

FREEDOM TO CHOOSE

Natural Resource Revenues and the Future of Northern Communities

Report of the 2007 Northern Policy Forum,

**“Power, Revenue and Benefits -
Ensuring Fairness Now and Across Generations”**



**Convened by the Walter and Duncan Gordon Foundation
Fort Good Hope, NWT, June 4th to June 6th, 2007**



Published by the Walter and Duncan Gordon Foundation under Creative Commons Attribution-NonCommercial-No Derivative Works 2.5 Canada License. Permission is granted to any individual or not-for-profit organization to use the material, in whole or in part, for any non-commercial purpose, provided that credit is given to the Foundation. Permission for any other use must be obtained from the Foundation.

Library and Archives Canada Cataloguing in Publication

Hodge, R. Anthony; Stauch, James; Taggart, Ingrid

Freedom to choose : natural resource revenues and the future of Northern communities / prepared for the Walter and Duncan Gordon Foundation.

ISBN 978-0-9737651-1-3

1. Natural resources -- Canada , Northern.
2. Native peoples -- Canada, Northern -- Economic conditions.
3. Intergovernmental fiscal relations -- Canada .
4. Natural resources -- Government policy -- Canada .
5. Canada , Northern -- Economic conditions.

I. Stauch, James

II. Taggart, Ingrid

III. Walter and Duncan Gordon Foundation

IV. Title.

HC117.N5H63 2007 333.7'09719 C2007-905744-6

Printed on 100% post-consumer recycled paper by Warren's Waterless Printing Inc., Canada's first dedicated waterless printer. Unlike traditional printers, waterless printing does not use dampening solutions, which contain alcohols or petroleum-based solvents. Such solutions contain more than 60% volatile organic compounds, which contribute to smog. A waterless press eliminates the need for up to 100,000 litres of water and 10,000 litres of alcohol per year consumed by a typical mid-size printer.



Warren's Waterless supports
100% Renewable Power

This publication is also available for download at www.gordonfn.org/northernpolicyforum.cfm along with related materials.

Contents

Introduction	1
1. Our Purpose	3
2. Our Process	7
3. Main Themes Arising	9
4. Moving Forward: A message to federal, territorial and Aboriginal governments	25
Afterword: Lessons for the Foundation	31
List of workshop participants	33



INTRODUCTION

The First Northern Policy Forum

“What is wealth?

It is people having the right to make their own choices about their lives.”



On June 4th to 6th, 2007, in Fort Good Hope (Ràdílíh Kòe), NWT, the Walter and Duncan Gordon Foundation (“the Foundation”) convened the first Northern Policy Forum. The Forum was intended to build our collective understanding of how revenues from non-renewable resource development - especially oil, gas and mining - can contribute to long-term community well-being in the North. While the issue can be complex and often vexing, its resolution is critical to the future of Northern communities.

This report documents the process and outcomes of the first Northern Policy Forum: it outlines the purpose of holding the forum, the process used, the participants and the main themes arising. The report suggests ways in which all levels of government – federal, territorial and Aboriginal – can move forward constructively. Finally, the report provides strategies to help the Foundation sustain the momentum generated by this Forum, and how the Foundation can adapt the Forum’s model to convene policy discussions on other Northern issues.

It is clear from the discussion that the status quo is not working, and in areas far beyond revenue-sharing. Fundamental differences exist about the future of Northern power-sharing, decision-making and governance. A new deal is needed. In particular, two main messages emerged out of the Forum:

First, a new Northern vision is required for the NWT in particular and the North in general, one that serves to bring Northerners together. A new

vision would give shape to the shared desire for strong and healthy communities that have the freedom to choose their own futures. Such a vision must span the land, communities and the economy, and must meaningfully involve people in those communities, as well as those who live closest to the land. Perspectives from multiple levels must be included: community, regional and national, Aboriginal and non-Aboriginal Northerners, industry, government and civil society. New and enhanced opportunities for education and training must be a part of this vision. But in order to reach this point, communities and regions need to work together. Such collaboration itself will require new mechanisms and new ways of thinking.

Second, a framework or roadmap is needed to ensure fairness in the definition and the distribution of benefits from non-renewable resource activity. The discussion suggested both actions required in the development of a framework and principles which should underpin deliberations. The actions and principles outlined here represent a start. Further detailing and prioritizing will be required:

Framework Principles

1. Northerners and their communities must be the primary beneficiaries.
2. Aboriginal governments must be treated as equal partners.
3. Sharing should be guided by the drive toward equity in social and economic indicators.
4. Involve youth meaningfully.
5. Include stewardship of land and water in tandem with stewardship of revenues.

Specific Actions Needed in a Framework

1. Track resource revenues separately from other revenues.
2. Assess the current total level of resource revenues from non-renewable resource activities.
3. Examine innovations in developing Impact and Benefits Agreements (IBAs).
4. Examine international experience with non-renewable Permanent Funds.
5. Identify and assess other fiscal instruments appropriate to the fair sharing of benefits.
6. Address the marine environment and offshore resources.
7. Create a review mechanism to assess the framework.

“It is good to connect with people at the grassroots level, rather than in Yellowknife, and listen to what they have to say. That is what the Berger Inquiry did, and look at where the people who participated in that are at today.”



ACKNOWLEDGEMENTS

The Foundation gratefully acknowledges the community of Fort Good Hope (Rådílñ Kðe) which helped design the Forum, provided the venue for the event, accommodated the participants, served wonderful food, organized a joyous feast and dance, and otherwise made our stay there comfortable, creating many fond memories. Special thanks to Edna Tobac, who coordinated the logistics on the ground, and to the Elders who shared their insights with us; in particular Rosie Grandjambe, Charlie Tobac and Thomas Manuel Sr.

The Foundation wishes to thank all those who participated in the Forum and who reviewed and provided commentary on the draft of this report. This report was prepared by Ingrid Taggart, Anthony Hodge and James Stauch. Photos were provided by Tawna Brown and James Stauch. As well, we would like to thank those who were interviewed in advance of the forum, but who could not attend in person - Nellie Cournoyea, Lois Craig, John Lamb and Premier Joe Handley. A further debt of gratitude is owed to Joanne Barnaby, who provided invaluable advice on the topic, logistics, invitees and other details.

1. OUR PURPOSE

An idea is Born

“Very few Forums like this exist in the North, especially in the smaller communities. It has been a very meaningful discussion and is a good way of coming to the community. It sensitizes us to the community level. We remember things we forgot by being here.”

The Foundation's VISION

The Walter and Duncan Gordon Foundation aspires to the ideal of a sovereign Canada that is dedicated to the security and well-being of all Canadians and committed to tolerance, pluralism and democratic participation.

The Foundation's GUIDING PRINCIPLES

We believe that progressive social policies and sound economic policies must be mutually reinforcing.

We believe that human development needs must be met in a way that recognizes the imperative to protect the environment.

We believe that full participation by Aboriginal Canadians in Canadian society must be secured in ways which respect their unique rights and cultural identity.

At a Board meeting of the Walter and Duncan Gordon Foundation held in Yellowknife in 2005, an idea was put forward by the Foundation's Northern Advisory Circle that would see the Foundation take a new kind of initiative in pursuit of its Vision and Guiding Principles, specifically focused on Canada's North.

The idea generated at that meeting was to convene a "Northern Policy Forum". Such a Forum would provide a 'neutral' space for the creative exploration of the origins, implications, and alternative paths forward for critical public policy challenges facing the North. It would promote dialogue among individuals reflecting a broad range of values and



interests. The idea of a policy forum also came out of a report commissioned by the Foundation that same year. The authors of that report were looking at how to support and strengthen independent policy research by Northerners and about Northern issues.¹

Two years later, from June 4 – 6, 2007, that seed of an idea became reality as the community of Fort Good Hope (Rådílíh Kòe) hosted the inaugural Forum. This report documents the results, but can only partly capture the richness, complexity and weight of the discussion. Reports typically summarize events: this tends to flatten the diversity and strength of opinion. Thus, we have included a good deal of primary material. Throughout the text, un-attributed quotes from participants are provided in boxes. Though we have edited for brevity where needed, we have made every effort to maintain the original sentiment, verbatim where possible. Hopefully this approach will be able to convey both the consensus, as well as the diversity of the points of view, and give their thoughts the shading and colour they deserve.

Today's Northern Context

“We need decision-making and management structures which allow the people most affected to be part of the process. One of the hardest things to do is get those most affected, involved in making decisions.”

Today's North is characterized by a growing autonomy of territories and communities, circumpolar cooperation, and the increasing recognition of indigenous peoples' rights and entitlement to lands, resources and the decisions governing them. The Foundation hopes to nourish these trends: we are supporting projects that increase Northern peoples' abilities to participate in and help shape the public policies that touch their lives.

There are many challenges on the national level. Recently, there has been renewed interest in a Mackenzie Valley Pipeline, as well as related petroleum exploration and development. The success of the Northern diamond mining industry has gone hand in hand with a generally rapid rise in mineral exploration activity across the three territories. There is growing interest in Arctic marine transportation and abiding sovereignty issues. In the midst of this, there is the evolving political structure of the North: The roles of local, territorial, Aboriginal and federal governments are still being worked out in many areas, making for a complex and often turbulent policy and regulatory decision-making environment.

At the same time, the North is increasingly buffeted by global phenomena that know no national boundaries: climate change, the spread of persistent pollutants through the world's atmosphere, and the international market with its insatiable demand for raw resources. Just as the opportunities for local decision-making appear to be increasing, the forces affecting local conditions are increasingly to be found on the national and global scales. The pull between the local and the global produces inevitable tension, a tension

that provided the general backdrop for the 2007 Northern Policy Forum.

The *specific* backdrop for the Forum was more tightly focused on the particular issue of government revenues from the petroleum and mining sectors; specifically, how these revenues are derived, shared and apportioned. The simple analogy of a pie helps sketch the three key questions that emerged:

- How is the resource “pie” to be divided fairly between federal, territorial and Aboriginal governments?
- How is the pie conserved so that future generations benefit?
- How big is the pie in the first place? i.e., How much resource rent² is captured for public benefit, and by what means?

These questions address some of the most critical gaps that remain to be resolved in the evolution of the North from a series of colonies toward more empowered jurisdictions with province-like powers.

