

May 1, 2017

To: Phil Germuth, Chair Northwest Resource Benefits Alliance (RBA)

Re: Letter of Support for Northwest Resource Benefits Alliance.

For too long, the enormous resource wealth of the Northwest has been exploited to the benefit of British Columbia as a whole, with too little of that wealth remaining in the region. The current potential for major project development and resource extraction activity in the region is enormous. With global economic conditions improving, a renewed resource boom is likely. That will involve industries ranging from forestry and mining to clean energy. The potential is huge even if no LNG plants are ever built. LNG could double the amount of activity.

As history has demonstrated, resource activity places tremendous costs on municipal taxpayers because most of the activity takes place outside municipal boundaries while local taxpayers shoulder the burden of increased social, service and infrastructure demands. As a result, we in the Northwest have inadequate roads, sewer and water systems and other infrastructure in many instances and little capacity to participate in cost shared infrastructure programs or meet increased service demands. Over the past five years we have had a preview of things to come with huge project spending placing enormous strains on many Northwest municipalities and taxpayers, while the provincial government has reaped significant income tax and sales tax revenues. In the meantime, taxpayers in the Northeast and Columbia Basin regions have benefitted from resource revenue sharing for decades.

We believe that it is time for a Royalties/Revenue Sharing or Grants-in-Lieu of Taxes agreement between Northwest BC and the provincial government similar in aims to the Fair Share agreement in the Peace Regional District. That is why I support the goals of the RBA including:

- a share of recent incremental revenues to provide capacity to prepare for the coming boom and participate in cost shared infrastructure funding;
- a share of revenues from ongoing activity to offset ongoing local cost pressures; and
- legacy funding to ensure that at the end of the boom, the region is left better off

In 2013, Christy Clark committed to negotiating with the RBA to make, what she referred to as a "Rural Dividend", a reality for the Northwest. After the election, she cut off talks and didn't follow through. John Horgan has committed to restarting these talks if the NDP are elected to government on May 9, 2017.

If elected on May 9, 2017, we will advocate to keep a higher proportion of revenues in the Northwest BC communities where resources are extracted/processed.

Sincerely,

Buce Bidgerd

Bruce A. Bidgood, BC NDP Candidate 2017 BC Election: Skeena Riding

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Jennifer Rice, BC NDP Candidate 2017 BC Election: North Coast Riding

Doug Donaldson, BC NDP Candidate 2017 BC Election: Stikine Riding

Anne-Marie Sam, BC NDP Candidate 2017 BC Election: Nechako Lakes Riding