

Senate Statement on Mackenzie Gas Project

Dennis Patterson, Senator for Nunavut

October 19, 2011

Honourable Senators, I rise today to speak of the Mackenzie Gas Project. This project was first conceived over 40 years ago. Now it's time has come. It has received rigorous environmental review and has been given a certificate by the National Energy Board early this year.

There is a market for clean natural gas from Canada's Western Arctic. Overall, conventional gas production in Western Canada has been declining. Even with shale gas, production has not kept up with demands, which include Canada's commitment to reduce greenhouse gas emissions by converting 33 coal fired electrical generators to an alternate fuel by 2020. Meeting Canada's new emission standards require new supplies of natural gas. The Mackenzie Gas Project also meets all the criteria for Canada's Clean Energy Initiative.

Its economic impact is staggering – tax and royalty benefits of \$10 Billion and a positive GDP impact of \$100 Billion. The Mackenzie Gas Project will help dig Canada out of debt. Yes, there is a role for Canada to provide a revenue guarantee but there is every expectation that this guarantee will never be required. Once a transportation vehicle is built, new gas wells will be drilled in the Mackenzie Valley well before the initial fields begin to decline in 2029. Build it and they will come!

The best thing about this project is that it has support from the Aboriginal people of the Mackenzie Delta. It is one third owned by the Aboriginal Pipeline Group. This historic and long awaited project is good for the north and good for Canada.

The Mackenzie Gas Project will also lay the foundation for the building of the long awaited Mackenzie Valley Highway, by opening up gravel sources, building airstrips and barge landing sites along the Mackenzie River.

The NWT is hungry for new jobs as diamond production declines. It will create 7,500 jobs during construction. This project represents an opportunity for economic independence and self sufficiency, displacing present dependence on Government programs.

Honourable Senators, now is the time for decision. Under the NEB certificate, construction must commence by December 2015. The next step is completion of financial arrangements to enable work to begin anew in early 2012.

Now, the Mackenzie Gas Project not only has support of aboriginal groups in the Mackenzie Valley, but they are proud partners. Let us take the next steps now.