



## NEWS RELEASE

### Northern Mining Industry Applauds Premiers' Stance on Carbon Price

(Yellowknife, NT – July 27, 2016) On behalf of the northern minerals industry, the NWT & Nunavut Chamber of Mines applauds the July 21 joint announcement made by the premiers of Nunavut, Yukon and Northwest Territories that Canada's climate change goals must be met in a way that "does not negatively impact northern costs of living, undermine food security or threaten emerging economies."

Mining and exploration today constitutes the major share of the territories' economies by employing thousands of workers, investing billions of dollars into northern business and paying significant taxes to public and Aboriginal governments. Mining and exploration have helped build a northern middle class. However, a significant infrastructure deficit and high operating costs put the North at a competitive disadvantage to southern Canada and other jurisdictions. "Like our communities, our exploration and mining industry faces costly challenges, including a heavy reliance on diesel energy for heat and power," says Chamber President Gary Vivian, "and this adds significantly to higher costs. Thus our concern with any new initiatives that propose to increase operating costs and that reduce our ability to compete globally for capital investment funding."

A lack of electrical power grids, all-season roads and marine access means northern mines must provide their own costly airstrips, roads, accommodations, and electrical power. With no all-season roads, they must purchase an entire year's worth of supplies in advance, and construct facilities on site to store them, adding more costs. Innovatively, the diamond mines that anchor the NWT's economy construct a seasonal ice road that provides a two month window over which to ship critical supplies before the road melts again in spring. However, warmer winters are now affecting ice thickness, requiring more trucks to carry lighter loads on thinner ice, adding additional costs. This all adds to the north's competitive disadvantage.

Northern mines are already taking innovative approaches. In the absence of grid power, they recycle waste heat from diesel power generators to heat their facilities, increasing efficiency and reducing fuel needs and greenhouse gases. One mine has installed wind generators for further efficiencies.

"We all have to do our part to fight climate change and our mines are already doing their part, as evidenced by their clever use of diesel and wind energy," says Vivian. "What we really need from the Federal government is assistance to level the playing field with infrastructure like all-season roads and less expensive, greener grid power. Greater opportunities for reductions in CO<sub>2</sub>, at much lower cost to citizens, will be found in larger, urban centres in the south. But here in the north, efforts to reduce CO<sub>2</sub> will be more successful through incentives, not mechanisms like carbon taxes. This is why we support our territorial premiers in their appeal to Canada to take into account the unique nature of our Northern territories as they work on climate change initiatives."

For more information on the NWT and Nunavut mining industries, please visit the website at [www.miningnorth.com](http://www.miningnorth.com) or contact Tom Hoefer, Executive Director at Tel: 867-873-5281 or email: [executivedirector@miningnorth.com](mailto:executivedirector@miningnorth.com).