



# **ARCTIC POLICY FRAMEWORK**

## **Reflecting NWT Priorities in the Development of the NWT Chapter**

**Engagement Session With Industry and Business**

January 19, 2018, Yellowknife

**DRAFT**

## ***'What We Heard'* Session Summary Report**

February 1, 2018

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• Darrell Beaulieu, Denendeh Investments Incorporated	



## 1.0 BACKGROUND AND SESSION PURPOSE

### 1.1 Background

On December 20, 2016 the federal government announced the development of an Arctic Policy Framework (APF) to replace both Canada's *Northern Strategy* (2009) and the *Statement on Canada's Arctic Foreign Policy* (2010). The objective of the APF is to provide overarching direction to the Government of Canada's priorities, activities and investments in the Arctic, until 2030.

The objective as set out by the Government of Canada is to develop a '*new Arctic Policy Framework resulting in a more coordinated effort by all levels of government, Indigenous groups, industry and other stakeholders to identify issues and possible solutions to meet the challenges and harness emerging opportunities in the Arctic*'.

The federal department of Crown and Indigenous Relations and Northern Affairs is leading the development of the APF and has committed to work with Indigenous, territorial and provincial partners. While the APF will be a federal policy, each of the territories has been allocated a chapter in the final document to address specific territorial priorities.

### 1.2 Session Purpose and Objectives

The purpose of the GNWT's engagement session with Industry and Business was to have an open dialogue and gather input for the NWT chapter to ensure that our goals and priorities are identified and accurately reflected.

The session was organized around a number of agenda items to support focussed and effective dialogue regarding the following:

- Overview of the federal *Arctic Policy Framework* Initiative
- Development of the NWT chapter with an initial focus on three interrelated potential themes: Theme 1: Healthy People, Health Communities; Theme 2: Economic Prosperity; and, Theme 3: Infrastructure.

The session with Industry and Business included a total of eight (8) participants representing the following organizations and interests:

- Airline industry
- Tourism
- Mining
- Indigenous investment
- Chamber of Mines
- Chamber of Commerce



### 1.3 Report Purpose and Structure

The 'What We Heard' Session Summary Report is comprised of two sections: Session background and purpose; Development of the NWT Chapter; and, an appendix with Pre and Post Session Reference Materials Submissions. The structure of the report is summarized below.

Section	Contents
Section 1.0	The session background, purpose and objectives are contained in this section.
Section 2.0	Section 2 contains a synthesis of the key points from presentations and discussion organized by specific agenda items.
	<ul style="list-style-type: none"> <li>• Agenda Item #2: Development of the NWT Chapter <i>Theme 1: Healthy People, Health Communities</i> <i>Theme 2: Economic Prosperity</i> <i>Theme 3: Infrastructure</i></li> <li>• Participant observations on the additional preliminary APF themes identified by the federal government</li> </ul>
	<ul style="list-style-type: none"> <li>• Agenda Item #3: Next Steps: Process for Developing the NWT Chapter</li> </ul>
Appendices	
Appendix A	Post Session Reference Materials Submissions



## 2.0 AGENDA ITEMS DISCUSSION KEY POINTS

### 2.1 Agenda Item #2: Development of the NWT Chapter

The industry and business participants made a number of observations and statements that are important but may not necessarily fall under a specific theme. This includes:

- There is a need for additional discussion and clarity regarding what are the real expectations of Arctic Policy Framework initiative.
- What is the low hanging fruit for the NWT?
- There needs to be discussion and further clarity about what is the real 'ask' in the NWT Chapter.

Supplementary detail and theme specific observations was provided by Darrell Beaulieu, President and CEO, Denendeh Investments Incorporated, post session and is included in Appendix A: Post Session Reference Materials Submissions. Some selected references were made by Darrell Beaulieu during the session and so are reflected under the relevant themes.

#### 2.1.1 Theme 1: Healthy People, Health Communities

*In what areas do NWT communities most need federal engagement and funding to support healthy people and healthy communities?*

##### Health and Capacity Building

- The need to address the long-standing issues of addictions, mental health, suicide and inadequate housing.
- A stronger and sustained effort to address the historical impact of fetal alcohol spectrum/fetal alcohol spectrum disorders.
- Re-education about nutrition and health (and lifestyle options generally). The 1990's health liaison program is an example of success but again was temporary in funding commitments.
- Continue to invest and promote programs and initiatives to 'heal' communities through capacity building, revitalization and investment, such Inuvik to Tuktoyaktuk Highway as a tourism and business draw – which creates opportunities and a sense of a better future.
- Address the wide range of negative health and social impacts from open and easy access to drugs and alcohol.
- Implement the recommendations from Royal Commission on Aboriginal Peoples (RCAP), the Truth and Reconciliation Commission's *Calls to Action*, and the *United Nations Declaration on the Rights of Indigenous Peoples*. (This was also noted as a key action under Theme 2 – Economic Prosperity).



