oil and gas industry correctly.

"There are tremendous opportunities here now and we've got to make some hard decisions and it's going to be controversial," Wells allowed.

But making those tough choices will enable future generations of Newfoundlanders to stay and work at home, he argued.

Some of those choices will be outlined this spring in a provincial energy plan that Minister Dunderdale will unveil.

Dunderdale said the province is taking its time developing the plan because it wants to do it right.

The minister, meanwhile, saluted the college system for the tremendous role it's having on the provincial economy, including the promotion of women in oil and gas industry positions.

Oil and Gas Week, she said, is a chance to promote all the good things happening in the industry and its potential for future development.

"This year's theme, 'World of Opportunity,' is fitting," she added. "We have so much opportunity in this province, both offshore and onshore."

Dunderdale noted that Newfoundland's three existing offshore fields are poised to produce 50 per cent



Sue Ellen Parr, left, and Matt Butler take in the opening ceremonies for Oil and Gas Week 2007. The second year mechanical engineering technology students at the College of the North Atlantic are optimistic they will get work in this province once they graduate.

of Canada's light crude oil this year.

"And with over 300,000 square miles of offshore petroleum potential, which by way of comparison is greater than the size of Texas, we have some of the largest unexplored offshore basins in the world," she pointed out.

Dunderdale said that when people talk about Eastern Canada's offshore oil and gas industry, most of the time they're talking about Newfoundland and Labrador, because this province has 80 per cent of the known reserves.

The minister said the government is continuing its efforts to ensure Newfoundland has a competitive offshore and onshore regulatory regime that will encourage exploration and lead to timely development of projects, while also ensuring a fair return to the people of the province and the companies operating here.

"This is an important component of our strategic plan," Dunderdale said.

She also highlighted encouraging news coming out of the onshore Garden Hill play on the Port au Port Peninsula, where lands owned by Canadian Imperial Venture Corporation are being explored by a private company called PDIP. A well being tested there had, up to the time of Dunderdale's speech, flowed 2,436 barrels of oil and 9.4 million standard cubic feet of gas.

Dunderdale said the government also understands the important role of research and development given the challenges facing the industry. That's why it will continue to act as a partner with groups such as C-CORE, and the marine CNG centre.

"We understand the critical important of R&D in the development of our wealth of natural gas and our need to be at the leading edge of this technology," Dunderdale said. "We have approximately 10.2 trillion cubic feet of natural gas just waiting to be recovered. We have another 60 trillion cubic feet in undiscovered potential. That's enough gas to supply the entire combined natural gas needs of the New England states, Ontario and New York for three years."

Dunderdale said it could also provide a source of clean fuel for thermal electric heat generation at home.

The minister said the province will soon initiate an industry consultation process on a natural gas royalty structure.

"Once finalized, it will set the future direction of gas development in the province and provide the clarity industry is looking for," she said. ■