

THE HONOURABLE ROBERT R. McLEOD
PREMIER

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Sessional Statement – February 2018

Mr. Speaker, I'd like to welcome Members back to the Legislative Assembly as we continue our work to create a better future for the people of the Northwest Territories.

Time is passing quickly, Mr. Speaker, and we are past the half-way point in the mandate of the 18th Legislative Assembly. There are just 20 months left until the end of our term and there is still a lot of important work for us to do.

One of the most important challenges we face is securing a strong and sustainable economic future for the people of the territory.

The people of the Northwest Territories want jobs in their communities and regions. They want to be able to look after their families and themselves without depending on the government. They want to participate in the benefits of a strong national and territorial economy that gives them the financial security and personal independence that all Canadians strive for.

Our job is to deliver on those aspirations.

A few months ago, I called for a national discussion on the future of the Northwest Territories. I received many messages of support for taking this strong stand for our territory and its people. A few people have also expressed surprise. I agree that such strong statements in defence of the territory are rare, but sometimes they are necessary.

Good jobs start with a strong and vibrant economy in all our regions and communities, and there are some challenges that we need to understand and overcome if we want to grow a strong economy for a secure future.

The Northwest Territories does not exist in isolation. We have a small, open economy that is subject to external pressures.

In 2007, the territorial economy was worth \$4.5 billion dollars. The global financial crisis and weak commodity prices in subsequent years took a significant portion of that value away. As of 2016, the Northwest Territories economy still only stood at \$3.7 billion dollars.

A smaller economy means fewer jobs and economic opportunities for Northerners. Figures from last year show there are 2000 fewer people working in our territory than there were in 2007, even though our population of working age people has increased.

Unemployment in the territory was still higher, at 6.6 percent, in 2017, than in 2007 when it was 5.7 percent.

We need to reverse this trend by regrowing our economy, especially in communities and regions.

It's no secret that the health of the economy in the Northwest Territories rests with resource development right now.

In 2016, resource development contributed \$938 million dollars to the economy of the Northwest Territories, with over \$650 million of that coming from mining.

While that is good news, we also have to remind ourselves that in 2007, resource development was contributing \$1.8 billion to the Northwest Territories economy.

Seeing our most important economic sector decline by approximately half over the course of nine years should tell us that we cannot take our economic future for granted.

Economies need support and strong leadership; a wait and see approach will not do.

That is one of the reasons why I called for a national discussion on the future of the Northwest Territories last year, and why I continue to deliver that message.

I have frequently argued that Northerners need to be the ones that make decisions about the North, and that was why devolution was so important.

Indeed, a basic principle of the Canadian federation is that provinces and territories should have the ability to direct the development of their economies to best benefit their residents.

Unfortunately, the national commitment to that principle seems to be slipping in recent months.

We in the Northwest Territories have seen it in unilateral decisions of the federal government that directly affect our interests. Alberta is seeing it now, too, in recent announcements from British Columbia that will effectively place limits on their economy.

I want to make it clear, that it is the principle of the matter that I am concerned about here.

I am less interested in advocating for any specific sector of the territorial or national economy, than I am in ensuring that residents of all provinces and territories have equal opportunity to benefit from being part of a thriving, prosperous country.

I understand that resource development is primarily a business decision. I also understand that individual governments have their own views and preferences about what kinds of economic development are best.

But I also think that if those governments are going to impose their own preferences on other ones, they need to be prepared to step in with plans to put something else of equal value on the table.

So long as decisions made somewhere else have an impact here in the Northwest Territories, we need to be making sure Northern voices are part of those conversations.

We need to make sure that Northern views and priorities are understood and respected and that there is some national consensus on how Canada will ensure a strong and prosperous North.

While other Arctic nations are proceeding with ambitious plans for social and economic development of their northern regions, there is no similar vision for Canada.

Canada should have its own plan, one that is developed by and for Northerners. The people who live in the North are the ones with the most to gain, or lose, under such a plan and our priorities and values have to be front and centre.

That plan needs to include the best ideas from Northerners for developing new and promising sectors that have the potential to contribute a billion dollars or more to a vibrant territorial economy.

It needs to identify the kinds of investments and decisions our government and the Government of Canada need to be making to help us manage the transition into a new, green economy.

It also needs to take into account that growing another billion dollar sector of the territorial economy will take time and that we cannot simply discard those economic activities that are the source of jobs and good middle class incomes to thousands of residents.

We also need to be sure that our plan takes into account the economic realities of the whole territory. While Yellowknife had an unemployment rate of 3.4 percent in 2017, the rate in the rest of the territory was 10.9 percent.

That is a significant disparity that suggests that the benefits of economic development are not being shared equally throughout our territory. That is something we should all want to fix.

I like to say when I am in the South that Northerners shouldn't be punished because of where we live. The same holds true here at home, too. The people of Tsiigehtchic, Sachs Harbour, and Colville Lake shouldn't be punished because they live in remote, small communities.

We need to renew our focus on providing jobs in communities outside Yellowknife by growing strong and diversified economies across the Northwest Territories.

There is no question that the Northwest Territories has great potential. We used to talk about how our territory could make a meaningful contribution to the national economy based on our world-class resource potential.

We still have all the ingredients for success as a territory, but we are going to have to work together to capitalize on it. We can't take it for granted or let ourselves get complacent; we need to make it happen.

As leaders, we have an important role to play in bringing forward the ideas and priorities of the people we represent so they are part of the plan. We also have an important role to play in advocating for the best interests of the whole territory, here at home and around Canada.

I've said many times before that one of the best social programs is a good job. A good job is a path towards self-reliance, personal financial security and hopes for a better future for our residents and their families.

Our work isn't done. We have done much to stabilize and regrow the Northwest Territories economy as a whole. It is now time for us to complete the task and make sure that the benefits of jobs and a strong economy extend to all our residents throughout the territory.

Thank you, Mr. Speaker.