Provinces in Canada regulate their own mineral and oil and gas development, and have control over how revenues are obtained, invested and distributed from such development. But in the North, with the recent exception of the Yukon, Ottawa controls and collects nearly all resource royalties along with other industry-sourced revenues, such as taxes, fees and licences.³ The Yukon already has a devolution agreement with the federal government, under which administration and control of land and resources was transferred to the territory – along with some revenue sharing. The two other territories do not have a devolution or revenue sharing agreement, but are both in negotiations (the NWT for many years now, and Nunavut very recently). While the federal government has long argued that the revenues it collects are offset by the social, health and other transfers to the Territories, the idea of devolution – at its core – is about Northern regions and communities having at least part of the control over where and how

those resources are invested. As Nunavut Premier Paul Okalik recently stated at a meeting of western premiers, “I don’t really enjoy going to Ottawa every year and asking for additional money to run our own affairs. I’d love to be able to run our own affairs and generate our own revenue in the future with our resources.”

Given that these three key questions concerning natural resources have such currency and immediate relevance in the NWT relative to other parts of the North, and because the chosen venue for the Forum was in an NWT community, a large portion of the participants were NWT residents and a large part of the conversation was focused on that territory. However, the discussion was also informed by experiences in the Yukon and Nunavut, and is also relevant to those Territories.

“This event is very important to look at overall issues – including Impact and Benefit Agreements, Territorial Formula Financing and Canada’s fiscal framework. We need to look on a holistic basis. People should have the supports they need to return to the community, as well as the opportunities. But without resource revenues, this won’t happen. All we end up doing is shifting money around. First Nations need to be able to derive their own revenue from resources so that they can take on their own responsibility to manage and plan.”

Forum Goal and Objectives

The 2007 Northern Policy Forum was entitled “Power, Revenue and Benefits – Ensuring Fairness Now and Across Generations.” The overall goal of the Forum was to enhance understanding of how non-renewable resource development in the North can contribute to community well-being. The following three specific objectives served to guide the Forum:

1. A Multi-interest Forum.

To convene a multi-interest Forum for the purpose of collaboratively exploring innovative policy ideas that seek both human and ecosystem well-being through non-renewable resource development over the long term in Canada’s North.

2. Creative Ideas.

To challenge each other to consider workable, innovative and creative ideas regarding non-renewable resource development that address barriers and opportunities related to:

- devolution and equitable resource revenue sharing between governments, including Aboriginal governments; and
- effective reinvestment of resource-based revenues to achieve a fair distribution of costs, benefits, risks, and responsibilities across this generation and between generations.

3. Common Ground and Differences.

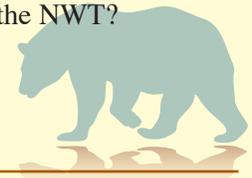
To identify a shared vision, values and areas of common ground while acknowledging key differences in participants’ perspectives regarding the above.

The answers to two key questions were sought:

What lessons or insights can be drawn from the Yukon, NWT, Nunavut and elsewhere about what is and is not working regarding the:

- Fair sharing of benefits related to Northern resource development?
- Investment of resource revenues from non-renewable resource activities in a way that can fairly distribute benefits across generations?

What concrete policy initiatives or actions relative to the above two notions, emerge that should be considered for application in the NWT?





2. OUR PROCESS

The Forum

“[This is] an opportunity for wisdom to speak – everyone around the table carries a piece of what the right thing to do is.”



The 3-day 2007 Forum was the culmination of a 6-month process. Prior to the Forum, the following was undertaken:

- A background discussion paper was commissioned: “Devolution and Resource Revenue Sharing in the Canadian North: Achieving Fairness Across Generations” (available at www.gordonfn.org/northernpolicyforum.cfm);
- Participants were identified and confirmed (a list of participants is included at the end of this report);
- A sub-set of participants and other workshop invitees were interviewed regarding the topics to be examined at the Forum. An un-attributed background paper was then developed summarizing the main themes and ideas that emerged from these interviews (available at www.gordonfn.org/northernpolicyforum.cfm); and
- A Forum information package was compiled that included: (1) the agenda; (2) goal and objectives; (3) principles of participation (a protocol to govern the in-meeting process); (4) list of participants with coordinates; (5) participant bios; (6) background paper; (7) interview report; (8) profile of Fort Good Hope; and (9) profile of the Gordon Foundation. The information package was distributed two weeks prior to the Forum to all participants for their review.



Forty-three participants drawn from across the North, from other parts of Canada, and from abroad were brought together to contribute to the Forum. A list of participants is included at the end of this report, and their biographies can be downloaded at www.gordonfn.org/northernpolicyforum.cfm. It is clear from their biographies that the participants reflect a broad range of values, backgrounds and perspectives. The point of bringing together this diversity of people was to spark creative and innovative ways of addressing the tough policy issues that the Forum would tackle.



The Forum followed the protocol summarized in the box below.

Principles of Participation⁴

Intent of the Forum

1. *To share experience and learn from dialogue among participants;*
2. *To understand and respect the diversity of perspectives brought to the table;*
3. *To build working relationships; and*
4. *To identify areas of common ground, of differences and the various underlying reasons.*

Participation

Participants in the discussion have been selected to reflect a range of values, interests, and experience and to share these with other participants. They are invited in their personal capacity and not as representatives of any organization or interest. There is no expectation that participants will report back to or seek approval from any organization of interest. Further, participation is not to be seen as an endorsement by any participant of Gordon Foundation decision-making or any specific outcome.

Report

A summary report of the meeting will be prepared and distributed to participants for review before being finalized. The report will include a list of participants as well as these Principles of Participation.

No specific attribution of any comment made by any participant will be referenced in the report of the meeting, unless specifically requested by a participant.

The Forum Agenda followed a simple format that integrated an Aboriginal traditional circle format with “Western” meeting practices. The full agenda can be downloaded at www.gordonfn.org/northernpolicyforum.cfm.

Following the Forum, this report was developed in draft, reviewed by participants and subsequently finalized.

While there was appreciation signalled to the Gordon Foundation for convening the Forum and much satisfaction indicated with the Forum itself, the following key suggestions were offered for refining and improving the Forum process in the next round:

1. More disciplined time limits for interventions offered during the full circles;
2. Use of small group discussions to facilitate greater depth of reflection; and
3. More focused definition of topics for the Forum itself.

These and other suggestions are further elaborated in the Afterword of this report.

“The report coming out of this meeting should reflect the fact that people in this room are highly conversant but the general public is not. Each player should be invited to put forward a very brief plain language statement of their goals/position as part of this.”

“This Forum helps us relay back to our people something they can understand and chew on in terms of understanding concepts that normally come in technically-heavy documents such as AIPs [Agreements in Principle].



3. MAIN THEMES

Roundtable Session

“In order to have wellness for our people, we have to be assured by our governments, including our own, that we will have sustainability, whether for resources or for our culture. We need to ensure that people of the North continue in harmony with creation. A Forum like this broadens the boundaries of what we will consider. This is a very meaningful and good way to come into a community. It sensitizes us as Northerners also.”

A number of notable themes unfolded during the 2007 Northern Policy Forum. Many of these themes germinated from issues originally found in the background discussion paper and pre-Forum interviews conducted by the facilitators. In the roundtable session, which encompassed the entire second day of the Forum, seven main themes emerged:

Theme 1 **Respect the Northern context.**

“Each of the three Northern territories is unique. While lessons can be drawn from one for application in the other, the ultimate way forward needs to be tailored to the special conditions of each.”

“In the North we have this great opportunity. The transfer of the powers has not happened yet, just the transfer of delivery of programmes and services. This is one of the last few places where we have the opportunity to right what might be considered a wrong before doing a wrong again. This is one of the last frontiers in the North, where we have the ability to show the rest of Canada something to be proud of. There is NO REASON for Aboriginal groups to depend on casino revenues to finance economic and social development when we had all these resources to begin with.”

Many participants emphasized the special characteristics and issues affecting the North, and the three Northern territories in particular. These include:

- A unique history vis-à-vis the rest of Canada, and unique historical developments among each of the three territories;
- The various and evolving forms of Aboriginal and public governments in the three Northern territories, as well as the growing significance of Aboriginal governments and peoples in shaping policy;
- The current and changing mix of traditional and market economies;
- Climate change, and its extreme social and environmental implications;
- The marine environment, and its different role in each of the three territories;
- The role of the federal government in both supporting and taking from the North;
- Non-renewable resource-dependent economies;
- The size, remoteness and sparseness of Northern populations; and
- Unique vulnerabilities and strengths associated with all of the above.

These characteristics, as well as many others, set the North apart from the Southern provinces. Because of the unique qualities of the North in general, as well as each Northern territory, policies and insights that were successful in one jurisdiction may not transfer over to these territories. The North needs

policy solutions that are tailored to the needs and capacity of each of the three Northern Territories. Even with the unique face of Northern issues, many feel that success in the North is possible. Learning from past mistakes offers a chance to progress, and develop ways forward that will not only be helpful in the North but also serve as models elsewhere.



Theme 2 **Unify groups, and build relationships that work.**

“There must be power sharing agreements from Yellowknife and Ottawa in order for revenue sharing to occur.”

“We are a small population in such a rich region. We can’t possibly raise an army, so we have to collaborate, and find friends in the territories and provinces. Or even with other governments outside of Canada. We need to find a way to master all these connections. If you depend upon one party or company, you are lost. Understanding market transactions, regulations and other interventions, diplomacy, and collaboration are all competencies that must be developed. You cannot just be part of something: You should also offer a level of dynamism with strong partners to take this on.”

“Devolution is not just a government-to-government issue, it is a government-to-Aboriginal people issue.”

