



Inuvialuit Final Agreement Consolidated Report of the Implementation Coordinating Committee

2013-2014 to 2015-2016



Yukon



Inuvialuit Regional Corporation

Canada

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ABBREVIATIONS AND ACRONYMS

COGOA	Canadian Oil and Gas Operations Act
CLCA	Comprehensive Land Claim Agreement
DND	Department of National Defence
EIRB	Environmental Impact Review Board
EISC	Environmental Impact Screening Committee
FJMC	Fisheries Joint Management Committee
GNWT	Government of the Northwest Territories
HTC	Hunters and Trappers Committee
ICC	Implementation Coordinating Committee
IFA	Inuvialuit Final Agreement
IGC	Inuvialuit Game Council
ILA	Inuvialuit Land Administration
INAC	Indigenous and Northern Affairs Canada
IRC	Inuvialuit Regional Corporation
IRS	Inuit Relations Secretariat
ISDP	Inuvialuit Social Development Program
ISR	Inuvialuit Settlement Region
NIHB	Non-Insured Health Benefits
NWT	Northwest Territories
WMAC (NWT)	Wildlife Monitoring Advisory Council – Northwest Territories
WMAC (NS)	Wildlife Monitoring Advisory Council – North Slope
YG	Yukon Government



CHAPTER ONE: OVERVIEW AND BACKGROUND

In recent years, the inclusion of an implementation plan and the establishment of an Implementation Committee have been key components of all comprehensive land claims agreements (CLCAs). When the Inuvialuit Final Agreement (IFA) was signed in 1984, an Implementation Plan was not a required component. In 1994, however, the Inuvialuit Regional Corporation (IRC) and Canada agreed that it would be beneficial to form an Implementation Coordinating Committee (ICC) to address ongoing issues and concerns related to the implementation of the IFA. Following considerable internal review, an Inuvialuit Final Agreement Implementation Coordinating Committee (IFA ICC) was established on May 11, 1999.

The IFA ICC is comprised of senior representatives from IRC, the Inuvialuit Game Council (IGC), the Government of the Northwest Territories (GNWT), the Government of Yukon (YG), and the Government of Canada. The committee monitors the ongoing obligations of the parties pursuant to the IFA and the resolution of issues arising with respect to the implementation of the claim. The IFA ICC also serves as a forum in which issues can be raised and discussed regarding the implementation of the IFA. The committee has agreed that decisions will be reached unanimously among the appropriate or affected parties.

This report provides an overview of the issues considered by the IFA ICC during the 2013-2014 to 2015-2016 fiscal years, the extent to which they were advanced or resolved during that period, and the future actions to be taken on issues which remain outstanding.

Over the course of the reporting period, the IFA ICC met bi-annually on the following dates:

April 3 and 4, 2013 (Inuvik, AB)

October 8, 2013 (Edmonton, AB)

April 22, 2014 (Inuvik, NT)

October 23, 2014 (Edmonton, AB)

April 15 and 16, 2015 (Inuvik, NT)

November 5, 2015 (Edmonton, AB)

During this time, the committee considered issues and initiatives that had been identified by one or more parties and had been agreed to by the other parties as appropriate for consideration and, where appropriate, action through the IFA ICC forum.

Summary of Agreement Provisions

Land Ownership

The IFA provides the Inuvialuit with fee simple title to approximately 91,000 square kilometres (approximately 35,135 square miles) of land in the Western Arctic Region of the Northwest Territories (NWT). This area includes about 13,000 square kilometres (approximately 5,000 square miles) on which the Inuvialuit have title to surface and subsurface rights. The Inuvialuit Settlement Region (ISR) includes the North Slope of Yukon (including Herschel Island), the eastern half of the Beaufort Sea and the associated mainland, part of the Arctic Ocean, Banks Island, much of the western part of Victoria Island, and some of the Parry Islands.

Eligibility and Enrolment:

An enrolment authority composed of one federal government and two Inuvialuit representatives was initially established to enrol those who were entitled to be registered as beneficiaries of the Agreement. Ongoing enrolment is now a responsibility of IRC.

Financial Compensation:

Under the provisions of the IFA, the Inuvialuit received a total of \$152 million over the first 14 years of the agreement. The IFA also provided for two additional payments, which were made in 1984: a one-time payment of \$7.5 million to the Inuvialuit Social Development Program (ISDP) Fund, and a one-time payment of \$10 million to the Economic Enhancement Fund.

