



Alternatives North

News Release

Mackenzie Gas Project Not in the Public Interest

Yellowknife – November 5, 2007 - After extensive research, Alternatives North has determined that the current proposal for the Mackenzie Gas Project (MGP) is not in the public interest. The coalition's recent report to the Joint Review Panel highlights economic, social and environmental reasons in support of its 'no go' position.

Inadequate and uncertain tax revenues, no devolution or revenue-sharing arrangement and no direct support from the Federal MGP Impacts Fund, stack the economic deck against the GNWT and northern residents. There is no plan for a heritage-type fund to ensure future generations benefit from the development or have resources in place when the gas is gone. "Despite uncertain and limited direct government revenues, the so-called "letters of comfort" from the territorial and federal governments have promised to grandfather the MGP into the current inadequate regime" says Ben McDonald, co-chair of Alternatives North.

The Socio-Economic Agreement (SEA) between the GNWT and the proponents was developed without consultation and fails to set any meaningful and enforceable targets. The SEA does nothing to address the ever-widening income gap between rich and poor. The MGP will not bring adequate jobs but will result in increased social problems. "Proposed actions won't deal with impacts from in-migration, rapid social change, and the boom-bust cycle" says Aggie Brockman, Alternatives North member.

Gaps in environmental management, no security deposit to pay for closure and reclamation, and the lack of an independent oversight body will not protect the environment. "GNWT and other northern agencies need better tools and resources to effectively manage the impacts from the MGP and the tremendous induced growth it will create" says Kevin O'Reilly, Alternatives North member. The MGP does not offer adequate local access to natural gas and will increase NWT greenhouse gas emissions.

"For all these reasons, it would be hard to make this project less beneficial for the NWT if you tried" says Ben McDonald.

Alternatives North is making its case to the Joint Review Panel at the recommendations hearings in Inuvik. The coalition has 50 recommendations to improve the project if it is approved by governments.

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