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MINISTER OF INDUSTRY, TOURISM AND INVESTMENT**

**Welcoming Address
2011 Yellowknife Geoscience Forum
November 15, 2011**

Good morning everyone. On behalf of the Government of the Northwest Territories, it is my pleasure to welcome you to the 39th Annual Geoscience Forum. I would like to say a special thank you to the Dettah Drummers for opening up the event today.

Putting together events like this forum are no easy task. Please join me in thanking the NWT and Nunavut Chamber of Mines and the Northwest Territories Geoscience Office – specifically the forum organizing committee – whose support makes this forum such a success, year after year.

As the new Minister responsible for Industry and Investment, I am looking forward to working with you for the next four years. Be assured, it is a role that I take on with a great sense of respect and responsibility.

These are early days in the life of the 17th Assembly. We are still in the process of identifying the priorities that will drive our work for the next four years. Undoubtedly, sustainable resource development will continue to be a cornerstone of our economy.

Our Territory is blessed with an abundance of resources. It is a land filled with opportunity and much of our mineral wealth remains untapped. The North is one of the last frontiers for mineral exploration and potential. Mineral and petroleum explorers and producers work to unlock this potential and seize the opportunities that await them.

Backed by geoscience, exploration and mining have been the cornerstone of the NWT's economy for a long time.

Where there is exploration, there is discovery. Discovery leads to development and development to more exploration. Along the way, there are jobs, business opportunities and economic growth.

The NWT was not unaffected by the global economic downturn. Exploration and deposit appraisal investment in the NWT continues to slowly but steadily recover from the setbacks of the global economic crisis.

Times of economic uncertainty highlight the importance of investing in Geoscience. The comprehensive and accurate identification of where mineral and energy resources are located is essential – this in turn aids in mineral exploration.

I am pleased to note that there are several advanced exploration projects in the works. Combined, these projects have the potential to attract more than \$3 billion in capital expenditures, and add over 2,000 new jobs to our Territory. With this potential for development, we will emerge out of this crisis with a renewed strength and focus - a testament to our Northern resiliency.

Geoscience work is the foundation of continued resource development. It is this work that allows us to see projects continue to emerge across the Territory, in all our regions, with benefits reaching NWT residents.

But geoscience is only one piece of the puzzle that makes mineral exploration and mine operations happen. Many factors come into play to ensure economic growth in the mining industry: a modern geoscience knowledge base, an efficient and effective regulatory regime, land available for exploration and development...And it is Devolution that will allow the GNWT to make these issues a priority and address them.

Devolution is a key component to unlocking the mineral potential in our territory. With Devolution, the Government of the Northwest Territories will have management control of public lands, water and mineral resources in the territory. It means that people who live in the NWT and know it best will make decisions about how these resources should be managed.

With Devolution, the GNWT will inherit many of the federal regulatory responsibilities. As I mentioned, we are early in the life of the 17th Assembly, and our priorities still need to be mapped out. But no matter what, we need to identify regulatory improvements that will ensure NWT public interests can be served effectively while minimizing time delays and costs to industry.

We have heard the concerns of industry related to land availability and the complicated regulatory regime. We need a process that will support balanced development. Fundamentally, we envision a regulatory system where decisions regarding use of NWT lands are made in the NWT.

I strongly support a balanced approach to developing and advancing economic growth. Mineral development must not only be responsible and sustainable, it also needs to yield substantial economic benefits to NWT residents, communities and businesses.

I'm pleased to note that exploration is currently ongoing in almost every region of the Northwest Territories.

Here in the North Slave Region, the Yellowknife Gold Project, the NICO gold-cobalt-bismuth project, and the Gahcho Kué diamond project have the potential to become producing mines within the next decade. These proposed developments would provide direct and indirect jobs and business opportunities that would spread beyond this region, to the Territory as a whole.

Drilling is also continuing at Seabridge Gold's Courageous Lake project as part of a \$16 million exploration program; more than double last year's expenditures. A preliminary feasibility study is expected late next year.

Avalon's Nechalacho Rare Earths mine project in the North Slave puts the NWT in an enviable position. This project could also include the construction of the first hydrometallurgical processing plant in the NWT - leading, to significant new investments in processing and refining.

In the South Slave Region, the Tamerlane lead-zinc project at Pine Point continues to move forward. This is another project that could come on-stream within this decade, providing 160 direct jobs and business opportunities to South Slave communities.

And in the Dehcho Region, the Prairie Creek lead-zinc-silver-copper project is in the final stages of environmental assessment. This project could become the NWT's next operational mine. The GNWT recently signed a Socio-Economic Agreement with the Canadian Zinc Corporation to ensure that benefits will accrue to NWT residents.