Economic Measures:

Section 16 of the IFA addresses economic development in the ISR. Its broad objectives are to support Inuvialuit participation in the northern Canadian economy and their integration into Canadian society through the development of an adequate level of economic self-reliance and the establishment of a solid economic base. Since 1984, the Economic Enhancement Fund and compensation payments have helped the Inuvialuit become more actively involved in the local, regional, and national economy. This has involved long-term investments that are providing a solid base for future development.

Inuvialuit Corporations:

Established under subsection 6(1) of the IFA, IRC holds the overall responsibility for managing the affairs of its corporate subsidiaries and achieving the goals outlined in the Agreement. Its ongoing functions and formal obligations include:

- implementing the land claim agreement;
- fulfilling the role of institutional representative of the Inuvialuit; and
- being the parent corporation to, and monitor of, the Inuvialuit Corporate Group.

IRC is governed by six Community Corporations in the ISR through their elected chairpersons. The seven directors of each Community Corporation elect the Chairperson and Chief Executive Officer of IRC, who, along with the chairpersons of the six community corporations, comprise the IRC Board.

The Inuvialuit Land Corporation owns the Inuvialuit lands received under the IFA. IRC administers Inuvialuit lands through the Inuvialuit Land Administration (ILA), and holds responsibility for matters related to the management, supervision, and administration of such lands. The Inuvialuit Development Corporation, Inuvialuit Petroleum Corporation, and Inuvialuit Investment Corporation carry out business activities and invest settlement funds on behalf of the Inuvialuit.

Wildlife and Environmental Co-management

The Inuvialuit have extensive wildlife harvesting rights in the ISR. They also have a mechanism for settling their claims with developers for harvesting losses and for compensation or remedial measures as required.

The IFA established structures to ensure Inuvialuit participation in wildlife management, conservation, and environmental protection in the ISR. These structures include the Inuvialuit Game Council (IGC), which represents the collective Inuvialuit interests and rights in respect of wildlife, and six community-based Hunters and Trappers Committees (HTCs).



The IFA also established five co-management bodies that have equal government and Inuvialuit representation:

- The Environmental Impact Screening Committee (EISC) determines whether proposed developments require detailed environmental impact assessments.
- The Environmental Impact Review Board (EIRB) carries out public reviews of development proposals deemed necessary by the EISC.
- The Fisheries Joint Management Committee (FJMC) advises the Minister of Fisheries and Oceans on matters relating to fisheries and marine mammals in the ISR.
- The Wildlife Management Advisory Council (Northwest Territories) (WMAC (NWT)) advises governments and other appropriate bodies on wildlife management and conservation matters in the NWT portion of the ISR.
- The Wildlife Management Advisory Council (North Slope) (WMAC (NS)) advises governments and other appropriate bodies on wildlife management and conservation matters on the Yukon North Slope, including Herschel Island.

Arbitration Board:

Established under section 18 of the IFA, the Arbitration Board has the jurisdiction to arbitrate any difference as to the meaning, interpretation, application, or implementation of the IFA between the Inuvialuit and industry or the Government of Canada.

Ongoing Implementation Funding

Canada provides implementation funding annually to support the ongoing implementation of IFA obligations by federal and territorial government departments and agencies, and the ongoing work of other IFA implementing bodies.

Funding Provided by Canada for Implementation of the IFA

Implementing Body	2013-2014	2014-2015	2015-2016
IRC	\$ 295,000	\$140,000	\$40,000
Joint Secretariat	\$2,808,668	\$2,868,035	\$2,928,231
GNWT (EISC, EIRB, WMAC (NWT), IGC, JS	\$4,006,512	\$4,145,705.02	\$4,199,132.87
YG (WMAC-NS, EISC, EIRB) Includes supplementary funding received	\$1,122,194	\$1,308,102	\$1,658,253
Inuvialuit Arbitration Board	Funding not requested	Funding not requested	Funding not requested
TOTAL	\$8,232,374	\$8,461,842.02	\$8,825,616.87

CHAPTER TWO: IFA IMPLEMENTATION COORDINATING COMMITTEE

Inuvialuit Regional Corporation (IRC)

IRC remains committed to fulfilling its ongoing responsibilities to implement the IFA. During the period April, 2013 to December, 2015, IRC was represented on the ICC by Ms. Nellie Cournoyea (IRC Chairperson and CEO). As of January, 2016, Mr. Duane Smith (IRC Chairperson and CEO) has been IRC's representative on the ICC.

