

July 18, 2019

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To: Premier Robert McLeod – Minister of Executive and Indigenous Affairs

Northerners are very aware of how ignorant the South is of what the North is truly all about. We often hear of awareness campaigns and policy from the South that is only geared to the provinces as though the territories are nonexistent.

According to Statistics Canada, of the 328,454,000 domestic trips made by Canadians in 2017, only 0.03 per cent, or 106,000 people, travelled to or within the three territories.

As Ken Coates, Canada Research Chair in regional innovation a specialist in northern development and Indigenous rights say:

"I think Canadians like to view the North as a sort of an attic-sort of a place where you hide the treasures but don't ever up and look and see what they are"

With the exception of those who live, work and invest in the territories, most Canadians are not aware of the vast natural resources and breathtaking geography of the Northwest Territories.

The South is assured of government supported quality health care, transportation, food access, education and growth opportunities. We are not.

Climate change is more than a catch phrase for those of us who live in the North. On a daily basis we feel the impacts of climate change on our communities and on the quality of life of each community member.

A report submitted to the UN Human Rights Council by its special rapporteur, Philip Alston, on extreme poverty states that;

"An over-reliance on the private sector could lead to a climate apartheid scenario in which the wealthy pay to escape overheating, hunger, and conflict, while the rest of the world is left to suffer."

His report criticized governments for doing little more than sending officials to conferences to make "Somber speeches," even though scientists and climate activists have been ringing alarm bells since the 1970s.

In Canada the climate apartheid scenario Alston refers to is presently playing out in the North.

Neither Federal Party has made solutions to this apartheid a component of their election platforms.

We have enclosed a package outlining the impacts of climate change and government negligence on our community. We also note that the Federal Government has and still is taking profit from the Imperial Oil field in our community of which it is one third owner. The provision of an all season road will support

Our quest for more independence and community health while helping other seriously affected parts of the North such as the Arctic islands. The Federal Government averages a profit of \$93 Million per year from the Norman Wells oil field. The Government of NWT has been collecting royalties from the same fields. This is more than enough to finance an all season road.

An all season road will provide a long-term solution to the imbalances found in our communities by:

- Providing for a dependable, consistent re-supply of goods and skills
- Reducing our cost of living, as goods would be brought in by ground year-round
- Improved access to health care, educational and economic opportunities (2-way)
- Increased tourism "will bring the world" to the North
- Will strengthen and expand our role as a regional commercial and business hub
- Will provide more opportunities for family, social, recreational and sporting programs and interactions

Reducing our dependence on the federal government for financial transfers and jobs will improve our national competitiveness. The Sahtu Region is rich in oil, gas and mineral resources, and despite declines in these sectors, the world is going to need these natural resources for a long time to come.

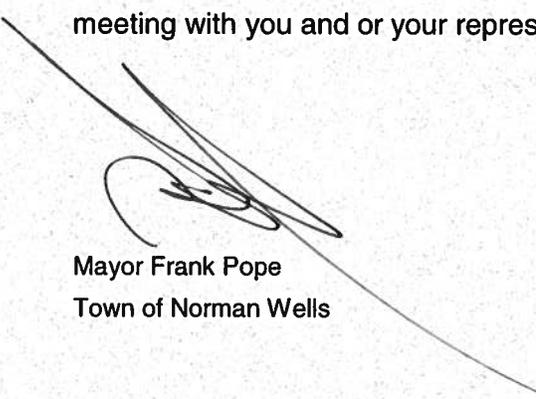
The North is the source of some of the most innovative public policy in Canada, as we've made progress in figuring out how to capitalize on resources and our efforts to resolve Indigenous relations and toward cultural revitalization have also been more successful than in the South.

NWT Premier McLeod identified three "priority projects" for resource development in the territory, one of which was an all-season Mackenzie Valley Highway.

"We need and want a plan that includes focused and deliberate investment in high priority areas like Taltson Hydroelectric Facility, the Mackenzie Valley Highway and a road to the Slave Geological Province."

To date, we have sent an advocacy paper on the building of an all season road to each of the Federal party leaders. We will also be sending them a summary paper much like the one we have sent you. Once we know we have the vital support of our regional partners we will be asking for a meeting to discuss this important issue.

The support we request will enable us to grow independently into the future. We respectfully ask for a meeting with you and or your representatives to further this very important discussion.



Mayor Frank Pope
Town of Norman Wells

In summary:

Norman Wells, NWT is located between the Mackenzie River and the Franklin Mountains. It is connected in the winter to Wrigley NWT by a 321 km winter road and in the summer by barge on the MacKenzie River, and is home to Canada's oldest oil fields.

