

The Right Honourable

Le très honorable

**PAUL MARTIN**

Prime Minister of Canada

Premier ministre du Canada

Leader, Liberal Party of Canada

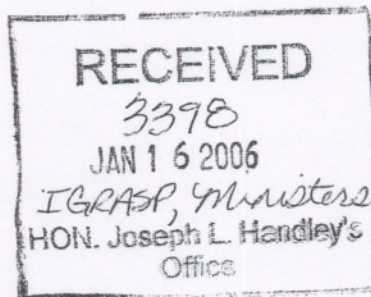
Chef, Parti libéral du Canada

January 13, 2006

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Dear Premiers,

I am writing to acknowledge receipt of your recent correspondence. I appreciate hearing your concerns and issues and I am pleased to offer this letter in response. There is no denying that the federal government's relationship with the people of the north is distinct and dealing with the very important issues that face our northern communities is crucial to the future success of our country as a whole.

The Liberal Party recognizes the unique costs, conditions and circumstances faced by communities in the north and that providing services is complex. To this end, the Liberal government has been successful in signing a number of base-plus funding agreements including the northern health care accord, municipal and rural infrastructure funding programs and the gas tax sharing arrangements. The federal government will continue to work with the territorial governments to find the most flexible and efficient solutions to meeting the evolving needs of northerners in this regard.

A Liberal government will also continue to work with you – our northern partners – to reach agreement on Early Learning and Childcare to ensure a healthy and sustainable environment for families and a prosperous future for our children.

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In terms of our strategy on northern development, in December 2004 the federal government was proud to jointly announce with the territorial governments our *Northern Strategy*. This comprehensive Strategy included elements such as:

- **Supporting foundations for economic growth.** In March 2004, the federal government announced an investment of \$90 million over five years for northern economic development in the three territories. We have also made significant investments in major resource developments like the proposed MacKenzie Valley gas pipeline and towards increasing the education and skills training of Aboriginal people in resource development;
- **Protecting the Arctic environment.** The federal government allocated \$4 billion to clean up contaminated sites, many of which are former federal facilities in the North. Furthermore, our government has continued to make representations to Washington as part of a concerted campaign to prevent drilling in the Arctic National Wildlife Refuge;
- **Increased investment in northern science and research.** The federal government has pledged \$150 million to increase Canadian participation in the International Polar Year including a targeted research program on climate change impacts and adaptation;
- **Asserting Canada's Arctic sovereignty.** The impact of climate change is already far more pronounced in polar-regions than elsewhere. As shrinking ice cover leads gradually to a commercially viable North-West passage, our government is committed to establishing a stronger presence in the North through means of increased economic development, an enhanced defence presence and increased surveillance of our northern frontier. To this end, a Liberal Government will base four of our soon-to-be-acquired new search and rescue aircraft directly in the north – two in Yellowknife and two in Iqaluit. We will also create Arctic Search and Rescue Patrols made up of specially trained Canadian Rangers (members of the Canadian Forces reserves, many Aboriginal, who live and patrol in remote areas of Canada).

With respect to the issue of devolution, it is the position of the Liberal Party that revenues generated from northern resources should benefit northerners. That principle was true in negotiating the Yukon Devolution Transfer Agreement which was signed between the federal Liberal Government and Government of Yukon in 2001.

Since then, the Liberal government has committed significant resources over the last few years towards negotiating devolution and resource royalty sharing with the Government of Northwest Territories. As part of this work, a framework agreement was concluded last spring with the Northwest Territories that outlined a process to conclude a final agreement which we hope to complete following the election. And we remain committed to the commencement of devolution discussions with Nunavut as soon as possible with the goal of reaching an agreement by 2008.

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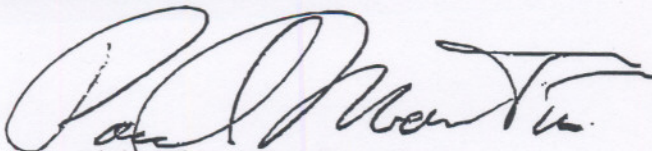
Furthermore, the Government of Canada was proud to sign the Carcross/Tagish First Nation Land Claim and Self-Government Agreement this past October. The Liberal government is committed to the completion of outstanding land claims and implementation of self government agreements in the north. The inherent right to self-government is guaranteed under section 35 of the Canadian Constitution and there is no denying the importance of self-government for Aboriginal Peoples as a means of achieving political, social and economic sufficiency and an improved quality of life overall.

To enhance work already underway, \$20 million was announced for the renewal of existing Land Claim and Self-Government policies at the First Ministers Meeting (FMM) held in Kelowna last November.

At this historic meeting, First Ministers and Aboriginal leaders agreed to invest \$5.1 billion over five years to close the prosperity gap that exists between Aboriginal peoples and other Canadians in the areas of education, health, housing and economic development. This overall package includes \$50 million to improve Aboriginal education in the North and \$300 million for Northern Aboriginal housing partnerships. This is a commitment that a Liberal government made and one that a Liberal government will honour.

Once again, thank you for writing. I hope that you will find this response to be helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul Martin', written in a cursive style.

The Right Honourable Paul Martin
Leader of the Liberal Party of Canada