- IRC can be found online at www.inuvialuit.com

Inuvialuit Game Council (IGC)

The IGC represents the collective Inuvialuit interest in wildlife. The IGC appoints Inuvialuit members for all joint government/Inuvialuit bodies having an interest in wildlife, has authority for matters related to harvesting rights, and an advisory role in wildlife management and conservation matters. During the period April, 2013 to September, 2015, the IGC was represented by Mr. Frank Pokiak (IGC Chairperson). As of October, 2015, the IGC representative on the ICC has been Mr. Patrick Gruben (IGC Chairperson).

- Information on the IGC can be found online at <http://jointsecretariat.ca/co-management-system/inuvialuit-game-council/>

Government of the Northwest Territories (GNWT)

The Department of Aboriginal Affairs and Intergovernmental Relations is responsible for coordinating the GNWT's implementation activities under the IFA, managing the allocation of implementation funds received from the Government of Canada, and representing the GNWT on the ICC. During the period April, 2013 to December, 2014, the GNWT was represented on the ICC by Mr. Scott Alexander (Director of Implementation). As of January, 2014, the GNWT has been represented by Ms. Susan Bowie (Director of Implementation).

- The GNWT can be found online at www.gov.nt.ca



Government of Yukon (YG)

The Yukon Secretariat in the Policy, Planning, and Aboriginal Relations Branch of Department of Environment is responsible for coordinating the YG's implementation activities under the IFA, managing the allocation of implementation funds received from the Government of Canada, and representing YG on the ICC. During the period April, 2013 to August, 2015, the YG was represented on the ICC by Dan Paleczny (Director, Policy, Planning and Aboriginal Relations). As of August, 2015, the YG has been represented by Ms. Jennifer Meurer (Acting Director, Policy, Planning and Aboriginal Relations), and alternate member Ms. Cassandra Kelly (Manager, Corporate Planning and IFA Secretariat).

- The Yukon Government can be found online at www.gov.yk.ca

Government of Canada (Canada)

The Government of Canada is represented on the ICC by the Department of Indigenous and Northern Affairs Canada's (INAC) Implementation Branch. The Implementation Branch serves as a liaison on IFA implementation issues for co-management boards, the Inuvialuit, territorial governments, and other federal departments. Ms. Kimberly Thompson (Director, Implementation Branch, INAC) represented the Government of Canada on the IFA ICC in fiscal years 2013-2014 to 2015-2016.

- More information on the Government of Canada and its departments, programs, and services can be found online at <http://canada.ca>
- More information on INAC can be found online at <http://www.aadnc-aandc.gc.ca>

CHAPTER THREE: 2013-2014 TO 2015-2016 REPORTING

Annual implementation objectives for the IFA ICC can be suggested by any party, and are approved by the committee. This chapter details the issues and initiatives considered and discussed by the IFA ICC during the reporting period, the extent to which they were advanced or resolved, where applicable, and the future actions to be taken on matters that are ongoing or remain outstanding.

Economic Measures

In 2002, an economic measures review was undertaken, pursuant to section 16(3) of the IFA. A key finding of the review was that unless new approaches to economic participation were identified, the goals of section 16 would never be achieved. In response to this finding, the IFA ICC agreed to undertake a project-specific economic planning and implementation process for all Inuvialuit communities. The purpose was to identify new business opportunities that would create new, sustainable employment. A full-time Economic Measures Coordinator staff position was established within IRC's offices to coordinate the work of a tripartite Economic Measures Working Group, comprised of representatives from INAC, IRC and GNWT.

Following a comprehensive review of all economic planning initiatives in the region over the past ten years and consultations with community and business organizations in all Inuvialuit communities, an economic opportunities list was developed for Inuvialuit communities. A detailed assessment of this list was then undertaken by the Working Group. The results of the assessment indicated that all suggested opportunities had fundamental shortcomings that would prevent them from being advanced as viable sustainable opportunities without significant government financial support. These findings in turn confirmed that in the absence of oil and gas or mining activities or major government programs in the immediate area, new economic opportunities in all (particularly smaller outlying) communities were extremely limited; the majority of economic opportunities had already been advanced by community entrepreneurs - stores, hotels, equipment contractors, taxis etc.

Recognizing the "economic reality," of Inuvialuit communities, the parties agreed to undertake a comprehensive review of the economy of a sample Inuvialuit community, with the intention of identifying the economic means of all families in the community, which in turn would outline the economic health of the community under current socio-economic circumstances. The community of Paulatuk was chosen as the site for this survey.

Activities: 2013-2014

IRC distributed the final version of its report entitled the *Economics of Inuvialuit Households*, based upon household surveys completed in the community of Paulatuk. The IFA ICC discussed the contents of the report and IRC proposed that a similar study be completed in one or more additional Inuvialuit communities. Canada supported the funding of additional studies.

