

Advantage North Conference
Speaking Notes for Premier Fentie
May 29, 2007
Topic: Transportation and Resource Development

- Good evening ladies and gentlemen.
- Although I am sure my colleague, the Honourable Archie Lang took the time this morning, let me welcome you to Whitehorse, to participate in this exceptional conference – *Advantage North: Resource Development and Northern Transportation*.
- I would like to spend some time this evening speaking to the significant linkages that exist between Northern economic development – specifically resource development – and our Northern transportation systems.
- Before this, however, I would like to say a few words about some of the many exciting projects currently happening in Yukon.
- It has only been a matter of months since Yukon, Northwest Territories, and Nunavut came together in true Northern tradition to successfully host the 2007 Canada Winter Games.
- The legacies from that event will remain well into the future, especially pride in a job well done.
- A pan-Northern marketing strategy was launched by our three territorial governments earlier this spring to coincide with the opening of the Games.
- You may have viewed some of the spectacular footage promoting the North as a great place to visit, invest and live – the North is being showcased as never before.
- Yukon features a solid investment climate.
- Since devolution in April 2003, decisions about Yukon resources are being made by Yukoners.
- And our government continues to establish regulatory certainty for our resource sector investors.
- Yukon is growing and we are poised to develop a stronger, more diversified private sector economy.

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- Our employment rates are high and we continue to promote healthy families and communities.
- We have pride in our environment – protecting and preserving our land and our wildlife is of the utmost importance.
- We are taking steps to mitigate the effects of climate change, while studying ways to adapt to these changes.
- We have 11 of 14 Yukon First Nations that are now self-governing, so it is important to practice good, cooperative governance.
- I am here tonight to discuss Northern transportation...and its relationship to economic development.
- One of the best starting points on any discussion about northern development is with the words of former Prime Minister John Diefenbaker.
- "I see a new Canada – a Canada of the North!"
- Diefenbaker had a passion for the North - he believed in connecting Canada from sea-to-sea-to-sea.
- He introduced the concept of “Roads to Resources” as a means of tapping into the vast mineral potential of the North.
- And Canada’s most northerly highway, the Dempster, came about because of this belief.
- We have treasures to offer that can bring great benefits to all, northerners and southerners alike.
- Realizing this potential requires modern transportation access.
- The concept of “roads to resources” is as relevant today as it has ever been.
- Within the Government of Yukon, we share this belief.
- As such, we have recently articulated our vision for the Yukon transportation system, in the document *Prospecting Corridors to Growth*, as:

A multi-modal transportation system that connects communities, enables economic development, enhances national sovereignty and security, and creates corridors and gateways to national and global markets.

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- This is a vision that simultaneously looks inward and outward.
- What are its key parts?
- First, our transportation system – roads, airports, marine ports and rail lines – must allow for effective connectivity between Northern communities.
- There are important social and economic benefits to these community connections.
- Second, our system must enable economic development – as the economic potential in the North is immense.
- Third, our system must support the enhancement of Canadian sovereignty and security in the North.
- The latest research indicates, for example, that the opening up of the Northwest Passage may allow commercial vessel traffic within the next decade or two.
- As such, Canada needs clear transportation connections to, and modern infrastructure at, our northern shores.
- Finally, our transportation system must be aligned with the context in which it operates.
- As never before, we live in a global economic environment and the North can play a key role in this regard.
- The world economy, particularly the Asia-Pacific region, is growing at an ever-increasing rate.
- These economies demand the types of materials – raw and manufactured – that are produced in North America.
- But getting these materials to the Asian market has proven difficult as delays along western North American sea ports are becoming more common.
- This is where the North can play a vital role.
- Through an integrated transportation system, Canada's North can become a gateway to the Asia-Pacific.
- Many of you know of two key projects currently under study in Yukon that are related to this very issue.

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- These include the Alaska-Canada Rail Link Study and the Yukon Port Access Study.
- These two transportation projects represent enormous potential for the North.
- A rail link connecting the North American rail grid with Alaskan ports, for example, will allow for significant transportation synergies for companies doing business in the Asia-Pacific.
- But rail and port access go beyond this connection.
- This type of infrastructure will allow for resource development opportunities that once were considered uneconomic due to high transportation costs.
- Think of the massive Crest Iron Ore deposit in North-eastern Yukon as one example.
- Of course, this sort of infrastructure also extends beyond economic development in Yukon.
- East-west transportation corridors across Northern Canada will provide access to these markets to our friends in NWT and, possibly, Nunavut.
- The potential is vast.
- In Yukon, we are doing all that we can to allow this great potential to become a reality.
- Let me tell you a little about what we call the Yukon Infrastructure Advantage.
- To fully realize the potential of our resources, we are supporting a number of significant infrastructure initiatives.
- Industry has determined that both the Mackenzie Valley and the Alaska Highway pipelines will be needed to meet the energy demands of the south.
- These projects offer massive economic opportunities for the North, and will inject billions of dollars into the North American economy.
- To this end, we have formed alliances with Alaska, Alberta, British Columbia and the Northwest Territories to advance these projects.
- Together we have tremendous opportunities to develop largely untouched oil and gas resources.

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- The Yukon government has also continued to advance the Alaska-Canada Rail Link Pre-feasibility Study.
- The study will provide an opportunity to examine the long term multi-modal transportation development potential of Yukon and Alaska.
- It will provide a foundation of information to guide the infrastructure development necessary to fully realize Yukon's natural resource potential.
- In lock-step with the rail link study, is the Port Access Study.
- In Yukon, the key issue is not just getting our resources to tide-water, but also providing industry the certainty that transportation infrastructure will ensure the lowest possible production costs.
- We are looking forward to a joint release of these studies very soon.
- In the meantime, we continue to invest in our transportation system.
- In our most recent budget, we allocated some \$61 million dollars for capital investment in Yukon transportation.
- These funds will be used to support many important projects. For example, we will support a continued focus on the Shakwak Project.
- Shakwak represents an excellent example of partnership – between Yukon and Alaska.
- When it began in 1977, the Shakwak Agreement set out to bring the portion of highway between Haines, Alaska and the Canada-US border at Beaver Creek up to modern standard.
- Now 30 years later, rehabilitation has taken place over 500 kilometres of road, including numerous bridges.
- Also – over the year ahead – the Dempster and the Robert Campbell Highways will see significant improvements.
- Yukon airports will also receive continued investment, highlighted by major work at the Whitehorse International Airport.
- And we will continue work that has recently begun on our own “roads to resources” policy.

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- Our hope here is to develop a program that supports industry in the work that it does in advancing economic development interests across Yukon.
- Finally, Yukon will also continue to partner with the federal government on transportation investment.
- On this note, I was very pleased to see the announcement in the latest federal budget of some \$33 billion dollars towards improvements to Canadian infrastructure.
- It is clear that this will mean real improvements to Yukon infrastructure.
- These are very exciting times in Yukon and across the North – our potential is immense.
- The North is truly coming of age and we are taking our place in the Canadian federation.
- Thank you.