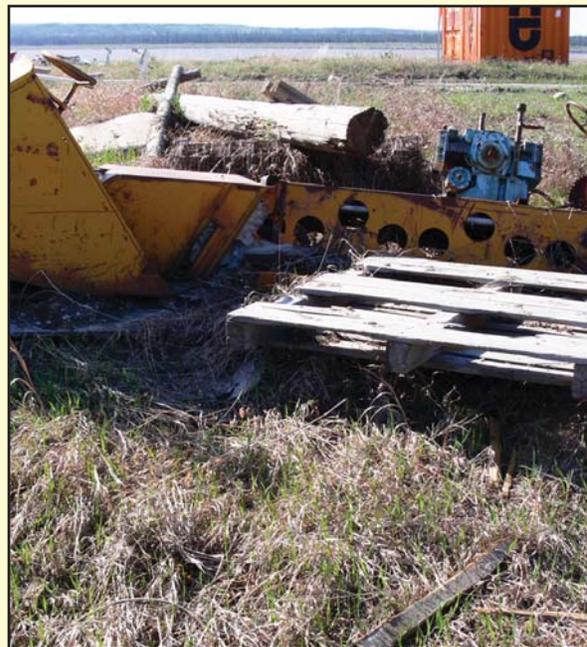
Based on the information gathered in the pre-Forum interviews, participants in the Forum were prompted to focus in particular on the situation in the NWT. Many at the table described the tension that exists between the Aboriginal governments and the Government of the Northwest Territories (GNWT). The GNWT was seen by many as a barrier, not a catalyst, to the development of healthy and strong communities. The GNWT was perceived as unwilling to share power, and many expressed concern regarding GNWT control over revenues transferred from Ottawa. This came as a real surprise to those from the outside, many of whom arrived in the North (home of the pipeline debate) expecting to get caught up in North-South tensions only to find a hotbed of North-North tensions.

Less of a surprise is the ever-present tension between the capitals and smaller communities, a tension repeated in virtually every region of Canada. While this tension is evident in all three territories, where the population of the capitals dominate, there was particular reference to Yellowknife in the workshop. Effective public policy needs to be based on a solid foundation of effective relationships. While tensions were described in frank detail, the conversation often swung to the importance of establishing a collaborative working relationship between Aboriginal and public governments in the NWT, and the steps needed to achieve that end. Some spoke of the need for a “Constitution”, others of a process for a Territory-wide strategic vision. Because devolution and self-government agreements will further entwine governments (particularly the GNWT and Aboriginal governments) it is imperative that intergovernmental venues exist to facilitate cooperation, coordination, and to resolve disputes. This is discussed further in the next section, entitled Moving Forward. The apparent contrast between the Yukon and the NWT with regard to public government-Aboriginal government relations was also highlighted, with the Yukon offering some potential ways forward. Still others stressed the importance of building active partnerships with industry, researchers and universities, including the International Polar Year.

“The reason things are working now for First Nations in the Yukon is that the Yukon Territorial Government is supportive of a partnership. It is not something forced upon us by the feds. I am puzzled why the government in the NWT, which is more than 50% indigenous, is so resistant to a similar model.”



Many of the participants in the roundtable lamented the divided state of the North, of territories and of communities. Unity between Aboriginal governments is badly needed, although this will require time. In such an atmosphere of division, the need for leadership is critical. Signing a devolution agreement is one thing, but governments will need to work together and build cohesion well beyond the establishment of such an agreement. Many noted that benefits could not be equitably shared until a decentralizing shift in relative authorities between governments takes place. Put more simply, proper revenue-sharing is based on proper power-sharing. To some, this meant that self-government needs to come first; to others it was a question of devolution of resource management decision-making and/or other forms of power sharing. The power sharing arrangements in place in the Yukon were generally perceived positively, and cited as encouraging precedents for other parts of the North. In the current situation of divided communities and governments, a number of participants cautioned that it is easy to get bogged down in issues of power, control and dollars. Rather, the focus should be on the “end game”. There was very broad agreement that such an end is really achieving healthy communities.



“About 10 years ago, I conducted a review of provincial and municipal government programmes to draw a balance of responsibilities and powers on the one hand, and financing on the other. We looked at over 100 different taxes and thousands of programmes, institutions, systems of education, etc. etc. The whole process took a year and was called ‘Who Does What?’ Some of the recommendations were accepted but most were rejected. The Provincial government went ahead and downloaded responsibilities to municipal governments without funding them. Afterward, we got together to review what we learned. Three things emerged that may be of relevance here:

- 1. We spent far too much time and consideration on issues of control, power, and money – the means – at the expense of the central issue which is the end result. The end, of course, is healthy communities. That’s all that counts. We must focus on healthy communities or be prepared to lose ourselves in the means.*
- 2. If healthy communities are at question, we must consider who does what. It’s not how we become separate from these other levels of government but how we can work together. No one government can do it all. We need the interdependence of all governments and organizations in the community. Seeking such collaboration is much harder work. Don’t tell me what you want to do, tell me who your partners are. Whatever else you do, put into your agreements a mechanism for reorganizing your arrangements for powers and responsibilities.*

- 3. There may not be a rush to get to healthy communities but there is urgency. The new generation comes every day.”*

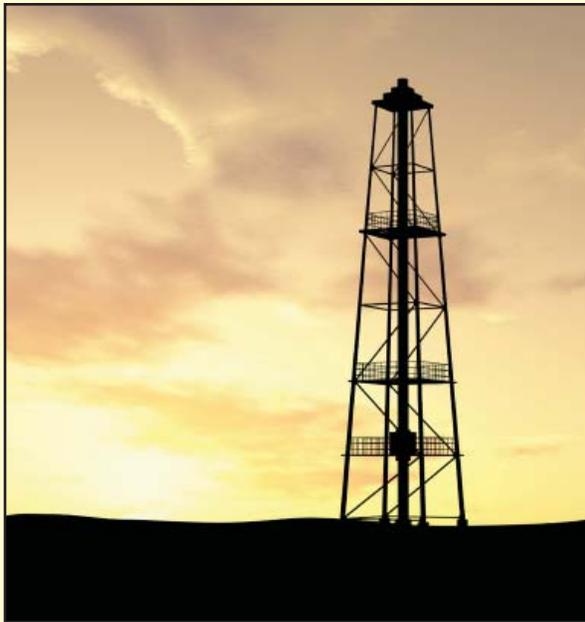
“Everything is trumped by the point about weak and divided leadership. A federal window may be open, but we won’t get through it without addressing weak and divided leadership. There is an enormously deep potential pool of good feeling for the North in the South, despite the ignorance. There is a huge opportunity to press one’s case and seek out allies by making your case in the South.”



While most of the discussion focused on North-North dynamics, some participants also addressed the North-South relationship both as a challenge and an opportunity. Southern institutions, and particularly the federal government, ought to – minimally – avoid doing harm. But they must also make efforts to come North and listen to

the people, including communities outside of the capitals. One participant mentioned that, although Northerners rightly complain about Southern ignorance of Northern concerns and issues, there is also a need for Northerners seeking influence to learn more about Southern dynamics and institutions, particularly with regard to the political process, policy-making, media and non-governmental players. There is much untapped goodwill in the South, but the challenge is to build awareness with the right people and institutions and develop that goodwill into constructive action. Relatively little discussion took place about the specific role of mining or oil and gas companies. Many commented that it was important to understand industry's interests and to involve them in discussions like these.

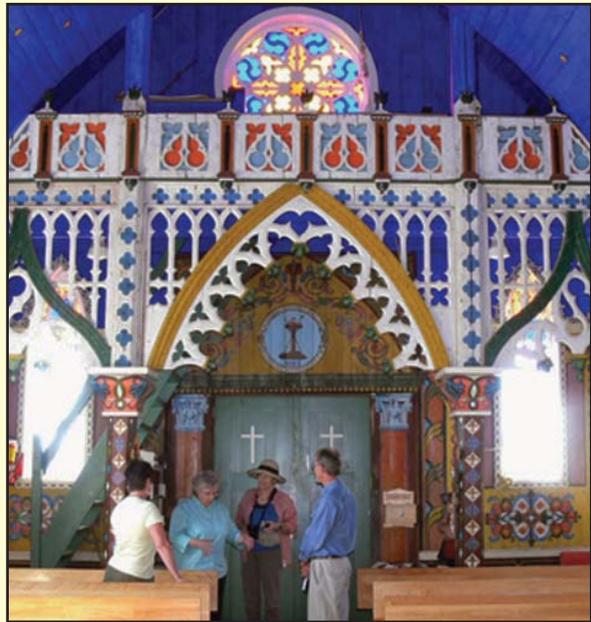
“The mining industry doesn't really care which level of government they negotiate with or who taxes them. They just want to know who it is and have clear rules. That's why the mining industry advocates for the resolution of land claims agreements. They've also completed a process whereby member companies commit to Aboriginal rights.”



Theme 3 **Northern communities must have the power to choose their own future.**

“We have the inherent right to self-government recognized, land claims settled, but still much work to be done. A big piece of this is where and how resource revenues will flow. If we are ever going to be strong, self-reliant people, our governments must be strong and self-reliant.”

“The North is a big and beautiful place to call home. One of our strengths is our history. Thinking back, I can think of all the elders who laid the groundwork for the negotiations. Many are no longer with us. Their direction was to take care of the land base and sustain a viable culture and a healthy way of life. But we still have a lot of challenges. We believe Northern resources belong to Northerners and it is up to us to decide what types of agreements we need to come up with so it is ultimately to our benefit.”



A briefing for Elders was held in advance of the workshop. While there, one of the Elders emphasized that the topic of this Forum, at its core, was about enabling communities to choose their own futures. This was a central point, emphasized repeatedly by participants throughout the discussion. The title of this report – Freedom to Choose - reflects this core concern.

In order to have choice, though, communities must first have the power to choose. Mirroring the rallying cry from the Quebecois, Northern Aboriginal people wish to be ‘maîtres chez nous’ (‘masters in our home’). The various divisions and tensions described in the previous section are largely over how power is shared between governments. While a specific way forward may be murky, it is clear that the status quo is outdated. A new power-sharing arrangement is required.

“There are four fundamental issues with distant decision-making that make power sharing absolutely necessary:

- 1. The federal government has the power, but without the on-the-ground expertise (the same may be true for the GNWT relative to the communities).*
- 2. There is a serious lack of accountability.*
- 3. Delicate relationship issues between GNWT and Aboriginal governments need to be sorted out. Now people are complaining about the GNWT the way they used to complain about Ottawa.*
- 4. If we don’t get the revenue sharing deal with Northerners, when the resources are gone there will be a serious dependency on federal transfers.”*



Under the current arrangement, significant dollars are returned to Northern governments and communities in the forms of various transfers, chiefly through Territorial Formula Financing. Territorial Formula Financing (TFF) is an annual unconditional transfer from the federal government to the three territorial governments so that they can provide a range of public services comparable to those offered by provincial governments, at comparable levels of taxation. But while TFF is unconditional, other transfers – including those going directly to Aboriginal governments – tend to have programmatic strings attached. These types of monetary transfers ultimately result in dependence. If a significant portion of resource revenues went directly to Northern governments from resource activities, including Aboriginal and community governments, this would permit greater freedom of choice.