The IFA ICC also discussed the success of IRC's craft shop in Inuvik. Canada inquired about the operations and annual revenue of IRC's craft shop in Inuvik. IRC committed to provide the IFA ICC with data to assist the parties in understanding the operations and financial success of the craft shop, which returns all proceeds from the sale of products back to artists.

IRC also proposed additional support for Inuvialuit culture and history initiatives, such as material for arts and fuel for harvesters.



Activities: 2014-2015

Based on the success of the Economics of Inuvialuit Households study completed in Paulatuk, Canada provided funding to IRC to support the completion of economic studies in all remaining Inuvialuit communities of Inuvik, Aklavik, Tuktoyaktuk, Sachs Harbour and Ulukhaktok over a two-year period.

Household surveys were completed in November 2014, and the data collected was analyzed along with additional statistical data in January 2015. Reports were drafted and tabled with the IFA ICC.

IRC emphasized that the broader issue that needs to be considered when addressing the economic health of communities is sustainability, a goal that IRC is helping communities move towards.

Activities: 2015-2016

The IFA ICC discussed the findings of the draft *Economics of Inuvialuit Households* studies completed by IRC, and some of the challenges faced in undertaking the work. One area of particular concern was the difficulty in quantifying the value of harvested food, which was an important factor in the analysis. The report did quantify the value of harvested food by applying a formula based on reported consumption of harvested food in comparison with store bought food and harvesting expenses were reported by the harvester.

Some of the key findings of the studies were:

- In small communities located near large scale projects, households require additional support to deal with rising prices and social impacts.
- There is a significant youth population in Inuvialuit communities – nearly two thirds of the population.
- Close to one third of the population in Inuvialuit communities is underemployed or unemployed.
- Subsistence hunting and the traditional economy are still very important in all communities, including larger communities such as Inuvik.
- A significant percentage of government positions are filled by non-Inuvialuit incumbents.
- The size of the private sector in more remote communities is very small.

Next Steps:

IRC is working with the GNWT Bureau of Statistics to assess the impact of resource development on Inuvialuit communities, and plans to use the data gathered in the household surveys for other purposes. Recognizing the importance of the traditional economy, IRC would like to bolster the economy in Inuvialuit communities and focus on particular challenges faced by low income harvesters, such as the cost of equipment, fuel and supplies. This effort would likely require government support or policy/program changes.



Inuvialuit Final Agreement Amendments

Following amendments to the IFA in 2005, the parties discovered that section 18 of the consolidated version of the agreement contained a number of inaccurate references to subsections, the result of adding subsections to the IFA and not amending subsection references elsewhere in the agreement to reflect these additions and associated renumbering. In addition, other provisions of the amended IFA contained inconsistent formatting and other clerical errors. During 2008-2009, all parties provided input on the provisions within the 2005 consolidated version of the IFA. A list of these perceived inaccuracies was compiled by INAC.

Activities: 2013-2014

Canada funded IRC to commission a comprehensive review and report on the inconsistencies within the consolidated, amended version of the IFA. The report was provided to the IFA ICC. The GNWT and YG completed a legal review of the report and shared the results of their reviews with the IFA ICC.

Activities: 2014-2015 to 2015-2016

Canada completed its own legal review of the report and shared the results with the IFA ICC. A working group of ICC members has undertaken a review of all comments submitted by the parties and has advanced work on a corrected, consolidated version of the IFA.

Next Steps:

- The IFA ICC working group will address the remaining issues related to the amended, consolidated IFA and confirm a final version for future publication by Canada.

Inuit Relations Secretariat

The Inuit Relations Secretariat (IRS) was established by Canada in 2005 with a mandate to strengthen federal relationships with Inuit organizations, raise awareness of Inuit issues within the Government of Canada, and to advocate for the inclusion of Inuit issues in federal policy development and program implementation. Generally, Inuvialuit interests are advanced either directly or through Inuit Tapiriit Kanatami, however, IRC requested intervention and support from the IRS to address two specific federal policy issues: the inequitable level of core funding provided to Inuit representative organizations versus that provided to representative First Nations organizations, and the creation of an Inuit photo ID program.

Activities: 2013-2014

Canada has been working with Health Canada on the website for Non-Insured Health Benefits (NIHB) in order to update information and make the website interface more user-friendly.

