(CHECK AGAINST DELIVERY) SPEECH

HONOURABLE DAVE HANCOCK MINISTER ALBERTA HUMAN SERVICES

MEET THE NORTH GOING GLOBAL 2012

OCTOBER 4, 2012 10:30 A.M. TO 11:15 A.M.

EDMONTON MARRIOT AT RIVER CREE RESORT Thank you for the opportunity to address you today.

As other speakers have noted, taking advantage of the opportunities the North has to offer will create both financing and infrastructure challenges.

Development of the north will certainly require the access to capital and the building of roads, bridges, housing, landing strips and the like.

There is no doubt that those challenges will be enormous. Others who are speaking at this conference have and will go into great detail about what meeting those demands will require.

The challenges of creating the physical infrastructure required for development are outside my range of experience.

However, there is another kind of infrastructure challenge to which I can speak with some authority.

That is the challenge of creating the kind of social infrastructure that will allow you to succeed in the long term.

By social infrastructure, I mean the kinds of services and supports human beings will need that will enable the success of those who want to access the wealth of opportunities the North has to offer.

The reason I can speak with some authority is that in Alberta we have a social laboratory where those challenges have been – and are being played out.

That laboratory is the Regional Municipality of Wood Buffalo – the centre of which, as you no doubt know, is Fort McMurray.

The challenges facing Wood Buffalo are a microcosm of the challenges facing the entire province and the lessons we have learned and are learning there, can serve you well in your quest for northern development.

It is also worth noting that the challenges you will face in amassing the capital needed for development are also mirrored in the history of Wood Buffalo.

In the 1960s, Great Canadian Oil Sands, Ltd. - or GCOS, as it was popularly known, was a small Canadian firm that wanted to pioneer oil sand extraction.

Doing so would require the use of new technology and heavy capital investment.

The financial risks inherent in what they wanted to do required GCOS to find an investment partner.

Sun Oil Company took the risk and eventually assumed both financial and managerial control of the operation.

In 1995, Sun sold its interest to Suncor Energy based in Calgary.

Syncrude too is an example of how necessary capital was put together by a consortium of international oil companies.

I believe that given the global interest in Canada's resources will facilitate your search for capital.

In oils sands alone, we have seen interest from Denmark, India, China and Saudi Arabia among others.

From my perspective, I think finding the necessary capital for development may be one of the easier challenges to overcome.

My recent visit to Fort McMurray made the social challenges you will face very clear to me.

One of them will be finding workers who are willing to go to remote locations.

This is a daunting challenge for Wood Buffalo - which in relative terms - is a cosmopolitan centre compared to some of the locations you will be looking at.

Keeping skilled workers in a remote northern location isn't an easy task – especially when they are being offered the opportunity to work in a much warmer climate in Australia. As the Wood Buffalo experience shows, just finding skilled workers is a challenge in and of itself.

We have a shortage of skilled trades in this province and this country and creating workers who possess the skills we need is not something that can be achieved overnight. As has been done in other parts of Canada, we have looked to recruiting offshore both for those who are qualified to become permanent residents and for those who qualify to come here as temporary foreign workers.

Importing workers from other countries and cultures also creates its own challenges.

Settlement services and language training become part of the package.

So too are affordable housing – day care – education – health services and the like.

The Regional Municipality of Wood Buffalo has taken those social challenges head on by creating a collaborative environment in which it works with business and the provincial and federal governments as partners.

No one partner in that quartet has the ability to overcome the challenges of development in Northern Alberta on its own.

But together, they are a formidable force.

I would suggest to you, that it is a model of collaboration and co-operation that is worth examining. (Pause)

Oil sands development as we know, it has been in place in Alberta for almost five decades now.

From day one, it was never about digging a hole, taking what was needed and leaving.

The early pioneers knew they would need a community of workers to staff the plant.

They could not be fly in and fly out workers.

The strategy was to create a community where people want to live and work and to enable them to put down the roots that would make that a reality. This meant developing business approaches that were not a normal part of doing business in other regions.

In the intervening years, the oil sands companies have reached out to the Aboriginal population for workers and as suppliers of goods and services.

They are actively involved in the skills upgrading of their workforce and looking to employ those who have all too often been marginalized.

Community consultation, engagement and collaboration are infused in all they do.

They understand that their social license to operate depends on their relationship with the community.

When you look to the north you are looking to the future.

But to meet the challenges the future presents, you will also have to look to the past.

One of the great differences between our history as a country and that of our neighbour to the south is how we approached the development of our country.

Part of the American ethos is the winning of the west. Canadians did not win the west – we settled the west.

In keeping with our desire for peace, order and good government, we brought social policy with us when we came to the west in the form of policing and a rudimentary court system. We built forts all across this country that became not only the centres of safety, commerce, and community.

Many of the cities and towns in Alberta grew out from these forts.

That history is reflected in many of our place names: Fort Chipewyan, Fort Edmonton, Fort Macleod and the place where I was born – Fort Vermillion.

It is worth noting that fort comes from the Latin word *fortis* ("strong").

The common denominator in all forts is the *strength* they offer to those behind their walls.

It is also worth noting that unlike other forts, the gates of Canadian forts opened inwards.

One could argue that it was snow that necessitated that.

However, I would like to think that it was also a metaphor of welcome and an invitation to share in the strength of community the fort offered.

Unfortunately, when it came to settling the west, we also brought an ethno-centric view to our relations with the Aboriginal peoples who lived on the lands we wanted to settle.

We are still dealing with the tragic outcomes of our effect on the Aboriginal population to this day. The lesson I trust we have learned is that we cannot act as occupiers and exploiters when it comes to developing the north – we can only be partners and collaborators.

As acknowledged in the program for this event, one of the challenges you will face is strengthening and creating communities in the North.

Those communities will not only require the physical infrastructure I mentioned before, but the social infrastructure that will enable them to be cohesive and allow them to deal with the challenges that rapid development brings.

As anyone in Wood Buffalo can tell you, flying in and flying out does not make workers a part of the community.

It only makes them commuters whose ties are to another place.

My experience as Minister of Justice tells me that when people do not feel connected to community, it is an environment that is a breeding ground for bad behaviour.

If you do not commit to creating a sense of community and of belonging as part of your business plans, one of the pieces of infrastructure you are likely to need is a jail – along with centres for treatment of addiction.

But it does not have to be this way.

You have an advantage the oil sands pioneers did not have – you have a roadmap of knowledge and experience you can follow.

In addition to the experience of the oil sands developers, you can also benefit from the Social Policy Framework initiative that is going on in Alberta right now.

The purpose of this initiative is to enable communities to determine what services and supports they have and those they need in order to make them communities of choice.

The Premier Redford government believes that strong families and communities are key to the future prosperity of this province.

We are working together with communities to ensure that the right services are in the right place and are available at the right time.

We have also shifted our focus from inputs to outcomes.

We want to know that every tax dollar that goes into social services and supports is creating the outcome communities want and need.

Phase I of the social policy framework was essentially about finding out what kind of social services Alberta's communities need and want.

We have entered Phase II of this initiative. This will involve determining how best to turn ideas into action.

If you are from Alberta, I encourage you to get involved in these Social Policy Framework discussions.

We need a strong business voice at the table.

Particularly when the discussion involves job training, skills upgrading, employability and education.

If you are from outside Alberta, I encourage you to follow along on our website <u>www.socialpolicy.alberta.ca</u>

By doing so, you will likely be able to identify similar challenges that you will face in northern development and gain insight in how best to respond to them.

With the right planning and approach, you will be able to tap into one of the most powerful energy sources we possess – the energy of community.

Thank you.