Time and again, Northern peoples and communities have shown extraordinary resilience and an ability to adapt to change. A wide array of cultural, political, economic, social and environmental challenges over the past century have required unique and creative responses: climate change is only the latest of such tests. Large macro-economic forces – mainly national government policy, trans-national corporate interests, and the drive for international energy security – influence the discussion and development of non-renewable resources. Responding to such forces in a way that maintains the integrity of community well-being, and safeguards local decision-making, is one of the most serious adaptation challenges the North has faced.

Despite this challenge, in the end it is communities and those living closest to the land who must decide how to progress. Industry and other levels of government will require community-level support: either the social license to operate, in the case of industry, or simple governmental legitimacy. Regardless it is clear that at present, insufficient attention is being paid to the role of communities and Aboriginal governments in the development of a resource revenue-sharing regime.

“When we look at the current [revenue sharing agreement in principle] proposal, I ran the numbers: Out of this whole deal the Sahtu would get \$150,000 per year, just enough to pay for one full time equivalent staff person. Is this a fair share? No, I don’t think so. The only way they came to that figure is that we’re just 1000 people. I guess they forgot that we have to take care of 39,000 square km. of traditional lands. . . If we don’t take care of the people, we can’t take care of the land. We’re talking about allowing industry access to our lands. They need our permission. It’s a real challenge trying to deal with these people. We’re always trying to justify why we’re asking for these things and it’s always about amounts of money. . . The territorial government has cut all language programmes... all the funding. Then they offer us 25% of resource revenues, of which our district gets a fraction. \$150,000 per year is not enough to take care of our land and our people.”



Theme 4
Achieve fairness in the distribution of benefits today.

“What do Aboriginal people consider to be benefits? My ultimate objective is to have a healthy community. In order to have that, we must have a clean environment, clean water, healthy fish and wildlife populations and a healthy economy as well. You have to go beyond financial benefits. The North is still seen as a resource basket for rest of Canada with little direct benefit to Northerners.”

“Resource-revenue sharing raises a question: What are we sharing and why? Does Alberta share its resource revenues? Should the territories?”

A central theme in the roundtable discussion was how to achieve fairness in the distribution of benefits from non-renewable resource development. Fairness raises many complex questions, including:

- Who are the rightful owners of the resource?
- What are the necessary governance and power-sharing frameworks that must first be in place?
- How do you find a fair balance of federal transfers flowing North with resource revenues flowing South?
- What are the best financial instruments to achieve fairness?

As background to the discussion about fairness, a number of participants clarified that fairness is not simply equated to the distribution of money. The larger questions to be answered involve how wealth and well-being are defined and apportioned. Participants agreed that healthy and strong communities are their ultimate goal. One solid indicator of fairness would be equity in the

indicators of health and social well-being between Northern and Southern communities.

The most easily quantifiable and easily monitored benefits are those involving monies obtained from resource royalties. Understanding fairness involves understanding the inadequacy of the current royalty regime. This system is inadequate for two broad reasons: first, it may fail to collect an adequate total amount of resource rent for distribution. The background discussion paper completed in advance of the Forum raises this as an important question. To revert to the previous analogy of the pie: even before you properly share the pie, you must be confident that the pie is big enough in the first place. Second, the current system fails to distribute those benefits in an equitable manner between governments.

The background discussion paper includes a telling anecdote about the sharing of benefits to Aboriginal people from the Yukon Placer Mining Industry. Since the discovery of gold in the Klondike over 100 years ago, over 16.6 million crude ounces of placer gold have been produced — at today’s prices that would be worth more than \$7 billion. Placer deposits occur in several areas in the Yukon, though historically, most placer mining has taken place near Dawson City. This area is also the traditional territory of the Tr’ondëk Hwëch’in. In 2005, according to the background paper prepared for the Forum, placer gold produced in the Dawson Mining District totalled 70,322 crude ounces, having a



market value of about \$29.9 million. As it turns out, and because of how the system works, the total royalties that accrued to the Tr'ondëk Hwëch'in amounted to just \$118. Unsurprisingly, the adequacy of current revenue sharing arrangements has come into question, even in the territory where a devolution agreement is in place.

“One fundamental issue unaddressed is the royalty rates. A recent Pembina Institute study [referenced in the background discussion paper] looked at royalty regimes and taxes and fees on publicly owned resources in Canadian provinces, Alaska, and Norway in order to compare the public benefits resulting from, and sustainability of, resource exploitation. While Canada both promotes and justifies the low level of royalties in the North as an incentive to development, the report noted that in other jurisdictions, both higher royalty rates and special taxes and fees did not discourage development.”

“We have an opportunity to do something different and to do it right, not like the First Nations in the provinces. They get nothing unless it's under reserve. In Alberta the government doesn't even want to talk about resource revenue sharing with Aboriginal people. It's like a dirty word.”

“The GNWT has no right to represent or be a conduit for Aboriginal governments. This legislature has three months left. Who in his right mind would stand up and negotiate a deal in light of this, with the support of less than half of the Aboriginal governments involved?”

A very recent Agreement-in-Principle signed between the GNWT and some Aboriginal governments in May of 2007 proposes that the territorial government receive 75 per cent of the money collected through mining and oil and gas

royalties, while Aboriginal communities would split the remaining 25 per cent (distributed to them via the GNWT), with an option to receive a larger share as they take on more services and responsibilities. A number of Forum participants alluded to this Agreement-in-Principle in their comments, and most reacted unfavourably. A few of the participants cautioned the group not to fixate on royalties as the only, or even the best, financial instrument to achieve fairness. Corporate taxes and ongoing access fees were two alternative measures that were cited, because they are measures that are less volatile and more predictable than royalties.

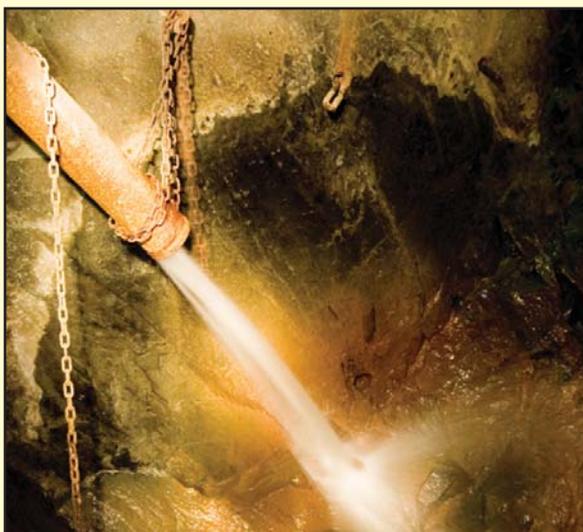
Others noted that self-government should be a higher priority, as it permits greater equity and mutual respect in government-to-government negotiations around power-sharing. Some participants raised the parallel issue of Territorial Financing Formula (explained in the previous section), which has recently been reconfigured. Some worried whether claw-back provisions in the Formula would hinder the progress toward a revenue-sharing deal, and ultimately reduce its effectiveness.

While there was widespread dismay about the virtually singular direction of resource revenues southward, some noted that the scale of federal transfers northward needs to be acknowledged, which in dollar terms more than offsets the resource revenues flowing south. Nonetheless, from a community standpoint, particularly in a place like Norman Wells, where oil has been flowing for over two decades, it is difficult to see net benefits flowing to communities.



“I remember that we had a chance to defer the development of the Norman Wells pipeline . . . The community leadership decided to use a legal decision to get more money in the IBA from Imperial Oil (about \$20 million). It opened in 1985. Since then, \$4 billion of oil has flowed south. Last year alone, the feds skimmed off \$132 million in resource revenues from Norman Wells. Meanwhile, I understand that most adults there haven’t finished high school. There is significant unemployment as well as water contamination problems. This lesson brings down in number terms the kinds of things we’re talking about.”

“During the last 6 years, the federal government got \$1 billion in royalties and revenues from the North. Last year alone, it was \$224 million. But, during the same six year period, the federal government still transferred \$2 billion a year (\$800 million to the NWT, \$470 million to the Yukon, and \$660 million to Nunavut). The fact is that the federal government is still sending far more dollars North than they get in resource revenues flowing South.”



Even the diamond mines – which, compared to previous resource-sector developments in the North, have more progressive measures in place to address impacts and benefits - were singled out as bringing fewer benefits than communities had anticipated. Others challenged this point, noting that diamond mines make massive contributions to the NWT’s economy.

“It’s been said the North does not benefit from resource development. But I find that a bit exaggerated. Two diamond mines alone contribute 50% of the GNWT’s GDP. Without them, we wouldn’t be having this discussion. This benefit has only been realized in the last 10 years. The new generation of mines are different from the Giants.⁵ Lots of Aboriginal employment and business development is involved in this new generation of mines.”

Looking beyond the distribution of wealth, community leaders expressed frustration that the local residents’ role as primary owners of the resource is not guiding the decision-making about the development of those resources. Thus, there needs to be space for all governments, including Aboriginal and local governments, to participate in the discussion around fairness of resource revenue-sharing.

“Recommendations are made by industry and not by the owners of the resource (residents) who feel they are not getting a fair share of development. The pace of development is not appropriate. Government and others should not be looking at how to stimulate investment but rather how to maximize benefits for owners.”



Theme 5
Achieve fairness in the distribution of benefits across generations.

“The survival of our land and water is at stake because of decisions being taken elsewhere. We need traditional knowledge to guide us as to how to save the planet for our children and grandchildren.”

“We don’t need corporations and governments colluding to take a pittance they call access and benefits to ruin our lives. We need to use our minds and hearts and learn how to benefit communities without having to ruin the land in the name of money. The health of communities and future generations comes first.”

All of the participants asserted a desire for achieving fairness in the distribution of benefits across generations. However, we are at an early stage of establishing how to think about and effectively achieve such fairness. Many participants felt a responsibility to act as guardians or trustees of these resources, and sensed their responsibility to think and act carefully, and to consider those not yet born.

Opinions differ on the definition of responsible inter-generational stewardship. For some, it means stewarding the land and water first, and halting or slowing development until we can be sure of our impact. Alternatively, it might mean that we have a responsibility to develop now, and invest financially for our children and grandchildren, ultimately ensuring they will not have to rely on the mining or oil and gas sectors for their livelihoods. There may also be financial investment tools which can leverage unsustainable present development into a greater array of sustainable possibilities in the long term. With financial independence, as the Norwegian example shows, comes freedom of choice. The primer *“Reflections on Permanent Funds: The Norwegian Pension Fund Experience”*

by Ole Gunnar Austvik, who presented this on this subject at the Forum, can be downloaded at www.gordonfn.org/northernpolicyforum.cfm.