Canada agreed to investigate concerns raised by IRC respecting Inuvialuit access to the Larga House medical boarding facility in Edmonton. IRC has expressed concern that Inuvialuit elders are being turned away from Larga House and housed in hotels. IRC informed the IFA ICC that one of the primary reasons for constructing Larga House was to address the lodging needs of aboriginal patients, particularly elders, from small communities who may not feel comfortable in hotels in large cities, without access to traditional foods and additional supports that a medical boarding facility can provide.



Activities: 2014-2015

The IFA ICC discussed the ongoing issues faced by Inuvialuit beneficiaries in accessing NIHB services, particularly in the south. The lack of a recognizable identification card for Inuvialuit that is equivalent to a Treaty status card and that is accepted by southern health care providers is at the center of Inuvialuit NIHB access issues.

Canada has undertaken a number of initiatives to improve Inuit access to NIHB services:

- In partnership with ITK, Canada developed a handbook for health benefit access. The handbook was sent to IRC for distribution, it is also available on the Health Canada Web site (<http://www.hc-sc.gc.ca/fniah-spnia/pubs/nihb-ssna/yhb-vss-inuit/index-eng.php>).
- In Alberta, Health Canada's regional office and the provincial government have established a 1-800 number to facilitate Inuit access to NIHB in the province.
- Working with INAC, Health Canada confirmed that it has updated its NIHB website, and is open to suggestions for further improvement.
- Canada has worked with ITK to disseminate information that the First Nations Health Authority can provide services to Inuit as well as First Nations individuals.
- Canada is working with ITK to develop web based materials for NIHB for Inuit outside of their land claim area.

Health Canada advised that an NIHB review is currently underway.

The IFA ICC discussed the feasibility of a system that would allow health care providers to enter the beneficiary eligibility on health card numbers (N – Number), which would allow health care providers to see the beneficiary's status. Methods other than an ID card system similar to First Nations groups for Inuit outside of the settlement region receiving non-insured health benefits, were discussed. Health Canada confirmed that while they have looked at linking the territorial/provincial health card number to a NIHB number, this has only been done to-date in the NWT.

Canada initiated its internal research on Larga House in an attempt to locate information that would cast some light on IRC's assertion that the intended purpose of the facility at the time of construction was to serve as a medical boarding home that would provide priority service to aboriginal patients. IRC advised that Inuvialuit elders continue to be placed in hotels when travelling south for medical services.

Activities: 2015-2016

Canada reported that it continues to work on the tuberculosis (TB) project (Nunangat) to trace the history and identify the prevalence of TB presence across the north. This work will include the development of a searchable database on Inuit that have passed away, or never returned home after a TB diagnosis. Health Canada and all four land claim organizations in the NWT are participating in this work.

The ICC discussed the Inuit Economy. A trademark program ("igloo tag") is currently under development which would identify authentic Inuit art. The Inuit Art Foundation has agreed to take the lead in working with Canada on this initiative.

Canada advised that it will be undertaking a study on the Inuit Arts Economy. One was completed in Nunavut, but not for other Inuit regions. Canada plans to update the report and include all of Inuit Nunangat. They are looking for an Inuvialuit representative to participate in this work.

Canada has also undertaken a housing study in Nunatsiavut. Working in collaboration with CMHC, Canada is investigating innovative approaches to the financing of housing in that region. This is part of the Inuit Urban Issues work being completed by Canada in conjunction with national Inuit organizations.

In 2015-2016, Canada completed an exhaustive review of its records respecting the construction and operation of Larga House and advised the ICC that it has not been able to identify commitments made around priority access for aboriginal people. The GNWT agreed to review its records to see if this commitment may have been communicated to the GNWT at or sometime after health care was devolved to the territory. The GNWT was unable to locate any information respecting the communication of this requirement from Canada to the GNWT. The GNWT tabled a discussion paper on medical travel and the use of medical boarding facilities, along with its medical travel policy. The GNWT advised that while it has no directive in place to guarantee priority access to Larga House for aboriginal people, the system does attempt to place elders and those requesting access to Larga House in the boarding facility before considering hotel accommodations.

Next Steps:

- Canada and ITK will continue to work together to identify and address underlying issues related to Inuit access to NIHB, and will continue to advance work on an Inuit-specific approach to identification that will facilitate access to NIHB outside of the NWT.
- Health Canada has advised that issues such as Larga House should be referred to its Northern Region Directorate in Ottawa for further discussion and action. The contact at this time is Marie Doyle, Executive, Health Canada Northern Region.

