

## Bevington statement Economy Sept 20

### **Mr. Dennis Bevington (Western Arctic, NDP):**

Mr. Speaker, one of the keys to success is always being able to work and co-operate with others.

This November, the premiers of the provinces and territories are meeting in Halifax at the national economic summit, organized by the Council of the Federation. Unfortunately, the Prime Minister will be a no-show.

From a northern perspective, a major concern is the proposed European free trade agreement that would affect government programs aimed at helping to economically develop the north, for example, the NWT's business incentive policy. The business incentive policy gives preference to registered northern businesses in the Northwest Territories for the government's purchase of products and services. This policy applies to all contracts entered into directly by the Government of the Northwest Territories.

Under the policy, the Government of the Northwest Territories supports the creation and growth of competitive businesses as a foundation in the Northwest Territories' economy and will, when purchasing goods, services or construction, provide an incentive to NWT-based businesses that recognizes the higher costs of operating business and manufacturing products in our territory. This encourages Northwest Territories-based businesses to create employment and develop necessary experience and business skills and complies with any intergovernmental agreements to which the GNWT must adhere.

It is the last bit that concerns northerners. They wonder if the European free trade deal would mean the end of BIP.

The Prime Minister could allay these concerns by meeting with the northern leaders and the provincial premiers and ensuring that this vital policy is protected.

Another issue that could be discussed is how to properly encourage economic development in the north.

The key phrase for northern economic development is stewardship. Northerners know that economic development in the north means, for the most part, natural resource development. We know the government's approach is to exploit the north's natural resources as fast as possible and damn the consequences, much as the Liberals before them.

A better approach is to sustainably develop resources, to shepherd resources to ensure the longest life of the development to ensure the maximum level of job

creation. That is the way northerners look at development. We look at how we can benefit from those developments and how we can build our society.

Proper resource development ensures that the environment is protected. Northerners have learned the hard way that setting standards and maintaining them is the only way to protect ourselves against development. If we do not have that, then the public ends up cleaning up the mess. One only has to look at Giant Yellowknife mines right now where, once the environmental assessment is finished, the federal government will be on the hook for about a half a billion dollars to clean up the mess that is left there.

Another area that the Prime Minister could discuss with northern leaders is how to improve public infrastructure, which would not only aid economic development in the north but improve the life of northerners by reducing costs and, in many regards, would be the best way to strengthen Arctic sovereignty.

The Prime Minister is great at making promises to northerners, but we are still waiting for him to live up to them. For example, take the long-promised harbour at Iqaluit. It is not there yet. We can also consider the airport in Iqaluit, which needs a \$400 million upgrade. These are infrastructure improvements that are absolutely essential to the functioning of Nunavut.

Improving housing is another type of infrastructure that really needs improvement. The cost of constructing new, healthy homes based on southern Canadian standards has gone through the roof. In addition to the high costs of construction, living in the homes is just as expensive. In addition to the high cost of energy, utility costs are astronomical. The provision of water and sewer service in remote northern communities is invariably by truck: haul it in, haul it out.

The Prime Minister could discuss with northern leaders ways of reducing the high cost of living in the north. Rather than importing a southern lifestyle, we should be developing a sustainable northern lifestyle.

In practical terms, regarding the northern cost of living, sustainability can apply to supply systems, attitudes, materials, local economics and consumption practices. Societal tools for influencing sustainability include full market pricing, based on a complete understanding of all costs such as education, advertisement, incentives, regulations and policy.

One has to view the whole situation in the north to understand what has gone wrong with this attempt to recreate a southern lifestyle north of 60. One example is the cost of heating a home or a business in the north. For most communities in northern Canada, which are beyond the range of a natural gas pipeline or a major electrical grid, in terms of heating costs the last decade has been pure hell.

Over that time, the majority of Canadians enjoyed natural gas prices, which really were no different than they were at the start of the decade. Meanwhile, northern homes and businesses supplied by imported fuel oil have seen their prices go up 300% or 400%. Considering that the number of days requiring heat in homes in the north are double that of southern Canada, the magnitude of the problem becomes apparent. The system is not working for us.

At the same time, these communities generate electricity from the same fuel oil used for heating. The cost to run the coolers and freezers at grocery stores is over 10 times what it would be in Toronto or Ottawa. The increased cost of energy adds to the high cost of food for sale in the stores. Food and energy are linked together in Canada's north just as they are across the world, but in our case to a greater degree of unsustainability.

Transportation of people, goods and energy is another area where cost surge from high energy prices have been an Achilles Heel to the southern lifestyle imported to the north. In the north, distances are great and roads are poor or non-existent. Air travel is based on low volume, small planes and high prices. It can cost more to fly from Edmonton to Yellowknife than from the Alberta capital to Europe. The already costly petroleum needed to heat homes, generate electricity and power automobiles goes up even more when the high cost of northern transport is added in. These high transport costs are reflected in the high cost of food in the north, which is imported from the south.

Yes, there are many things that the Prime Minister could meet on and talk in public with our leaders from the territories and provinces. Many of the problems that northern provinces have are the same as in the northern territories. We need discussion. We need support to come up with better solutions that promote sustainability rather than subsidized lifestyles that are at great risk at all times.

There has been a call right across the country for a national energy strategy, from provinces, industry and people on the street. They are all saying that we should get together on this, act like other countries in a sane and rational fashion and form the vision of what we have for a Canadian energy system.

Why is the Prime Minister not willing to meet with the premiers who have themselves indicated that they want to do this and have pushed it forward on their agenda? Why is the Prime Minister not able to engage with the premiers on this issue? Why is he content to leave it alone?

This is not the way to govern this federation. We need the Prime Minister to actively engage with the other leaders in the country. We encourage him to do this through this motion today. We plead with him. It is better for the country that he do that.

I hope the Prime Minister is listening today to this debate, that he recognizes the importance of the debate that we are having and why this party is putting this motion forward at this time.