### Poverty, Food Security and Cost of Living

- Poverty and a resulting inability to meet basic needs - food security and shelter is the fundamental challenge that needs to be addressed before any real progress will be achieved.

### Education and Early Childhood Education

- There is a lack of focus on preschool and early teens. There is a need for education and skills development programs in a wide range of areas.
- While there is a lot of focus on adult upgrading, there is limited emphasis on younger people to receive an education.
- Build on the success of past after-school programs (e.g., N'dilo) but federal funding was cut after a few years.
- There is a pattern of out-migration (especially among those with education and skills) from small communities and into regional centres and other jurisdictions as individuals look for work opportunities. There needs to be discussion of what can be done to improve education and employment opportunities to encourage people to stay in their communities.

## 2.1.2 Theme 2: Economic Prosperity

*Where are federal investments, engagement or support most needed to help diversify and expand sustainable development of the NWT economy?*

### Indigenous Rights and Responsible Leadership

- Settle outstanding land claims – a key hurdle to open investment. Negotiate a just settlement of the Akaitcho and Dehcho Land, Resource and Self-Government Agreements and support the full implementation of the Gwich'in, Sahtu and Tlicho agreements.
- The Dene Nation passed a historic motion at the 2014 Assembly, reaffirmed in 2016, that the Dene support and promote of the concept of working with each other and other Indigenous governments to support controlled resource exploration and development and, the development of export corridors that will contribute to the significant long term social and economic benefits for the Dene.
- Implement the recommendations from RCAP, the Truth and Reconciliation Commissions *Calls to Action*, and the *United Nations Declaration on the Rights of Indigenous Peoples*.
- Support for Indigenous nations and communities to develop regulatory processes that guarantee free, prior and informed consent, protect the environment and streamline complex regulatory regimes.



### Capacity Building and Skills Development

- Invest in promoting more interest in engineering and technology careers for young people. There are recruitment gaps (from within the NWT) in technical positions that pay well - hiring by the mines is constrained due to local labour options.
- Programs to bring exposure to actual working environment (e.g., jet plane tours with experts), particularly for school-aged children. It is recognized that such options are not available to small communities and as such look at creating other community or regionally based opportunities. Do more to support and build capacity in communities.

### Responsible and Sustainable Economic Development

- The reality of the future of the NWT – mining and resource development. Other sectors and industries will be part of the solution, such as tourism. However, from an economic perspective, mining and non-renewable resource development is the largest contributing sector in terms of revenue, jobs and tax revenue.
- The strategic question is how to leverage NWT resources for maximum benefit through responsible and sustainable development enabled by all levels of government. The risk is that we are continuing to work in silos but what is needed is to get together and set real significant priorities (3 maximum and not a long list).
- *The role of public governments:* Participants raised an important question about what is the role and responsibility of public government (particularly in the context of the development in the NWT) – how is the public interest served? The facilitator suggested that one source of guidance is embedded in Canada's *Constitution Act (1982) - Equalization and Regional Disparities, s36 (1)*: "Parliament and the legislatures, together with the government of Canada and the provincial governments are committed to: (a) Promoting **equal opportunities** for the well-being of Canadians; (b) Furthering **economic development to reduce disparity** in opportunity. This legislative-based commitment underpins the mandates of most federal, provincial and territorial governments and agencies – it drives **policy**, programs and resource allocation decisions.
- Further discussion is needed about the impact of the GNWT's current debt ceiling limit set by the federal government. This is also linked to how this impacts infrastructure investment options and decisions.
- Actively sharing economic information, data and outcomes from other jurisdictions to learn what may work and in the NWT.
- Advance hydro projects (there are currently two projects (with long-term payback and dividend potential – including opportunity to sell power to other jurisdictions) but they are not aligned nor connected. The NWT is not participating in discussion related to the Western Canada power grid.



