

Newfoundland and Labrador Defense League (NLDL)



Newfoundland and Labrador – Make it Yours

www.ndl.org

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Press Release: Approach to Development of Lower Churchill Hydro Power.

During development of the Upper Churchill power project the province of Quebec used its geographical position and political influence to force Newfoundland and Labrador into a contract that continues to raise the ire of our people today. The membership of the **Newfoundland and Labrador Defense League (NLDL)** believes recent actions in Quebec are designed to force our province into another one sided deal on the Lower Churchill by cutting the province off from markets in Ontario and beyond.

Newfoundland and Labrador's geographic separation from Canada, beyond Quebec, is a reality that cannot be ignored. Due to this, and in the best interests of our entire province, the **NLDL** strongly urges the provincial government to examine a "No Export" policy on electrical energy. **NLDL** believes that our province would be best served by:

- Improving distribution capabilities inside Labrador and on the island;
- Developing a mechanism to transport power from the Labrador mainland to the island portion of the province; and
- Courting industry partners willing to support the development of the Lower Churchill project.

Local use of Lower Churchill power, as a catalyst for industrial growth, is the only approach that will see our province receive the full benefits of the resource and ensure that those benefits are understood, shared and felt by the people who own the resources. Our future is dependent on growing the economy and the best way to foster that growth is by retaining and using our resources to attract industrial development.

Newfoundland and Labrador's ability to supply low cost energy and raw materials, in combination with our port facilities, a ready workforce and the province's physical proximity to North American and European markets uniquely positions us to become an industrial leader for the 21st century. The large scale industrial growth that an ample power supply can encourage has the potential to:

- Drastically improve our economic situation;
- Lower unemployment rates;
- Stem the tide of out-migration;
- Lessen our dependence on an unstable or seasonal resource based economy;
- Provide a mechanism for ex-patriot Newfoundlanders and Labradorians to return to their homes;
- Increase our shrinking population and skills levels; and
- Broaden our industrial tax base.

Funding for the project can be made available through partnerships with industrial companies. Energy development, in partnership with industry, is not a new concept. In the 1940s, British Columbia hoped to develop sparsely populated areas of that province and establish new population centers without risking taxpayers' funds. Aluminum manufacturer, Alcan, was invited to investigate the establishment of an aluminum industry in the area. They worked with the BC government to develop the Kitimat-Kemano power project, which in its day was the largest privately-funded construction project ever undertaken in Canada, over \$3.3 billion in today's dollars. As a result Alcan continues to be an industrial leader, valued corporate citizen and major employer in the province of BC.

Given the history of the Upper Churchill contract, the **NLDL** does not believe any agreement that would see the province invest millions in Quebec transmission infrastructure or provide further financial benefits to Quebec, is acceptable to the people of Newfoundland and Labrador. Conversely, if the province used Lower Churchill power to facilitate industrial growth at home, lower unemployment rates, increase the tax base, improve infrastructure and develop a robust economy, unlike the Upper Churchill, the Lower Churchill will be seen as a resounding success.

The **NLDL** urges the public to contact the Premier, Ministers and their local MHA to ensure that our government takes full advantage of the benefits this project can provide right here at home.

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*The **NLDL** was formed in 2006 and is a non-profit advocacy organization made up of Newfoundlanders and Labradorians from across Canada and around the world. The **NLDL** is dedicated to the planning, development and promotion of initiatives for the empowerment of the Newfoundland and Labrador people. The **NLDL** is not affiliated with, or funded by, any political party.*

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