

LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
10TH ASSEMBLY, 7TH SESSION

TABLED DOCUMENT NO. 72-86(1)

TABLED ON JUNE 19, 1986

URGENT URGENT URGENT

TABLED DOCUMENT NO. 72-86 (1)
TABLED ON

JUN 19 1986

ATTENTION: HON. T. BASTERS
M.L.A. INUVIK

INUVIK TOWN COUNCIL RESPECTFULLY REQUESTS THAT YOU TABLE THE FOLLOWING TELEGRAM AT THE LEGISLATIVE ASSEMBLY FOR THEIR SUPPORT. THIS TELEGRAM HAS ALSO BEEN SENT TO HON. D. ORGARDI AND HON. P. CARNEY

TELEGRAM AS FOLLOWS:

JUNE 17, 1986

HON. D. NICKERSON
MEMBER OF PARLIAMENT FOR THE WESTERN ARCTIC
OTTAWA, ONTARIO

DEAR MR. NICKERSON

FALLING WORLD OIL PRICES WILL UNDOUBTEDLY LEAD TO SEVERE ECONOMIC AND SOCIAL PROBLEMS IF OIL FIELD ACTIVITIES IN THE MACKENZIE DELTA/BEAUFORT REGION SHOULD CEASE OR BE SUBSTANTIALLY REDUCED. OUR COUNCIL HAS MET WITH REPRESENTATIVES OF THE MAJOR OIL COMPANIES ACTIVE IN THIS AREA AND ALSO WITH MEMBERS OF THE TERRITORIAL LEGISLATURE. THE CONCLUSION IS THAT THE GOVERNMENT OF CANADA SHOULD SUPPORT THE PROPOSAL OF GULF CANADA TO CONSTRUCT BURNS AND CONTINUE THEIR DRILLING IN THE AMAULIGAK OIL FIELD THROUGH 1986/87 BY INCREASING THE CURRENT TAX CREDIT SYSTEM TO A PERCENTAGE THAT WILL REDUCE THE PARTICIPATION BY GULF AND ITS PARTNERS TO 25 CENTS ON THE DOLLAR.

WE ARE ADVISED THAT THIS INCREASE IN THE EXPLORATION TAX CREDIT WHICH COULD AMOUNT TO AN ADDITIONAL 15 MILLION DOLLARS OF FEDERAL SUPPORT IN A 100 MILLION DOLLAR PROGRAM SHOULD GUARANTEE CONTINUED ACTIVITY IN THE AMAULIGAK FIELD. WE BELIEVE THAT THIS INCENTIVE IS IMPORTANT BECAUSE SHOULD ACTIVITY CEASE, RIGS, SHIPS AND ALL THE EQUIPMENT PRESENTLY ACTIVE WILL BE MOTH-BALLED AND STORED AND WOULD PROBABLY NOT BE BROUGHT INTO USE AGAIN UNTIL THE MID 1990'S. NOT ONLY IS THE ECONOMIC IMPACT SEVERE, BUT THE SOCIAL IMPACT WILL BE HORRENDOUS.

IT IS OUR OPINION THAT THIS EXPENDITURE NOW WILL BE MORE THAN OFFSET BY THE EXPENDITURES THAT WOULD HAVE TO BE MADE BY WAY OF UNEMPLOYMENT INSURANCE BENEFITS, WELFARE PAYMENTS AND THE LIKE. BECAUSE OF THE EXTREMELY SHORT SEASON IN THE ARCTIC, IT IS IMPERATIVE THAT THIS MATTER BE DEALT WITH EXPEDITIOUSLY. WE THEREFORE RESPECTFULLY REQUEST THAT YOU GIVE THIS MATTER YOUR EARLIEST CONSIDERATION.

YOURS TRULY,

J. HILL
MAYOR
TOWN OF INUVIK

PLEASE DISTRIBUTE COPIES OF THE ABOVE TELEGRAM TO THE FOLLOWING:

- ✓ HON. N. SIBBESTON
- ✓ HON. T. CURLEY
- ✗ MS. K. COURNOYER

JUN 17 4 12 PM '86

GOVT NTA INUK

JUN 18 1986