- Given the longer-term outlook and demand for natural gas, stronger recognition is needed of the fact that the Mackenzie Gas Project (MGP) is the only licensed and approved pipeline. More needs to be done to leverage this as an opportunity for the NWT and Canada.
- Look at opportunities related the removal of legacy infrastructure (remediation projects). This includes avoiding negative impacts and foregone opportunities. An example was cited that involved a decision to cut in half an existing runway for granular material. This is a short-term benefit but takes out longer-term air transport options for resource exploration and logistical support.

### Supporting, Attracting and Developing Northern Businesses

- Stronger incentives programs for small NWT business (Aboriginal and non-Aboriginal) beyond the Business Incentive Policy (BIP), the impact of which is not fully known. More needs to be done to reduce the high cost of doing business in the NWT.
- Address the lack of an NWT Aboriginal procurement policy (comparable to the federal Aboriginal Procurement Strategy).
- Recognize and advance responsible resource and economic development through ‘*social license*’, including more effective Indigenous engagement approaches.
- Self-investment in and by communities, businesses and other organizations.
- Given that resource development (mineral) is location based and the benefits are generally localized, there is a need to look at how to how to share opportunities across regions and communities.
- Continue to invest and expand tourism, which is projected to contribute some \$235 million by 2020. This includes the significant interest in unique types of tourism experiences – such as ‘Indigenous tourism’. Additionally, there is tourism potential in every region, unlike other types of economic activity – such as forestry (which is location based).
- Climate change will make in-migration more attractive and contribute to local and regional economies.

### Economic Leakage

- Giant Mine reclamation with \$1 billion in expenditures can have an even larger economic impact through more direct sourcing of local businesses.
- There are also other abandoned sites across the NWT that need reclamation and site remediation – much of which can be done by NWT business and knowledge. Abandoned sites project data base (NRCan) – opportunity for NWT business, science, site remediation/reclamation – sole-source contracting (many past contracts are with non-Canadian firms who leave no legacy or add to building local capacity).



### 2.1.3 Theme 3: Infrastructure

*How should federal infrastructure investments be prioritized to maximize benefits to the most communities, reduce the cost of living in the NWT and grow the economy?*

#### Financing and Governance

- There is a need to think in terms of ‘*nation-building*’ programs, e.g. Inuvik to Tuktoyaktuk Highway. This takes vision and leadership.
- The proposed Mackenzie Valley Highway project and the Grays Bay Road and Port project in Nunavut should both be built in partnership and with clear deliverables. The Grays Bay project is intended to connect the rich mineral resources of Canada’s Slave Geological Province, which straddles Nunavut and the Northwest Territories, to arctic shipping routes.
- Recognize the critical role of mining to the NWT economy – including employment, as well as royalties, taxes for government. Infrastructure is essential to providing access to resources.

#### Comprehensive Planning and Capacity Building

- Hydro projects (there are currently two projects (with long-term payback and dividend potential – including opportunity to sell power to other jurisdictions) but they are not aligned nor connected. The NWT is not participation in discussion related to the Western Canada power grid.
- Assess and act on economic opportunities (directly and indirectly) related to shipping through the Northwest Passage. This includes opportunities from cruise ship tourism and commercial shipping.

### Arctic Policy Framework Supplementary Themes

#### 2.1.4 Theme 5: Protecting the Environment and Preserving Arctic Biodiversity

##### NWT Water Resources

- Protect NWT jurisdictional, political, environmental and economic interests through comprehensive management of our water resources.

##### Environmental Issues and Communities

- A serious public discussion is needed on the impacts of climate change and how all levels of government and other interests can work in partnership to make responsible decisions on what needs to be done to mitigate and adapt to the array of serious impacts which are already evident across the NWT.



- Full and comprehensive assessment of potential environmental impacts of any proposed new infrastructure projects (and remediation or decommissioning of existing and legacy infrastructure and abandoned sites).

## 2.2 Agenda Item #3: Next Steps: Process for Developing the NWT Chapter

The GNWT will be posting the Discussion Guide and *What We Heard* reports on the GNWT website, and will be giving people an opportunity to provide written submissions. Participants will receive an e-mail with the web link once the site is available. Additionally, the following resource information and web links are available.

