

N.L. lacks solid recovery plan for Abitibi crisis: Liberals

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Liberal Kelvin Parsons says government must do more than tout the Lower Churchill hydroelectric plan as a solution for laid-off newsprint workers in Grand Falls-Windsor. (CBC)

A plan to help displaced newsprint workers in central Newfoundland by pushing for a megaproject in Labrador shows the provincial Conservative government has dropped the ball, the Liberals' natural resources critic says.

Ministers on a cabinet task force visited Grand Falls-Windsor on Tuesday to meet with local leaders about an economic recovery plan following AbitibiBowater's decision last week to close the town's aging mill before the end of March.

Natural Resources Minister Kathy Dunderdale said the government's strategy for helping soon-to-be-displaced workers involves pressuring the federal government to help build the Lower Churchill hydroelectric megaproject in Labrador.

"It's a project that's ready to go, in terms of the transmission piece, and it's something that would employ a large number of people and pay a very good salary," Dunderdale said.

"So that's one of the things that we're putting on the table for the federal government."

For Opposition critic Kelvin Parsons, the suggestion shows that the government is passing the buck in the wake of a massive industrial layoff.

"It seems pretty obvious they haven't been focusing on anything," he said.

"They're just grasping right now to put something in front of these displaced workers like a carrot to say, 'This is what we'll do for you.' "

About 450 people worked in the mill. The mill closure will also mean an additional 300 job losses for people in affiliated industries, including loggers and stevedores.

Dunderdale said finding meaningful jobs for employees accustomed to good wages — mill workers earned an average of \$70,000, she said — will be a challenge.

"There's certainly not anything available in training or in any kind of make-work project that would offer those kinds of wages," Dunderdale said.

Montreal-based Abitibi has been slashing capacity in order to keep prices for its newsprint high in the wake of a long-running slump in consumer demand for newspapers. The company has been closing and idling mills; apart from closing its Newfoundland mill, it last week ordered the closure of a U.S. mill.

While Abitibi is struggling to pay off massive debt, Dunderdale said the government's chief priority will be to ensure severance pay is given to workers.

"The first and most immediate concern for government at this point in time is the workers who are directly affected and to do everything that we can to ensure that their interests are protected regardless of what's happening in the company," she said.

"So we're paying particular attention, spending a lot of time around that issue at the moment."

Dunderdale said government is not able to answer many questions about the future of the company's buildings or resources.

Dunderdale said Premier Williams will meet soon with Abitibi president David Paterson.