

Beware the nail in the economic coffin

Husky's recent decision to withdraw its fledgling sand exploration project from environmental assessment is further eroding investors' trust in the NWT and this will bite all of us.

Husky played by the rules but our ever-increasing demands and our overly sensitive regulatory system with its "hair trigger" to public concern pulled them into a needless and costly-for-all regulatory process.

As a long-term Northerner trying my hardest to grow our economy, I am devastated and dismayed at how easily we chased away more than a million dollars in early exploration investment by needlessly putting Husky through the regulatory wringer.

The GNWT's efforts to rehabilitate our rotten investment reputation is now under serious threat.

Negative consequences have already begun. Home for sale signs are popping up like weeds in Yellowknife.

No small wonder – 700 people have now left the NWT, this in the face of GNWT trying to attract 2,000 new residents (make that 2,700 now). Many local companies are now losing business.

Government is suffering from declining revenues in the taxes and transfer payments needed to pay for all the health care, educa-

tion and social programs we need and want. In this post-devolution world when we said we can be more self-reliant, we won't be. Our communities will have an increasingly tough time if the GNWT doesn't grab a hold of opportunities for the economy to grow.

It's never too late to take steps to fix this, but we need to act fast.

First thing government should do is lay off employees. We are fat with bureaucracy and are Canada's most overweight jurisdiction. When it takes the taxes of five hard-working Canadians to pay for one GNWT employee, we know we need to go on a diet. Government jobs are not an economy.

Second, the GNWT needs to walk the talk. While the politicians say we are 'open for business' the bureaucracy's actions say differently. One department promotes development, while another blocks it. There must be common vision across the departments. Laying off some can help.

Complementing this, government must work with each of the land claim regions to get their help in strengthening our economy. It will take all of us to attract the investment we need to look after ourselves. Everyone needs to know that mining and oil and gas are our economic advantage. We all benefit from significant jobs, business spending, taxes and

royalties a healthy industry provides us.

Third, we need to address the Northern cost premium. Governments – aboriginal and public – need to invest in the infrastructure we need to grow our economy. Sure, we have resources but developing them is up to 2.5 times higher than the national average with most of this due to the lack of infrastructure.

Fourth, aboriginal and public governments and the regulatory boards need to remove the needless hoops we make investors jump through.

While we do have good regulations and inspectors to monitor permit-holders during the life of the land-use permit, we also have detrimental regulations that refer fledgling projects to an environmental assessment due to "public concern".

Does it concern anyone that we are the only jurisdiction in Canada with the ultra-sensitive hair trigger of "public concern" and that we are also failing in attracting investment. It's no coincidence and needs to be fixed.

We also have multiple boards providing inconsistent decisions – a small, hokey sand project goes to environmental assessment under the Wekheezhii Board, but 19 km of all-weather road and two hydraulic fracturing wells aren't referred under the Sahtu Board.

GUEST Comment

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It's time for a single board with consistent decisions so investors aren't facing a coin toss for what will happen when they come bearing cash to invest in our territory.

We have so much opportunity before us.

I have lived in the North almost my entire adult life.

I have raised my family and built a successful business here. This is my home. I will continue to advocate for responsible development of our huge untapped resources for the benefit of all Northerners. I want to see the huge success we have had with our diamond mines continue and to grow. But we need to take the appropriate steps to make it a reality.

I know it's possible but we need to get our collective house in order. We need to start pulling the nails from our "open for business" economic coffin we are building.

I can't think of a better time than an election year for us to do that!