Regulatory Reform

The 2008 Neil McCrank report entitled *Road to Improvement* contained recommendations for changes to northern regulatory regimes. Concern had been expressed by industry and other stakeholders about the way regimes in the NWT operated; the multitude of jurisdictions in the territory; and the length of time needed for regulatory approval. No concerns were expressed in relation to the regulatory processes in the ISR. As a result, the McCrank report concentrated on the Mackenzie Valley and not the ISR. No recommendations in the McCrank report were made for the ISR specifically.

In response to the report, Canada has worked to achieve consistency in land use and water regulations among northern land claims and has initially included the ISR in its action plan. IRC recognizes that current regulatory processes are working well in the ISR and any changes would likely result in difficulties related to amending the IFA. IRC wants the ISR to be dealt with on its own merits and not as a result of shortcomings of regimes in the other land claim regions.

Activities: 2013-2014

Canada confirmed that the *NWT Surface Rights Board Act* received Royal Assent in the summer of 2013. In addition, amendments to the *Mackenzie Valley Resource Management Act* (MVRMA) were processed.

IRC supports having the Inuvialuit Water Board based in the ISR, with staff and resources provided locally. IRC suggested that the Joint Secretariat, which provides support for boards established under the IFA, may be able to provide similar services to the Inuvialuit Water Board.



The current members of the NWT Water Board will continue in their roles as Inuvialuit Water Board members until their existing terms expire. As section 10(4) of the *Northwest Territories Waters Act* provides for increased Inuvialuit representation on the Board, the parties will need to address how the nomination process will take this into consideration as the first vacancies arise.

The IFA ICC discussed the proposed process of selecting a chairperson through a vote of board members. Concerned that this approach could lead to conflicts among board members, IRC would like to consider an approach in which the Minister would appoint the chairperson with the consent of IRC. IRC noted that some IFA implementing bodies utilize this approach.

The IFA ICC discussed the ongoing challenges in the IFA board appointment process, including its complexity and lengthy timelines. IRC has suggested that a more efficient approach would be to simply extend the term of members whose terms are expiring to allow them to complete any proceedings in which they are involved.

Activities: 2014-2015

Canada provided updates on pending amendments to legislation and regulations, including *Mackenzie Valley Resource Management Act* (MVRMA), *Northwest Territories Waters Act* and *Territorial Lands Act* (TLA). The amendments primarily focus on increases in fines, enforcement provisions and a mechanism for administrative monetary penalties. Draft regulations are expected to be available for review by February 2015.

Canada advised that with the devolution of responsibility for Crown lands and resources to the GNWT, responsibility for the Surface Rights Board had now shifted to the GNWT. Prior to the transfer, Canada was charged with setting up the Board and an advertisement was placed for Board member nominees; however the board membership has not yet been established. This responsibility has now been transferred to the GNWT.

Activities: 2015-2016

The GNWT is moving forward with the establishment of a Surface Rights Board. The Department of Lands initiated a public solicitation for qualified individuals interested in participating on the board. Activities in 2014-2015 included setting up the board, and board development of regulations and procedures. The board's jurisdiction under the *Northwest Territories Surface Rights Board Act* takes effect on April 1, 2016.

IRC noted that the *Surface Rights Board Act* will not have a particularly great impact in the ISR because the arbitration and access provisions of the IFA are paramount.

Next Steps:

- Canada will continue to keep the IFA ICC apprised of developments as Regulatory Reform moves forward, and relay any related issues raised by the ICC to INAC colleagues working on Regulatory Reform initiatives.



Environmental Clean-Ups

The Contaminants and Remediation Division of INAC continues to work on the clean-up of several sites within the ISR, and continues to engage with the Inuvialuit as the clean-up of these sites progresses.

Activities: 2013-2014

Canada provided the parties with an update from inspection reports for the Johnson Point, Horton River and Bar C sites. Discussions between Canada, Imperial Oil and IRC concerning the remediation of the Bar-C site are ongoing and IRC noted that current plans for the site's clean-up are progressing well.

Canada has entered into an agreement with Imperial Oil to do Canada's portion of the clean-up at Bar-C. The IFA ICC discussed the change in the original scope of the work for the clean-up of Bar-C, and the additional work that will be required to remediate the site. As more waste is exposed during the clean-up process, both Imperial Oil and INAC's costs will rise. Canada confirmed that there is no expectation that the Inuvialuit have any responsibility associated with the clean-up at Bar-C.

Due to the ongoing importance of the clean-up at Bar-C, the parties agreed to keep this as a standing update item on the agenda.

Activities: 2014-2015 to 2015-2016

Canada continued to keep the IFA ICC updated on the progress of clean-up activities through the circulation of status reports and updates at IFA ICC meetings.