“I would like to see more discussion of pacing the development . . . Think about the food cache the elders would leave when they went out on the land. This is a metaphor for what can be done for future generations. Counter-cyclical spending, heritage trust funds, etc. Culture, language, and our way of life are the centre points for keeping well. We need to think about fiscal and tax formulas we can use to support cultural identity.”

“We have a very good model in our First Nation and it is worth looking at closely. We have separated politics from economics. The development corporation does the investments. Then we have a business trust which holds the funds. Both are at arms length. The development corporation has to apply to the business trust to get funding for investments.”



However, investments and trust funds are not necessarily the most reliable instruments, nor are they the only solution. Many participants pleaded that protecting the land and keeping the water clean are the greatest gifts that can be bestowed on future generations. A number of participants mentioned environmental considerations, noting that the environment tends to drop off the table in such macro-economic discussions, and in related government-to-government negotiations. Climate change is a particular concern.

“I question how much of our future should be based on creating a trust fund coming out of something which is unsustainable. If we have a multi-billion dollar trust fund but don’t have clean water anymore, is it worth it? As a young mother, I hear elders speak of the importance of loving our land. In the South if you say that, you have to explain what it means We need to consider our other options. What does a North look like that focuses on youth, culture, and renewable energy? That invests in jobs for youth where they’re proud of their work, and with values they hold in their hearts, not those they can spend.”

“The climate is changing. We are focusing our economy on a road of oil and gas development. How many of our eggs are put in this basket? Is it even wise to create a trust fund based on something that is inherently unsustainable?”

Many talked about the need for long-term economic planning. Some also stressed the need to pace development, as has been attempted in the recent Kitikmeot Land Use Plan (western Nunavut). Such challenges involve transforming non-renewable resource development – which is by definition unsustainable – into the basis for a sustainable future. Many more participants stressed the more general need for a new vision for the North, an idea elaborated in the next section.

Although Northerners and their various governments must ultimately decide the way forward, participants also noted that industry plays a role in long-term development. This role is potentially positive. As a contemporary example, there were references to the proposed Mackenzie Gas Project and the tension that such a project introduces between the global and the local, between trans-national capital and local autonomy, and the inter-generational impact of these forces. The inter-generational distribution of benefits must continually strike a balance between cultural preservation and economic development. On some level, it means preserving what Northerners presently possess – in some form – for those who are yet to come of age. While money will always have a designated social value, it is certainly not the only value for communities. Cultural well-being will always hold a central position when addressing Northern benefits.

“This is fundamentally about creating space and allowing for something to be protected and passed on, which is very different from extraction, which is about taking and moving on. Therein lays the conflict. We have economic powerhouses colliding with communities who have a fundamental connection with the place they live. Families and communities get torn up along the way, burning out a generation of leaders. The new challenge emerging is learning how to deal with change and learning how to do it quickly.”

“We’ve been talking about the pipeline for so many years now. Why? Because this is our country. This land is our back yard and our front yard. We want to sustain this land. . . . We worry that we will be so poor after the pipeline. What will our children and grandchildren do?”

Theme 6
Nourish learning, build capacity.

“The issue of capacity in communities comes up a lot at meetings all around the North. Small communities have huge companies knocking at their doors, some of whom have more revenues than entire countries in the world. Local community capacity is stretched thin in dealing with these people. Leadership’s focus, which would normally be on language and culture programmes and making sure youth get out on the land, is drawn away on proposals, environmental reviews, etc.”

“When Exxon or Shell comes knocking, we have to go through a 1000-page document on EA [Environmental Assessment] statements, etc. This takes time away from youth and culture camps, getting out on the land, etc. These are significant sacrifices.”

Many Forum participants emphasized the need to enhance community capacity through new and ongoing programmes of learning. Resource development requires community capacity: training, education, and people to deal with the inevitable process of management and administration that comes with such projects. Capacity is not just the ability to interface with government and industry, although some emphasized the need to be better prepared for mining and oil and gas development, and the role industry has to play in this type of community development. Others cited capacity needs such as better financial literacy and investment planning, particularly for youth and early career individuals. Still others talked about the need for education about Aboriginal history, land claims, governance and policy. Such important information needs to be in the curriculum and shared across jurisdictions. Some participants emphasized building community capacity to assume a more active role in the oil and gas and mineral sectors.

When the oil was first discovered in Alberta, few Canadians knew about how the industry worked and how local communities could best benefit. The federal government had to make large initial investments through the first few decades of the industry to transform the Alberta economy from a colonial frontier resource-driven the economic powerhouse it has become.

Capacity is needed to prepare for industrial development, to respond in an informed way and – potentially – to participate. This needs to be linked with the broader question of resource benefits.

“We need education about managing and saving money for housing, retirement, etc... We need to teach life skills before there’s a pipeline.”

“Public governments downplay the importance of capacity-building, and set up a system which employs non-indigenous people on contract who fly in and out. This needs to change.”



Theme 7 Is there urgency?

“The resources are in the ground and we can afford to wait. Sometimes I feel that that’s the best approach until we are secure enough in our positions and structures.”

“On the one hand, Northerners are patient. On the other hand, there are huge dollars at stake. In another 38 years will our grandchildren still be sitting around talking about this stuff?”

Forum participants had very different views on the urgency of achieving a revenue-sharing arrangement. Some feel that there is particular urgency because with each year that passes under the current regime, the federal government reaps the benefits and controls the purse-strings. The current federal government wants a pipeline to go ahead quickly, and there is broad agreement that a revenue-sharing deal needs to happen prior to the pipeline going ahead. Other reasons for urgency include the yearly massive outflow of diamond revenue from the North to Ottawa, and the perceived window of opportunity to address the federal government concerning certain Northern and Aboriginal issues over the coming months, pursuant to the National Day of Action, the Prime Minister’s focus on Arctic sovereignty and related developments.



There is urgency

“When people have the same sort of life expectancy, health conditions, suicide rates, etc. then we can talk about sharing [with Ottawa], but not before. Resources are needed for these issues now.”

“When we talk about resource-revenue sharing, it is tied to healthy communities... Healthy communities are always urgent business.”

“We need to have an adequate and fair return. If, in the meantime it’s set up as a trust, that’s fine, but we can’t let those resources drain out of the North. Huge profits are moving out of the territory, especially from diamonds.”

“I hear people ask ‘What’s the rush?’ But there is a window of opportunity [at the federal level]. . . It will likely be about a 2 year window. Once that closes, we may be looking at another long and difficult cycle of frustration.”

Others counter that there is no particular rush to achieve a revenue-sharing deal. This agreement will be critical to the future of the North. Aside from currently operating mines and wells, the resources in the ground are not going away, and their value over time will increase, not decrease. Time is needed to properly plan and envision how we want to move forward, heal divisions, and involve everyone who is affected. This is a critical decision, and Northerners should not rush into a deal.



There is no urgency

“This is one of the last frontiers in the North, where we have the ability to show the rest of Canada something to be proud of. We are sitting on our own gold mine. We need to take a little bit more time. We can’t be governed by election timeframes or re-dividing the voting areas in the North. We do have time.”

“It is time to stop squeezing everyone into a timeframe saying the world is coming to an end. It’s not.”

“Put devolution on the back burner and stop development. The worst thing you could do is sell your children’s future for a few bucks now.”

“Until we are secure enough in our positions and the development of our agreements, policies and guidelines, we can afford to wait. The resources are in the ground and can still benefit future generations.”





4. MOVING FORWARD

A message to Federal, Territorial and Aboriginal Governments

“Although the Foundation has started something, we all need to take responsibility.”

The final day of the Forum focused on how to turn the previous day’s themes into action. Some suggestions for moving forward include policy recommendations to be considered by federal, territorial and Aboriginal governments and leaders, as well as suggestions to the Foundation for supporting follow-up activities emerging from this Forum. Although numerous specific suggestions were offered, two were broadly shared by all workshop participants:

First, there is a need to review and clarify the vision for Canada’s North, particularly for the NWT. This is needed because conditions within and outside the NWT are rapidly evolving; and a cornerstone is needed for building the relationships that currently often seem fragmented and divergent.

Second, there are many aspects of the non-renewable resource benefits-sharing issue that need careful study well beyond what was possible at this Forum. Approaches are needed that fit the Northern context while taking advantage of the best knowledge from around the world. To move forward, a ‘Benefits Framework’ is needed to guide the generation and fair distribution of benefits arising from non-renewable resource activities. Such a framework would provide a kind of roadmap to prioritize and address the most important aspects of this complex issue. The Forum led to the identification of a number of elements of such a framework, but deliberations on this front were far from comprehensive.



4.1 Create a common vision for the North in general and the NWT in particular

“We should take our time and come up with something that will work for future generations. I’ve often wondered about coming up with a comprehensive economic plan as Northerners all together across the North, and then taking this to the federal government, and say ‘this is our position’, united.”

“One of the big pieces to the puzzle which is missing is a common VISION. We should challenge ourselves now by coming to an agreement on the long-term vision within two years. Then we should support the building of that vision. Perhaps we need a Forum around building a vision for the North. It might be a way to galvanize some of the issues we’ve seen here. How do land claims, self-government, pipelines, etc. relate? What would we like to see 100 years from now? We also need to begin to identify common ground which allows us to share power with one another. We need to allow ourselves to say it’s ok to do things differently to achieve that vision.”

It is clear from the previous discussion that the status quo is not working, and in areas far beyond revenue-sharing. Fundamental differences exist, in particular between the GNWT and Aboriginal governments, about the future of Northern power-sharing, decision-making and governance. A new deal is needed. Participants were not shy

in recommending serious revisions to the current governance and planning regime in the NWT, including changes to the way in which the GNWT interfaces with Aboriginal governments and communities. While some suggested that an economic development plan is needed, others noted that many such plans have been constructed, and something more fundamental is needed to address underlying tensions and power imbalances.