Norman Wells, NWT is the Sahtu regional business, government, tourism and support service center. The Sahtu region is comprised of Fort Good Hope, Norman Wells, Tulita, Deline, and Colville Lake.

Climate Change in NWT

According to the Northwest Territories Department of Environment and Natural Resources, the impact of climate change on the Northwest Territories is significant and widespread. The average surface temperature in the Northwest Territories has risen by about 2 degrees Celsius since the 1940s, compared with a 0.74 degree Celsius increase worldwide. In one area of the Northwest Territories, this increase has reached 3 degrees Celsius.

1. Permafrost is thawing.

* Most Northwest Territories communities are built on varying types of permafrost. Thawing permafrost has caused shifting, foundational cracks, and structural problems in buildings. There have been increased shifting, slumping, and sinkholes for roads. This has increased maintenance costs and disrupted transport for communities and industry.

* Ice forms later in the fall and melts earlier in the spring. The ice is also thinner. A prime example is Great Bear Lake which could not bear the weight of an oil tanker truck in 2018.

* Rapidly receding river banks, the MacKenzie River bank is quickly eroding causing damage to our main arterial road.

* The Government of the Northwest Territories has had to intensify efforts to maintain winter roads. Many communities and mining operations depend on ice roads for seasonal travel outside of communities, as well as for transporting crucial supplies such as food, fuel, and construction materials. *Despite these efforts, there have been increasing incidents of winter road closures and reduced load weight limits. This has resulted in both higher costs for delivering supplies to communities and concerns about safety.

* 2019 winter road open for heavy load resupply trucks a total of 4 weeks compared to 8-9 weeks as a direct result of warming trends (the winter road shutdown a number of times for maintenance)

2. Precipitation levels in the Northwest Territories are becoming highly variable between seasons and across the territory.

* Low water levels in the MacKenzie River (our summer highway) have affected remote communities that rely on barges to supply essential goods such as food and fuel. May river levels 2019 are similar to levels experienced Fall, 2018. This impacts resupply to the MacKenzie River Valley as well as western Arctic communities.

3. Social impacts

Access to health care and education reflect the strong social value of equality. That access is not the same for people residing in Northern Canada. We need physicians, nurses, dentists, experienced mental health professionals, managers and teachers. There are perceived and real challenges which prohibit the attraction and retention of workers to the North. These challenges include long working hours, a lack of colleagues to share the

workload, the lack of extra education, difficulties obtaining routine continuing education and a perceived lack of opportunities and support for spouses and children.

A community's accessibility network and cost of living are strong indicators of a healthy community.

All season road rationale

According to the Intergovernmental Panel on Climate Change, one of the leading causes of climate change is fossil fuel combustion and industrial processes that emit greenhouse gases (GHGs), such as carbon dioxide, into the atmosphere. The Northwest Territories is a small emitter of GHGs. In 2013, it was responsible for about 0.2 percent of Canada's total GHG emissions, according to Environment and Climate Change Canada.

While the Northwest Territories is a small emitter of GHGs, it is particularly vulnerable to the impacts of climate change. Climate change is affecting critical infrastructure, as well as residents' food and fuel security, and their ability to get in and out of their communities

Our Territorial roads are critical to our economic and social security by bringing in needed supplies and services to communities and businesses. Winter roads have been identified as areas of greatest risk in the territorial transportation network. We must manage the high costs of living in the North.

How should government fund construction of the MacKenzie Valley all season road?

Oil production in Norman Wells (Imperial Oil Field)

The Federal Government has had a one-third share in the field since 1944 (two-thirds owned by Imperial Oil Resources):

- 2010: \$102 million
- 2011: \$97 million
- 2012: \$109 million
- 2013: \$83 million
- 2014: \$75 million

This averages a profit of \$93 million per year to the Federal Government and at today's oil prices and flow from the field \$200,000.00 per day. As an aside this field has been operating for 100 years as of 2020.

It is now time to give back to the region.

In 2014, in its devolution deal with the federal government, the territorial government assumed control of a five per cent gross royalty on Imperial's two-thirds share in the field.

So if the federal government is reporting a profit, it stands to reason Imperial Oil is posting one which means there's a royalty for the territorial government to collect.

Imperial Oil is in the process of slowing production and planning the shutdown of its operations in Norman Wells. We need to transition our economy from one that is fundamentally built on one business to a stable, balanced one that takes into consideration our multi-cultural heritage and the basic needs and rights of our regional community.

We would ask that the Federal Government of Canada look at the impacts climate change is having on our transportation systems and in that process recognize the impact that ultimately has on our quality of life and future.

The North is our home of choice. We categorically state that the Federal and Territorial government complete the MacKenzie highway now, not ten years from now.