The IFA ICC discussed the participation of the local Hunters and Trappers Committees (HTCs) in site inspections. The IGC advised the ICC that the HTCs had not received invitations to participate in inspections, however the Inuvialuit Land Administration (ILA) had. As clean-ups are a concern of the communities, Canada agreed to discuss the matter with inspectors in the region.

Next Steps:

- Canada will continue to provide written updates on remediation activities in the ISR.



Annex “R” Reservations

Pursuant to Section 7(1) of the IFA, titles to lands acquired by the Inuvialuit are subject to certain existing surface rights as listed in Annex R of the IFA. The Government of Canada holds 20 of the 21 sites listed in Annex R. To date, Canada has released its reservation interest on nine sites.

Activities: 2013-2014

Canada provided a status report to the IFA ICC on Annex R reservations. All sites no longer required have been processed for release back to the Inuvialuit, and remaining sites continue to be actively used by Government.

The IFA ICC discussed the Cape Perry waste disposal site and the question of whether a segment of the site should be returned to the Inuvialuit or retained as Canada’s responsibility.

Activities: 2014-2015 to 2015-2016

Canada has not vacated any Annex R sites since 2013 and while it continued to distribute information on the status of Annex R reservations, there was no new information for the parties to discuss this subject.

Canada will continue to circulate information on the status of Annex R reservations to keep the IFA ICC up-to-date on this standing agenda item.

Appointments

The timeliness of Board appointments, specifically the length of time required to process federal Ministerial appointments is a concern for all parties. Timely appointments help to avoid quorum issues within the various Boards created pursuant to the IFA.

Activities: 2013-2014

Environmental Impact Review Board (EIRB) – The GNWT requested the re-appointment of Cathy Cockney to the Board. No appointments have been made to the chairperson position, whose term expired in June 2013; however, names of nominees have been sent to Canada. The Minister has been informed of the urgency of this appointment.

Inuvialuit Arbitration Board (IAB) – The GNWT requested the re-appointment of Jack Williams.

Environmental Impact Screening Committee (EISC) – With the pending expiry of the chairperson’s appointment on October 18, 2013, the names of nominees were sent to Canada for processing.

Wildlife Management Advisory Council (WMAC (NWT)) – Larry Carpenter was re-appointed as the Chairperson for a three-year term.

Activities: 2014-2015 to 2015-2016

The IFA ICC discussed the delays and difficulty in the appointment process on the federal side. Canada explained that all appointments from Canada, GNWT or the Yukon must be made or consented to by the Minister and the Minister has discretion to reject nominations. As a result, Canada asked for three suggested names for every available appointment to help speed up the overall process. Concern was expressed that if the Minister’s office did not move on the appointments in some cases, quorum could be lost (i.e. the EIRB unable to perform a Review).

EIRB - The name of the Yukon Government's nominee was sent to Canada. Canada indicated that appointments relating to the EIRB are a high priority for the federal government. Mr. Bruce Chambers was reappointed as the YG designate on December 21, 2014.

Inuvialuit members re-appointed to the EIRB include Roland Kikoak and Herbert Felix, whose terms run until 2017.

IAB - The term for the GNWT's appointee to the Inuvialuit Arbitration Board (Jack Williams) expired in January 2013. The GNWT confirmed that Mr. Williams' nomination went forward in December 2012. His reappointment is still awaiting federal approval. Mr. Serge Lamarche was reappointed as the YG designate on September 30, 2015.

EISC – At the November 5, 2015 meeting, the IGC pointed out that the EISC no longer has quorum. The YG advised that in January 2015 it submitted two nominations to Canada for appointment to the EISC, as requested by Canada. Canada had yet to advise on the status of the appointment.

Inuvialuit Arbitration Board (IAB) – IRC requested the re-appointment of Stindar Lal.

Canada advised that if expiries affect the quorum of a committee it will attempt to have outstanding appointments expedited within the system. Canada also advised the IFA ICC that new security screening measures are being put in place by Treasury Board, which may add to delays in the appointment process.

The IGC noted that the terms of three co-management chairperson appointments will expire in the coming year and that the IFA ICC will need to pay close attention to these appointments to ensure that they are acted upon in a timely manner.

Federal Government Procurement

Canada continues to examine its contracting processes to identify any potential improvements that may be made in allowing beneficiary firms to access federal contracts. In addition, information sessions were provided to contracting officers and project managers who supervise contracts where goods, services or construction are delivered into a land claim agreement area. These sessions addressed the contracting obligations of various land claim agreements, including the IFA.