In light of this, there is a clear need for a process to create a new, shared Northern vision for the future. Perspectives from multiple levels would need to be included: community, regional and national, Aboriginal and non-Aboriginal Northerners, industry, government and civil society. Such a vision must span the land, communities and the economy, and must meaningfully involve people in those communities, as well as those who live closest to the land. Then, working forward, all those involved would identify allies, find required supports, and decide the actions necessary to turn their vision into reality. But in order to reach a shared vision, and certainly to implement that vision, communities and regions need to work together. Collaboration was stressed repeatedly with respect to Aboriginal governments and communities in the NWT. New mechanisms must be developed that promote this collaboration within and between groups. Chronic fragmentation is only serving the federal and possibly territorial government's interests – not community interests.

“We need a comprehensive economic development strategy in the North. Yukon 2000⁶ is something we can build on and learn from.”

“The focus needs to be first in the NWT, and we must find ways to work together. We need some understanding or some form of constitution, inter-government agreement, forum or whatever. If we can get that right, the rest of it will follow.”



“A more practical priority action is to work with Aboriginal governments to recreate what Stephen Kakfwi originally set up in the Aboriginal Summit... There are ways to build consensus among Aboriginal governments. We owe it to Aboriginal people and to all people in the NWT to get a strong team.”



Given the emphasis on nourishing learning and capacity previously described (Theme 6, Section 3), one would expect the process toward implementing such a vision to prioritize new and enhanced opportunities for Northern education and training. The end goal of this Forum points to strong and healthy communities that have the freedom to choose their own futures. In order to establish a responsible framework for benefits, this clear Northern vision must be developed.

“We need a vision of the future. Where are we going and how are we going to get there, in terms of our language, our housing situation, etc.? What’s our plan? And who’s going to pay for it? ... The struggle is to find a balanced approach so our people can continue hunting, trapping, and living off the land while adapting to a wage economy. We need to put a dollar value on all of this ... It’s going to take effort to decide Sooner or later, one of these young people out there is going to take over my spot and I want to make sure we’re giving them something they can build on. . . We’re not going to eat and drink that oil and gas. Before letting this go ahead, we want some certainty.”

4.2 Create a concrete framework for the distribution of benefits

The Northern vision discussed above provides a foundation for a benefits framework. Some elements emerged in our discussions, both in terms of actions required in the development of a framework and principles which should underpin deliberations. It must be clearly understood that the following principles and action items only represent a start. It is not comprehensive. Further detailing and prioritizing will be required.

Clearly, the fair distribution of benefits from resources is an issue of great complexity, but yet it remains critical to the future of Northern communities. An overall framework is needed

that addresses all aspects of distribution – How big is the pie? Who gets which piece? And how do we not overindulge today, so that our children and their children and their children benefit tomorrow?

Framework Principles

The framework needs to be driven by the vision discussed in Section 4.1. Expressing a set of framework principles can guide the choice and priority of actions. The following principles are drawn from Forum discussions and serve as our starting point:

- 1) Northerners and their communities must be the primary beneficiaries** of Northern resource-revenues and other resource-derived benefits, and must have primary authority over how revenues are used and invested.

“Power sharing is necessary for revenue sharing. The colonial arrangement has a serious lack of accountability. There is a disconnect between the decision-makers and Northerners. The people most affected need to derive the greatest benefit.”

- 2) Aboriginal governments are to be treated as equal partners** by the other two levels of government.

“In Alberta and elsewhere, provinces benefit but don’t share with Aboriginal people. We want something different in the North. This requires a change of thought and positions taken by both the federal and NWT governments.”

- 3) Sharing should be guided by the drive toward equity in social and economic indicators** of the Northern population vis-à-vis the rest of the Canadian population.

“We have to keep in mind that if it’s not about building healthy, sustainable communities, why are we developing the resource?”

- 4) **Involve youth meaningfully.** Many participants emphasized that a focus on the younger and future generations must guide how revenues are invested and used.

“What does a North look like that focuses on language and culture and building strong youth? Our young people should be the main focus of attention.”

- 5) **Include stewardship of land and water in tandem with stewardship of revenues.**

“We can’t afford to lose the right of stewardship over our resources. It has already happened elsewhere in Canada and we can’t afford to do that here. Future generations must have that freedom to decide. Imagine 200 years from now. That generation will say we had the right, responsibility, ability, economic freedom and political jurisdiction to exercise our stewardship responsibility. This means we have to be in a position to say no to extracting those resources. We can’t be so desperate that we destroy ourselves in the process of trying to improve our lives.”



Specific Actions Needed

The following actions were identified by participants in the Forum as requiring attention:

- 1) **Track resource revenues separately** from other revenues in a transparent fashion. A number of participants felt ‘in the dark’ regarding the scale of revenues and their current accounting relative to other sources of public revenues. Better information is needed.

“The value benefits of resource revenues aren’t even remotely known to communities. How can we ensure fairness? ...Instead, right now in the NWT, all revenues go into a black hole (general fund) so there is no means of tracking how resource revenues are invested and separated from other forms of revenue generation”

- 2) **Assess the current total level of resource revenues** from non-renewable resource activities. Is a large enough portion of the overall resource rent captured for public benefit in the first place?

“We need to revisit the entire benefits regime. We need a comparative analysis of other jurisdictions. The current level of royalties is inadequate.”

- 3) **Examine innovations in the development of Impact and Benefits Agreements (IBAs).** IBAs were discussed as one means of addressing fairness between at least any two of the parties involved: industry, local communities and sometimes regional governments.⁷ IBAs are certainly not a magic-bullet solution, and must be used in tandem with other ways of achieving fairness in resource revenue generation. IBAs themselves can also be strengthened to reflect emerging priorities.

“We need to expand impact and benefit agreements to protect certain wildlife areas rather than just taking financial benefit.”

- 4) Consider international experience with non-renewable permanent funds** as a means of addressing intergenerational equity in the North.⁸ Participants agree that one or more permanent funds are key to addressing equity, although big questions remain on how such a fund should be created, at what level, and for whom.

“Look to resource revenue management and investment models from other countries and regions. Could the circle of Northern leaders put this on their agenda too?”

“Minerals left in the ground don’t benefit future generations nearly as much as mineral revenues smartly stewarded and invested. Resource revenue management is not discussed much in Canada.”

- 5) Identify and address other fiscal instruments appropriate for the fair sharing of benefits.** These might include property taxes, access leases and other revenue-generating instruments.

“A full-cost accounting exercise should be undertaken: What is the cost of having revenue sharing (including taxes, not just royalties)? What is the cost to respective governments?”

“We have toll highways in this country, similar to pipelines. If someone wants to run a pipeline, every barrel of oil should be generating revenue for the First Nations communities in perpetuity.”

- 6) Address the marine environment.** Offshore considerations in Nunavut are a major feature of devolution negotiations there. They need to be fully addressed in the NWT framework as well.

“Offshore provisions should be there, and at least as generous as the Atlantic Accord.”

“Canada’s sovereignty over the waters of the Archipelago is supported by Inuit use and occupancy and by the Nunavut Land Claim Agreement. We can’t talk about devolution without offshore. Devolution does not stop at the waters’ edge.”

- 7) Create a review mechanism** to assess the success achieved over time by each element of the framework, regarding its consistency with the guiding principles and the Northern vision.

As the framework evolves, additional concrete actions will emerge.

There is considerable work needed to plan how revenues from non-renewable resource development will contribute to long-term community well-being in the North. The Policy Forum in Fort Good Hope has helped illuminate a path for all levels of government, as well as communities, the natural resource industry and indeed the Foundation. We all have a role to play, and important work lies ahead.





Final Thoughts

“This sense of community [in Fort Good Hope] is absent in urban communities I am familiar with. I did not understand the aspirations that underlie the politics of this place. These aspirations are deeply held. You need to find a way to get others like me to events like this. This is real politics. It is nation-building. It is about creating the society we want. We have not seen this kind of politics at the national level. Why are we spending billions of dollars in Afghanistan when our nation-building business here is unfinished? This has been a powerful experience. Thank you.”

“Thank you to all of my relations from the South, from other countries. I see all of you now and am thankful for your presence here. This is just a start and you have started this process for us. There are still a lot of things on our land that we would like to discuss. You are from the South. Our land up here we see as our front yard. All that we harvest, eat, and so on. We want to sustain everything for our children and grandchildren.”

AFTERWORD

Lessons for the Foundation

“This Forum is what I would expect public governments to be doing, but they aren’t.”

“Almost everything is about relationships and networks. There is a real opportunity here. You (Gordon Foundation) are welcome here and have enough capital. But now you must follow up in some way.”



Participants were asked to comment on the Forum process itself: what worked well and what did not?

As was stated at the outset of the report, this Forum was a first step in a larger discussion about Northern resource revenues. Now that discussion has begun, the Foundation is committed to maintaining the momentum generated by the Forum. We want to learn more about the various mechanisms touched on over the two days of the discussion. In particular, more information about IBAs would be valuable for communities, particularly lessons distilled from those IBAs already in place. As a follow-up, the Foundation will explore how information about IBAs can be shared and improved across the North and beyond, and we welcome suggestions for how this could best be done. Other forms of information exchange between the Territories, and even between regions and communities within each Territory, needs to be supported and expanded. There is strength in knowledge and in numbers.

Participants also felt strongly about engaging the broader public and offered some specific suggestions for doing this. Some felt the need to work on this themselves, in addition to the Foundation’s planned dissemination: a plain language version of the Forum report was suggested, as was disseminating the results of the Forum via the radio. One person even proposed to do it through song. Educators in schools also need to be engaged in this discussion. They need to understand devolution and the related concepts discussed in this Forum.

“Public engagement has been noticeably absent in all three territories with respect to devolution. Explaining these things to our people is a very important process.”

“A readable, plain language document on resource revenue sharing is desperately needed, so that the community can share in the conversation.”

There was strong agreement that there should be more workshops like this, especially in the communities (rather than the capitals). The Forum offered a chance to step back and re-focus collective attention on a vexing set of issues. The pre-Forum interview process with select participants and other invitees worked well and should be used in the future (the summary of interview comments can be downloaded at www.gordonfn.org/northernpolicyforum.cfm).

A very strong message relayed by the group was to involve young people more actively and deliberately the next time a Forum is held. While an attempt was made for this Forum, and there was some involvement from students and early-career young adults, we need to be more creative in bringing young people, particularly within the host community, into the conversation.

“I would recommend that each of you Northern leaders choose two people over the age of 14 to bring with you to the next meeting of this kind.”

