

Fort Simpson Chamber of Commerce

Presentation

April 15, 2004

On behalf of the Fort Simpson Chamber of Commerce I would like to start by welcoming all the panel members visiting Fort Simpson as well as representatives from the Mackenzie Gas Project.

Panel Members: the Fort Simpson Chamber of Commerce is the only independent representative business organisation in the Deh Cho. The Fort Simpson Chamber of Commerce represents about fifty fully paid up businesses, ranging from aviation and trucking firms, to construction companies to communications specialists to small sole proprietor janitorial operations. Our members currently do business across the entire region meeting the needs of customers in all Deh Cho Communities. As such a significant stakeholder in economic and business development in the region it is therefore understandable that the business community views the prospect of significant development occurring in the Deh Cho and the Southern Mackenzie Valley with considerable interest. The Fort Simpson Chamber of Commerce on behalf of the business community requires recognition as a significant stakeholder in this entire process by both this Review Board and by the proponents of the Mackenzie Gas Project.

The Chamber of Commerce views the Environmental Review process as being a valuable and integral part of any major industrial development in our business area. The environment is not something to be bartered in return for a few cash hand-outs, neither

should it be used as a politically motivated, procedural tool to stop the creation and growth of employment and a more viable economy in our region. The Chamber of Commerce urges this Board to guard itself against either occurrence during the course of the environmental review process.

The Chamber of Commerce is uncertain as to the role and mandate of this Review Board in influencing matters pertaining to economic and business development in this region. Nevertheless it is the only government panel that has offered a forum in regard to the potential Mackenzie Valley Pipeline development and we therefore feel it appropriate to offer the following initial comments.

Despite the fact that the proposed Mackenzie Valley Pipeline holds out much promise it also delivers much frustration to the regional business community. In the last twelve weeks a proposed winter work program of the Mackenzie Gas Project worth \$12 million dollars in contracts to firms from the Deh Cho and Hay River was shelved. Whether this was due to a breakdown in negotiations between the impacted First Nations and the MGP or whether it was due to an unwieldy environmental review process remains unclear.

What is clear however is that things were not ready for work to commence, despite many, many thousands of dollars being spent on preparations for the winter work program. This lack of readiness is all the more remarkable as there is a Pipeline "*Readiness*" Office based in Yellowknife. If one is to believe in the name of this office, it is no doubt mandated with making things "ready" for a pipeline in the Mackenzie Valley. Board Members - it is obvious by the delays in the winter work program that the Yellowknife

Pipeline Readiness Office was not successful in making the Deh Cho "*Ready*" for anything in the last twelve months.

Perhaps this is not that surprising given its location. Lets face it...would it make sense to have a Diamond Readiness Office based in Fort Simpson? Obviously not. It is the Deh Cho region that needs these human resources - not Yellowknife. The staff in these offices need more than just access to a phone, fax and email. These resource people need to be getting Mackenzie Valley dirt under their fingernails. They should be based in the Mackenzie Valley . This is after all: The Mackenzie Valley Pipeline. These Pipeline Readiness Offices should be based in the Mackenzie Valley and should be staffed with people skilled in facilitation, experienced in negotiation, and who have the ability to convey sometimes-complex information to diverse audiences. They need sufficient resources to appropriately assist the main parties to the land access negotiations – the First Nations and the MGP - in an impartial manner, while also providing support services to Federal, Territorial and Community Governments with their planning and co-ordination for this huge industrial project.

Board Members, while I see the proponents of the MGP here in attendance to answer questions and to give presentations, I do not see representatives of the Territorial or Federal Government here to explain to community members what their role in this project will be. Yet the reality is that Impacts and Benefits arising from this type of project can only be maximised when industry and government co-ordinate their efforts. In a more advanced economy such co-ordination is perhaps of lesser importance.

However the economy in the southern Mackenzie Valley and particularly the Deh Cho region is not advanced at all. It is very rudimentary and as such it will be very tempting to bypass it when the time comes in favour of the easier options of using existing capacity from southern Canada, thus missing out on the potential of creating long term opportunity and sustainable advancement in the north. It is critical that coordination and joint action is taken to maximize the positive impacts and lessen the negative impacts that will be concurrent with this proposed Pipeline.

A major example of the need for co-ordination and joint action is in the area of infrastructure. Infrastructure improvements are a more permanent type of impact-and-benefit that accrues from industrial development, yet infrastructure is more typically the task of government rather than industry. How can one talk about impacts and benefits when the party associated with infrastructure improvement – The Federal and Territorial Government - is absent from the discussion. Therefore the Fort Simpson Chamber of Commerce would like to request that this Board does not restrict itself to questioning solely the industrial proponent when assessing the impacts and benefits of this project on communities but also the various levels of government. Transportation, Health, Education, Economic Development – all of these departments by their action or inaction will have a major part to play in how this development affects our communities and our economic and social environment.

The sense of our Chamber of Commerce is that the response to this project by the various levels of government thus far has been totally inadequate. It is uncoordinated, wrongly-located and under-resourced.

The Mackenzie Gas Project also needs to broaden the scope of its consultations to more fully include the viewpoints of the various stakeholders in this region and not just the ones whose signature they need on land access agreements. The Fort Simpson Chamber of Commerce realises that agreements associated with access to land have to be negotiated between the MGP and the affected First Nations. However the impacts and benefits from this Mackenzie Valley Pipeline Project will be viewed differently by different groups within this region each with their own unique and valuable perspectives. These perspectives are not mutually exclusive but rather complementary and additive in nature. By limiting their discussions solely to "community governments" the MGP is in effect totally bypassing formal input from many groups including the business community. Yet it is this very business community that will be an important creator of jobs and benefits when the pipeline development occurs. It will be this business community that will remain when the main phase of construction is over and it is this business community that will have to stand the test of sustainability after the pipeline is constructed. The Chamber of Commerce should be consulted in a proactive manner by the MGP as to what it would like to see from this development and kept informed as to project status and timelines. To date this has not happened in any kind of systematic or formal manner.

In closing I would like to state that these comments are introductory in nature and do not attempt to address all of the issues associated with the proposed pipeline development. They are merely intended highlight in an introductory manner just some issues that concern The Fort Simpson Chamber of Commerce.

Thank You.

Andrew Gaule

President

Fort Simpson Chamber of Commerce