

**15<sup>th</sup> Legislative Assembly**

**Third Session**

**February 9 - March 11, 2005**

**FEB 14, 2005**

**Secondary Diamond Industry**

**MR. RAMSAY:** Thank you, Mr. Speaker. Today I am again going to use my Member's statement to talk about diamonds and the future of our secondary industry here in the Northwest Territories.

The Northwest Territories, as most of us know, produces 14 percent of the world's total production of diamonds by value. Our diamonds place Canada at number three in the world in terms of production by value. We have the diamonds. We must continue to forge ahead, trying to get all that we can for the economy and for the future of the Northwest Territories.

I am still trying to understand why this government stood by and watched a deal to save Sirius go off the tracks. I would suggest, Mr. Speaker, that it is tantamount to leaving the scene of an accident. The GNWT stood by and watched the train wreck unfold. I believe that BHP has reneged on all of its implied or specific obligations and undertakings to the Northwest Territories with respect to the secondary industry.

It has never supplied the ten percent share of its productions that it was committed to, often under the false excuse that the buying company did not have the financial wherewithal to complete the transaction. The Sirius factory had initially negotiated a 5,000 carat monthly supply which was agreed to, but subsequently, that was unilaterally decreased to 2,500 carats a month by the producer.

The people of the Northwest Territories cannot and should not accept this behaviour by the diamond mines. One would have expected that the mines would be interested in maintaining a good working relationship with the Government of the Northwest Territories. I see us as partners in trying to develop the secondary industry here. No one is asking the producers to give away their diamonds. They have only been asked to sell diamonds to manufacturers who want to be here doing business in the Northwest Territories.

Mr. Leviev wanted to be here, and now he won't be. We are going to be paying a heavy price for it. It would seem clear that the producers here in the Northwest Territories are not interested in a successful secondary industry. Why does BHP Billiton charge local manufacturers some five to six percent higher prices for the goods in Yellowknife than they charge in Antwerp for comparable sales?

Mr. Speaker, I know I asked the Finance Minister questions on this topic last week. At the appropriate time on today's order paper, I will have some specific questions for the Minister of Resources, Wildlife and Economic Development. Thank you.

---Applause