It was important to engage community leaders in planning this event, and in the future it will be even more imperative for the host community to have full input not just on the workshop agenda, but on the overall topic. Some suggested opening the Forum up to all members of the public. Getting out on the land is also important to understanding the issues more completely. Many felt that two days were simply not enough to cover a topic of this gravity in sufficient depth, though it was acknowledged that, given travel time, it would be difficult for most participants to commit to an additional day.

As a Southern-based institution, with links and connections to key organizations and decision-makers in the South, the Gordon Foundation can serve to bridge relationships. The ‘honest broker’ role was important to this Forum process, but can also be used to broker connections beyond these policy discussions.

“The Foundation can help communicate the complexities of the issues to the South. It can

also talk about the importance to the rest of Canada of what the North represents... There is an opportunity to seek out allies in the South, where there is a great deal of goodwill towards the North and Northerners”

Finally, there were various suggestions for future Forum topics which included governance, climate change, heritage policy and other economic and power-sharing issues. Some felt that the next Forum should focus on a more coherent set of related topics. Others felt that a more general discussion was needed (and that this topic was perhaps too narrowly framed). However, the Foundation was strongly cautioned that their attention, at least in the near term, should not be on choosing another new theme, but rather building on the momentum generated in this Forum. The Foundation may need to generate more than just a workshop report – our momentum may even carry over to the choice of topics for the next policy Forum. In keeping with the ideas generated here, conferences were suggested on capacity-building, legal impediments, settled claims vs. non-settled claims, government-to-government power sharing, joint decision-making, instruments of revenue generation, and other interrelated topics. The main concern was to stick to the common theme of Northern resource development, and not to simply jump to another theme in the short term.



Forum Participants

For this report, we have only included ‘thumbnail sketches’ of each participant. A list with detailed biographies is available for download at www.gordonfn.org/northernpolicyforum.cfm. Note again that participants were asked to contribute to the Forum as individuals, not as representatives of any group.

Bob Andrew - Project Manager for the K’ahsho Got’ine District Land Corporation (Fort Good Hope); designed K’ahsho Got’ine revenue model; consultant on natural gas pipeline business to industry and government, including the Yukon Government; former Executive Advisor with Foothills Pipe Lines Ltd. and Board Member of the National Energy Board; former Saskatchewan cabinet minister and MLA.

Jim Antoine - Consultant to industry and government; former NWT Premier, cabinet minister and MLA (Nahendeh); former Chief of Liidlii Kue First Nation in Fort Simpson; member of the Gordon Foundation’s Canadian North Programme Advisory Circle.

Dene-za Antoine - Video Journalist for APTN National News; works to make sure the people of Denendeh continue to live according to teachings of their ancestors, and toward a future where the land of the Dene will continue to peacefully sustain his children and their children’s children.

Jean-Yves Assiniwi – Chief Negotiator for the NWT Aboriginal Summit in Devolution and Resource Revenue Sharing negotiations with Canada and the GNWT; negotiator on comprehensive claims, specific claims, and self-government files, including the Tlicho Land Claim and Self Government Agreement; served as constitutional advisor to First Ministers following repatriation, and participated in the negotiations leading up to the Charlottetown Accord; served as senior advisor to the Hon. Ron Irwin, former Minister of Indian Affairs and Northern Development; former journalist.

Ole Gunnar Austvik - Researcher at Lillehammer University College, Norway; specializes in petroleum policy, international economics, and global energy issues; formerly with Statistics Norway, Norwegian Institute of International Affairs (NUPI), and the Norwegian School of Management; educated at University of Oslo and John F. Kennedy School of Government at Harvard University; www.ogo.no.

Joanne Barnaby – Consultant on economic, cultural and environmental sustainability and management, melding western and indigenous traditional knowledge systems; founding Executive Director of the Dene Cultural Institute; former National Coordinator of the Comprehensive Claims Coalition; former Special Advisor on Aboriginal Affairs to the Premier of the NWT; worked on traditional knowledge policy in the NWT and with the United Nations Biodiversity Convention; member of the Gordon Foundation’s Canadian North Programme Advisory Circle.

Tawna Brown – Recent Chair of the Arctic Children and Youth Foundation; former intern with IISD’s Circumpolar Young Leaders Program, working at GRID-Arendal (Norway); her graduate research at Norman Paterson School of International Affairs, Carleton University, focused on non-renewable resource development in Africa and the NWT; worked with the NWT Business Coalition, Rural Secretariat and NWT Federal Council; currently with the GNWT, Department of Aboriginal Affairs and Intergovernmental Relations.

Alastair Campbell - Senior Policy Advisor, Nunavut Tunngavik, Inc.; formerly worked for the Assembly of First Nations, and federal and territorial governments; studied in New Zealand, Canada and Italy; taught anthropology and sociology at the University of Ottawa, Athabasca University and elsewhere; has published works on Aboriginal and Northern affairs.

David Crombie - President and CEO of the Canadian Urban Institute; President of David Crombie & Associates Inc.; former Mayor of Toronto, MP and federal cabinet minister; Minister of Indian and Northern Affairs (1984-86); former Chancellor of Ryerson University; currently Chairs the Advisory Council of the Nuclear Waste Management Organization; honorary degrees include a Doctor of Laws (honoris causa) from the University of Waterloo for his contribution to the quality of life of Canadians and the environment; Officer of the Order of Canada.

Cindy Dickson – Director of Circumpolar Relations for the Council of Yukon First Nations and founding Director of the Arctic Athabaskan Council; helped develop a Traditional Knowledge Guideline for the Northern Contaminants Program; served on the Indigenous Issues Committee for the University of the Arctic and the Canadian Committee of International Polar Year; of Gwitch'in and Tlingit descent and is a member of the Vuntut Gwitch'in First Nation.

Ronald L. Doering – Partner, Gowling Lafleur Henderson LLP, Government Relations and Regulatory Affairs Group; former senior federal civil servant and advisor to Canadian, Saskatchewan and NWT governments, including serving as Chief of Staff to the Minister of Indian Affairs and Northern Development (1984–86) and Director, Northern and Native, Privy Council Office (1982); has acted for Dene Nation, the Inuit of the Eastern Arctic and Labrador, among others; founding executive member of the Native Law Section of the Canadian Bar Association; litigator, negotiator, writer and lecturer skilled in aboriginal constitutional law, Northern economic development, aboriginal self-government, IBAs, and specific and comprehensive claims policy; current Senior Federal Negotiator on the Six Nations of the Grand River claims.

Edwin Erutse - President of Yamoga Land Corporation; a Sahtu Dene citizen, resident in Fort Good Hope, NWT.

Charlie Evalik - Chief Negotiator and Nunavut Implementation Panel member for Nunavut Tunngavik Inc. (NTI); former President of Kitikmeot Inuit Association and previously its Executive Director; Director of Pan Arctic Inuit Logistics Corporation (PAIL), a joint venture with ATCO Frontec Corp.; held positions with the Hamlet of Cambridge Bay, GNWT and Enokhok Development Corporation; was a Senior Negotiator with the Tungavik Federation of Nunavut (TFN).

Erin Freeland Ballantyne - Student, documentary film-maker, athlete, volunteer, human rights advocate and community activist; works on health and environment projects in East Africa and India; has a Master's in Environmental Policy from the University of Oxford (as a Rhodes Scholar), where she studied the policy process of the Mackenzie Gas Project hearings; working on a PhD at Oxford, looking at climate change, human security, oil and gas development and sustainability; member of the Arctic Indigenous Youth Alliance.

Ginger Gibson – Anthropologist, working with the Tlicho Nation on governance and non-renewable resource policy; Trudeau Scholar, finishing doctoral research in Mining Engineering at the University of British Columbia; dissertation work focuses on the experience of aboriginal miners and families in the diamond economy; worked in South America with mining communities designing programmes in negotiations.

Jane Glassco – Founding and lifetime member of the Gordon Foundation Board of Trustees; owns and manages an organic sheep farm and nature preserve in Schomberg, Ontario; former investigative reporter for the Globe and Mail, Toronto Star and CBC, and former Science producer at CBC; founded Tarragon Theatre and an independent film company.

Pierre Gratton - Vice President, Sustainable Development and Public Affairs, Mining Association of Canada (MAC); former Director of Communications to the Minister of Justice and Attorney General of Canada Press Secretary Minister of Natural Resources Canada); former government relations and strategic communications consultant with GPC Government Policy Consultants in Edmonton and Quebec City.

Karen Hanna – Vice-Chair, Gordon Foundation Board of Trustees; Senior Vice President of Employee Development for Loblaw Companies; a member of several non-profit boards in Australia, the U.S. and Canada.

Anthony Hodge – Co-facilitator of the Forum; Engineer and consultant in private practice; Professor of Mining and Sustainability at Queen’s University; Chair of the Faro Closure Assessment Team; advised the Tahltan, Gitxaala and Wet’suwet’en Nations in reviewing their relationship with the mining industry; co-coordinated development of Yukon 2000, and was a public advocate for environmental concerns with the Yukon Conservation Society; served on the National Round Table on the Environment and the Economy; led the North American component of a global review of practices in the mining/mineral industry (MMSD).

Larry Innes - Acting Executive Director, Canadian Boreal Initiative, working to advance conservation and resource planning; formerly represented the Labrador Innu in forestry, mining, hydroelectricity and other resource developments, including the Voisey’s Bay mining project; Associate with Olthuis, Kleer, Townshend, practicing Aboriginal and environmental law.

Stephanie Irlbacher-Fox - Political anthropologist and co-author of the discussion paper for this Forum; Adjunct Professor at the Canadian Circumpolar Institute at the University of Alberta and Research Associate with the

Stefansson Arctic Institute at the University of Akureyri, Iceland; works for Dene, Métis, and Inuvialuit organizations in the NWT on self government negotiations, and related processes, including devolution negotiations; has a PhD from Cambridge University, where her research focused on the relationship between Canadian Aboriginal policy, self government negotiations and the social suffering experienced by Indigenous peoples.

Lucy Jackson - Chief of the K’ahsho Got’ine Charter Community Council, and Sahtu Dene resident of Fort Good Hope.

Patrick Johnston - President and C.E.O. of the Walter and Duncan Gordon Foundation; former President and C.E.O of the Canadian Centre for Philanthropy; former Executive Director of the Canadian Council on Social Development and the National Anti-Poverty Organization; former senior policy advisor to the federal Minister and Deputy Minister of Human Resources Development Canada; former senior policy advisor to Ontario Premier David Peterson; volunteers on numerous national and international boards.