### Additional Engagement Resources and Web Links

Crown and Indigenous Relations and Northern Affairs (CIRNA) web links:

- <https://www.aadnc-aandc.gc.ca/eng/1503687877293/1503687975269> (English)
- <https://www.aadnc-aandc.gc.ca/fra/1503687877293/1503687975269> (French)

Pan-Territorial Vision for Sustainable Development:

<http://anorthernvision.ca/documents/17-191%20Pan%20Territorial%20Vision.pdf>



**APPENDIX A: PRE AND POST SESSION REFERENCE  
MATERIALS SUBMISSIONS**



**ARCTIC POLICY FRAMEWORK:  
Reflecting NWT Priorities in the Development of the NWT Chapter  
Darrell Beaulieu, President and CEO – Denendeh Investments Incorporated**

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**Theme 1: Healthy People, Healthy Communities**

***Discussion Question: In what areas do NWT communities need federal engagement and funding to support healthy people and healthy communities.***

- It has been said the best social program is a job, while this is true in many ways you cannot isolate economic development from social development, they support and reinforce each other
- To prepare the Northern Indigenous workforce increased federal funding is needed for social programs:
  - Quality and affordable housing in smaller communities where core need is 56% (NWTHC)
  - Increase funding for preschool programs such as Aboriginal Head Start
  - Increase funding for K to 12 schools in the communities and larger centres
  - Support for a NWT based University
  - Increase funding for Aurora College education and trades programs and continued long term support for the Mine Training Society
  - Increased funding for post-secondary students
  - Full access to the same level of health care available to other Canadians, including addiction and mental health services, through more community based hospitals or health care centres and increased remote health care options, and the provision of follow up or aftercare programs. Re-establish the Health Liaison Officer program.
  - Affordable and efficient communications services
  - Increased infrastructure such as roads to bring down the cost of living
  - Identify and act upon food security issues
  - Increase GNWT Formula Financing agreement with the Federal Government

**Theme 2: Economic Prosperity**

***Discussion Question: Where are federal investments, engagement or support needed most to help diversify and expand sustainable development of the NWT economy?***

- Unemployment in the smaller communities is much higher than in Yellowknife creating extreme disparity in income between the larger mostly non-Indigenous communities and the smaller overwhelmingly Indigenous communities
- One way to address this high unemployment in the smaller, isolated communities is federal support for small businesses in the NWT
- Ensure capacity building through funding programs, loan guarantees, and seed capital to allow Indigenous Corporations and business to be major players in development
- Adopt and enforce Indigenous procurement policies providing incentives to industry, business and corporations that purchase Indigenous goods and services
- Promote real government-to-government relations where Indigenous governments manage the development and maintenance of infrastructure, and the environmental monitoring and remediation in their own territories, using their development corporations and local businesses

**Theme 3: Infrastructure**



**Discussion Question: How should federal infrastructure investments be prioritized to maximize benefits to most communities, reduce the cost of living in the NWT and grow the economy?**

- The Dene Nation passed a historic motion at the 2014 Assembly, reaffirmed in 2016, that the Dene support and promote of the concept of working with each other and other Aboriginal governments to support controlled resource exploration/development and the development of export corridors that will contribute to the significant long term social and economic benefits for the Dene.
- The Dene want to take the lead in the design, build, financing, operation, ownership and maintenance of infrastructure and transportation, energy and communication corridors on our lands in partnership with federal and territorial governments.
- Federal support needed to empower Indigenous Business to lead Northern Infrastructure Development and Environmental remediation:
  - Provide five-year + funding to Indigenous owned development corporations to create public works functions
  - Create an Indigenous Infrastructure Investment Fund (estimated to be \$30 billion)
  - Designate federal dollars for infrastructure as Indigenous equity in lieu of tenure
- One priority should be the Slave Geological Access Corridor from Yellowknife to Grays Bay
  - Develop an MOU amongst Indigenous Partnerships
  - Establish a Joint Secretariat to conduct research and consultation, and to develop and implement a plan
  - Raise the financing (public, private, Indigenous, tolls and user fees)
  - Secure Indigenous support for corridor, obtain clearances and set aside lands

**OTHER FEDERAL SUPPORT NEEDED:**

1. Implement recommendations from RCAP, the Truth and Reconciliation Commissions Calls to Actions, and the United Nations Declaration on the Rights of Indigenous Peoples.
2. Negotiate a just settlement of the Akaitcho and Dehcho Land, Resource and Self-Government Agreements and support the full implementation of the Gwich'in, Sahtu and Tlicho agreements
3. Support for Indigenous nations and communities to develop regulatory processes that guarantee free, prior and informed consent, protect the environment and streamline complex regulatory regimes.

***Development has to be something that is transferring control to the people. If you look at either pipelines, or sawmills, or dams, or new mines, we are not against any of these kinds of things. What we are saying is that development should be planned, it should be at the pace of the local people, it should benefit the local people.***  
***Georges Eramsus, Former AFN National Chief and Dene National Chief***