Our Beaufort Delta Region is also benefitting from mineral exploration activities. Darnley Bay Resources Limited's project near Paulatuk is a significant contributor to the local economy, providing residents with employment and training opportunities. Further activity will only increase the direct and indirect economic benefits for years to come.

The future for mineral exploration projects is looking extremely good.

The availability of modern and easily accessible geoscience data is a key factor in attracting mineral and petroleum investment dollars to our territory. The Department of Industry, Tourism, and Investment continues to promote the development of the NWT's mineral and energy resources by supporting the work of the NWT Geoscience Office.

Many of you rely on the NTGO's web-based services to access and stay up-to-date on geological information for the NWT. From bedrock mapping and geophysical surveys to mineral and resource assessments, GIS and remote sensing, the combination of science and innovation is ensuring the data NTGO provides is up to date – relevant - and easily found.

It has been a year of successes for the Geoscience Office.

This year, the Geosciences Office expanded its work in the area of public education. Staff is working with students to build awareness about opportunities in this area. Over 500 students from Yellowknife will take part in activities related to mineral and petroleum exploration at this year's forum.

Earlier this week, the Joint Advisory Committee met to provide direction to the Geoscience Office as it moves forward. I know the Geoscience Office takes this input from industry very seriously. The recently completed five-year Strategic Plan will further guide the Geoscience's Office's activities so that it can continue to support industry and the public as the main source of information on NWT geology.

Over the past four years, ITI - through the Canadian Northern Economic Development Agency – known as CanNor, and its predecessor Aboriginal Affairs and Northern Development - have funded over \$6 million of work to better understand the NWT's mineral and petroleum resources.

I was pleased to stand with Minister Aglukkaq last week when CanNor announced an additional 3.275 million in funding to continue this critical work for the next three years. Combined with an in-kind contribution from the GNWT of \$1.1 million, as well as contributions from the private sector, this investment totals over \$5 million dollars. Those of you in this room know that reliable geoscience data is vital to encourage exploration in areas with high resource potential, which in turn contributes to the sustainability of the NWT mining industry.

Not only will the outcomes of these research and data projects help attract investment to our territory, they will also create spin-off exploration projects that will provide employment and business opportunities for NWT residents.

Oil and gas developments also translate into economic opportunities for NWT residents – and in turn, open up the territory for further mining developments. I would like to give you a brief update on the oil and gas potential in our territory.

The ultimate recoverable petroleum potential of the NWT is currently estimated at over 81 trillion cubic feet of natural gas and nearly seven billion barrels of oil.

Over the past five years, the federal government granted 32 parcels of land for exploration of oil and gas in the NWT and its offshore. This includes 15 parcels in the Beaufort Sea Mackenzie Delta and 17 parcels in the Central Mackenzie Valley. Proponents committed \$2.4 billion as work expenditure on exploration activities over nine year tenure on these parcels, demonstrating investor confidence in NWT oil and gas.

In June 2011, AANDC issued 11 Exploration Licences in the Sahtu, representing \$534.2 million in work bids. This is exciting news for the Sahtu Region. The important ingredients of community support for the development of petroleum resources, the availability of modern geoscience information and take-away capacity on the Enbridge Norman Wells to Zama line have come together to result in a significant opportunity for the Sahtu.

Communities in the Sahtu want to move forward with developing their resources. Husky Oil is to be commended for entering into Access and Benefits Agreements with Sahtu communities.

And last but certainly not least, the advancement of the Mackenzie Gas Project is essential if we are to expand oil and gas development and stabilize our resource base.

The MGP has the potential to launch a whole new era for mining in the territory, and is a key economic driver for our future. For those of you here in this room, it will also be a Project that will trigger additional resource exploration and development by opening our resource basins. Constructed and operated in an environmentally and socially responsible way, the Mackenzie Gas Project will provide a secure supply of natural gas to southern markets. It will also drive future investment in not only natural gas exploration but also mining and mineral development in the NWT.

Partnerships are essential to move this project forward, and the GNWT will continue to work with the Federal government, Aboriginal governments and the project proponents to see this Project come to fruition.

The future for resource development and the ongoing exploration industry in the Northwest Territories is bright. Work all over the Territory on mineral, oil and gas developments is creating an exciting, diverse economy and future.

Exploration and mining – driven by our rich mineral resources - has been the cornerstone of the NWT's economy for a long time. But there is still much to learn about the NWT.

The knowledge that you will share at this Forum over the next few days may well be the starting point for even more development in our future. As we look forward, we recognize that ultimately, it is geoscience that is behind the investment dollars that has been identified by industry for development in the Northwest Territories

With continued partnerships, and interest and support from industry and communities, we will maximize our resources and their benefits to NWT residents for years to come.

This is the only way that resource development will be able to provide the vibrant and prosperous future we envision for our Territory – our families, our businesses and our communities.

I hope I have the opportunity to speak to some of you over the next few days.

Thank you and enjoy the Forum.