Stephen Kakfwi - Former NWT Premier, cabinet minister for 16 years and MLA (Sahtu); former Dene Nation President; renowned youth activist during the Berger Inquiry in the 1970s; received an Aboriginal Achievement Award for Public Service and recognition from the Council of Canadians with Disabilities; served on the National Roundtable on the Environment and the Economy, the board of Vision Television, and as a Strategic Advisor to the World Wildlife Fund; currently working with his home community and other NWT Aboriginal organizations to ensure proper benefits and revenues accrue from a Mackenzie Valley pipeline.

Joe Linklater – Chief of the Vuntut Gwitchin First Nation (Old Crow, Yukon); serves on the Board of the Vuntut Development Corporation and Chairs both the Yukon Chiefs Committee

on Education and the Self Government Chiefs Committee (Yukon); Chair of the Gwich'in Council International, Executive member of the Yukon Education Reform Project and a board member of the National Aboriginal Economic Development Board; well known for his significant expertise in establishing and overseeing First Nations economic development initiatives and trust structures.

Kathleen Mahoney - member of the Gordon Foundation Board of Trustees; Professor of Law, University of Calgary; has published extensively on human rights, constitutional law and women's rights, as well as on judicial education and the social context; appeared as counsel in the Supreme Court of Canada in a number of cases; former Chair of the International Centre for Human Rights and Democratic Development.

Winston McNeely - President of the Fort Good Hope Metis Land Corporation (Metis Local # 54); owned and operated a variety of businesses in the community, along with his family, including a B&B (currently); worked for the GNWT, Public works; experienced in hunting, trapping, and all aspects of a traditional lifestyle.

Stephen Mills – Co-author of the discussion paper prepared in advance of the Forum; Yukon-based mediator, negotiator and advisor to various Northern First Nations in self government, devolution, economic development, agreement financing and implementation, and socioeconomic assessment; Executive Committee Member of the Yukon Environmental and Socio-economic Assessment Board; President of the Vuntut Development Corporation in Old Crow; currently negotiating Impact and Benefits Agreements for two First Nations; an avid hunter, who maintains a trap line in his family's traditional territory.

Kyra Montagu – Lifetime member of the Gordon Foundation Board of Trustees; practicing psychotherapist and psychoanalyst,

based in Cambridge, Massachusetts; previously developed programmes with museums and artists in the Boston area.

Melody Morrison - Special Advisor and Ottawa Liaison to the NWT Premier; also served as Principal Secretary to two former Premiers - Bob Rae in Ontario and Stephen Kakfwi in the NWT; political advisor, negotiator, and team leader, in government, Aboriginal organizations, international organizations, and the non-profit sector; worked for the Council of Yukon First Nations, the Kaska Nation and Squamish First Nations in land claims, self government and treaty negotiations as well as providing advice in communications and public relations; worked in international development and at the UN.

Gladys Netro - Member of the Vuntut Gwich'in First Nation (Old Crow, Yukon); former consultant and community liaison for CPAWS Yukon; served on Yukon College's Board of Governors, as President of the Gwich'in Cultural Society and the Porcupine Caribou Management Board, and as an adult educator and interpreter; official spokesperson of the Millennium Trek to Washington, lobbying against exploration and drilling in Alaska's Arctic National Wildlife Refuge; member of the Gordon Foundation's Canadian North Programme Advisory Circle.

Ciaran O'Faircheallaigh - Professor of Politics and Public Policy, Griffith University, Brisbane, Australia, where he has written numerous articles and books in the fields of public policy, resource economics, resources policy, negotiation, social impact assessment and Indigenous studies; works with Aboriginal communities in Australia and Canada on negotiation of mining agreements; former Policy Adviser to the Queensland Indigenous Working Group, Queensland's peak Indigenous organisation.

Kevin O'Reilly – Works for an independent oversight body on one of Canada's diamond mines. former Research Director, Canadian Arctic Resources Committee; worked for

Aboriginal, federal and NWT government agencies on land use planning, environmental assessment and resource management, and has had extensive involvement in the environmental assessment and regulation of mining in the NWT; served on Yellowknife City Council for the last decade.

Bob Overvold – Recently retired Regional Director General, Indian and Northern Affairs Canada, NWT Region.

Hugh Segal – Senator; Chair of the Gordon Foundation Board of Trustees; Ivey Fellow at the School of Policy Studies at Queen's University and an adjunct professor of Public Policy at the Queen's School of Business; past President of the Institute for Research on Public Policy (IRPP); former Chief of Staff to the Prime Minister and Associate Secretary of Cabinet in Ontario for Federal Provincial Relations; director of various public companies and voluntary organizations; invested with the Order of Canada.

James Stauch - Programme Manager, Walter & Duncan Gordon Foundation, where he manages the Canadian North Programme; Chair, Canadian Environmental Grantmakers' Network; former grants manager at The Calgary Foundation; researched and consulted in the areas of community planning, housing, public consultation and community development, including with the Dene Cultural Institute.

Ingrid Taggart – Co-facilitator of the Forum and Vice President of Anthony Hodge Consultants Inc; former long-time Yukon resident, business owner and operator; served as Head Moderator for Greater Montreal for Canada's Spicer Commission and in a number of Departments with the BC Government; worked on the Northern Sustainability Lens undertaken for INAC's Strategic Planning group, NWT region.

Amy Taylor - Director of Ecological Fiscal Reform, Pembina Institute for Appropriate Development, where she works on tax and

subsidy reform, economic rent from natural resources and environmental taxes; co-authored *Government Spending on Canada's Oil and Gas Industry: Undermining Canada's Kyoto Commitment, and When the Government is the Landlord: Economic Rent, Non-renewable Permanent Funds, and Environmental Impacts Related to Oil and Gas Developments in Canada*.

Arthur Tobac – Vice-President and former President of the Yamoga Land Corporation, where he is responsible for playing a lead role in all oil and gas and mining developments, and where a strategy is underway to pursue a taxation and revenue stream from development on traditional lands; former President of the Kah'sho Got'ine District Land Corporation, where he implemented the land and resource management provisions of the Sahtu Dene and Metis Comprehensive Land Claims Agreement; long-time resident of Fort Good Hope.

Edna Tobac – Coordinated logistics for the forum; long-time resident of Fort Good Hope, and registered under the Gwich'in Comprehensive Land Claim Agreement; past work in the community includes Observer/Communicator (air traffic controller), Special Needs Assistant with the school and Land/Resource Geographer for the Sahtu Land & Water Board; coordinated other major activities for the community, including the Dene National Special Assembly (2006).

Graham White – Professor, Political Science at the University of Toronto; has written academic articles and book chapters on government and politics in the NWT and in Nunavut, and is currently working on two books relating to Northern governance and decision-making; consultant to a range of governmental, Aboriginal and quasi-governmental organizations in Nunavut and the NWT; frequent media commentator on Canadian politics; member of the Gordon Foundation's Canadian North Programme Advisory Circle.

Mindy Willett - Education consultant; instrumental in the creation of Northern Youth Abroad and its expansion to the NWT; writes teaching resources which celebrate Northern cultures and incorporate Northern perspectives in science and social studies programmes; member of the Gordon Foundation's Canadian North Programme Advisory Circle.

John B. Zoe – Tlicho Executive Officer for the Tlicho Government, managing the development of governance and corporate structures; served as Chief Negotiator for the Dogrib, which led to the Tlicho Land Claim and Self Government Agreement; the Agreement is built on the stories that he and the negotiations team has heard and, with the help of the Elders, has now added to the story.



Endnotes

¹Abele, Frances, with contributions from Thierry Rodon, Chris Turnbull and Stephanie Irlbacher-Fox: Policy Research in the North. A discussion paper commissioned for the Walter and Duncan Gordon Foundation, 2005. Available for download at www.gordonfn.org (under “Publications”).

²Resource rent refers here to the premium derived in the exploitation of a natural resource (oil, gas, minerals, etc.) in excess of a normal rate of return on investment. Resource rents are typically profit, but can also be ‘captured’ through negotiated wage increases with workers, through negotiations with affected communities (e.g. impact and benefit agreements) or through the fiscal instruments of government (e.g. resource royalties and leases).

³See the background paper by Stephanie Irlbacher-Fox and Stephen J. Mills, available at www.gordonfn.org/northernpolicyforum.cfm. The territorial government collects corporate taxes, personal income taxes from employees, and some other forms of resource-derived revenues, while some Aboriginal governments in the NWT are entitled to a very small portion of resource royalties under their land claim agreements. The Nunavut Land Claim Agreement also includes some provision for royalties.

⁴Principles of Participation adapted from Glenn Sigurdson, CSE Group, SFU Centre for Dialogue, Vancouver BC.

⁵A reference to the Giant Mine, a decommissioned gold mine underneath the city of Yellowknife which has a notorious past and continues to threaten local aquifers with arsenic contamination.

⁶Yukon 2000, a broad-based regional economic planning exercise, with a strong grassroots component, was undertaken in the mid-late 1980’s by the Yukon Territorial Government. It was arguably one of the most comprehensive of such exercises ever undertaken in Canada.

⁷Readers can refer to the primer “Reflections on the Sharing of Benefits from Australian Impact Benefit Agreements” by Ciaran O’Faircheallaigh, who presented on this subject at the Forum (www.gordonfn.org/northernpolicyforum.cfm).

⁸Readers can refer to the primer “Reflections on Permanent Funds: The Norwegian Pension Fund Experience” by Ole Gunnar Austvik, who presented on this subject at the Forum (www.gordonfn.org/northernpolicyforum.cfm).



The following documents are also available for download from
www.gordonfn.org/northernpolicyforum.cfm

- **Forum Agenda**
- **Participant Biographies**
- **Background Discussion Paper**
Devolution and Resource Revenue Sharing in the Canadian North: Achieving Fairness Across Generations.
Stephanie Irlbacher-Fox and Stephen J. Mills
- **Pre-Forum Interview Report**
Ingrid E. Taggart and R. Anthony Hodge
- **Backgrounder: Fort Good Hope (Ràdílíh Kòe)**
- **Backgrounder: The Walter and Duncan Gordon Foundation**





Walter & Duncan
GORDON FOUNDATION

11 Church Street, Ste. 400
Toronto, ON M5E 1W1
Ph: 416-601-4776
Fax: 416-601-1689
www.gordonfn.org