In accordance with Contracting Policy Notice 2008-4, which came into effect in April 2009, federal departments are required to report contractual data where a contract has been awarded in a land claim area. More information is available on INAC's website: <http://www.aadnc-aandc.gc.ca/eng/1100100032266>.

Activities: 2013-2014

For the purpose of federal procurement reporting, a Record of Decision was signed by the IFA ICC, confirming the status of various organizations as Inuvialuit entities.

The IFA ICC discussed notice provided by Canada with respect to federal contracting opportunities. IRC would like to ensure that it receives advance notice of federal contracts so that it can express interest before opportunities are publicly tendered. The IFA ICC discussed the objective of federal procurement data collection, which is to ensure that a "reasonable share" of opportunities go to Inuvialuit businesses and beneficiaries pursuant to 16(8)(c) of the IFA.



IRC acknowledged the DEW line site clean-up arrangement that it has with the Department of National Defence as a relative success, and hoped that a similar process will be implemented in the future. The arrangement lasted for seven years and helped to increase business opportunities and employment for Inuvialuit beneficiaries.

IRC raised concerns about the construction of the RCMP facility in Inuvik and negotiations with a non-beneficiary company. The RCMP undertakes its own contracting, however Canada continues to promote awareness within federal departments, including the RCMP, with respect to treaty rights and obligations when doing business in land claim regions.

Activities: 2014-2015

Canada provided summary data on federal contracts awarded in the ISR and Inuvik during the period 2009-2013. The data was broken down to indicate the proportion of contracts awarded to beneficiaries vs. non-beneficiaries, as well as the contract dollar values. Canada pointed out that while the proportion of contracts awarded to beneficiaries averaged 57% (839 contracts) during this period, the contracts accounted for 95% of the total dollar value of federal contracts (\$40.5 million) awarded in the ISR during that time frame.

Canada also researched data on contracting opportunities that did not go through the public solicitation process. These are contracts under \$25,000 in value, for which Canada normally invites bids from at least three contractors. The Inuvialuit are always included in this process, along with other qualified contractors who are requested to provide quotes for the work. The best quote is typically accepted by the contracting authority.

The data on these procurements is not as positive as the public tender data. For contracts under \$25,000, the percentage dollar value of contracts awarded to the Inuvialuit averaged 59.2% between the years 2009 and 2014. With respect to the total value of these contracts, which was \$2,700,578.70, a total of \$1,597,532.92 were awarded to Inuvialuit beneficiaries.

Canada and IRC agreed that the lower percentage of non-tendered contracts is an important consideration, as awards to Inuvialuit small businesses are a vital part of economic development in the region.

Activities: 2015-2016

The IFA ICC discussed data distributed by Canada, demonstrating that overall, the news is positive in the ISR when it comes to the award of federal contracts to the Inuvialuit. Both the number and dollar value of contracts highlight that the Inuvialuit are successful in securing a very large portion of the federal contracting opportunities available in the ISR through the public solicitation process.

The IFA ICC discussed IRC's ongoing concern that federal departments may not be aware of the economic measures provisions of the IFA. IRC pointed to contracting undertaken by Natural Resources Canada and the procurement process for the High Arctic Research Station as specific areas of concern. Canada assured the ICC that INAC works hard to ensure that the economic measures provisions of land claim agreements are understood and respected by all federal departments but that from time to time there can be confusion at the departmental level with respect to these obligations.



The IFA ICC discussed contracting in the community of Inuvik, which is an Inuvialuit community under the IFA and a Gwich'in community under the Gwich'in Comprehensive Land Claim Agreement. While Inuvik is located in the Gwich'in Settlement Area, the IFA extends rights for Inuvialuit in the community of Inuvik and other areas of the Western Arctic Region. The specific economic measures provisions under both treaties need to be understood and adhered to by all federal government departments.

IRC is interested in understanding how the provisions of the IFA work in conjunction with international trade agreements.

Next Steps:

- Canada and IRC will continue to work on a shared understanding of what constitutes the “Reasonable Share” of federal contracts prescribed by the IFA. Both Canada and IRC will review available data on both tendered and invitational contracts.
- Canada will continue to provide data on contracting opportunities publicly tendered and solicited by invitation to qualified contractors in the ISR. The IFA ICC will continue to discuss economic measures provisions of the IFA as a standing agenda item at future ICC meetings.

Northwest Territories Devolution

In January 2011, Canada and the GNWT signed an Agreement-in-Principle (AIP) that served as the basis for the conclusion of *Northwest Territories Lands and Resources Devolution Agreement* in 2013. The transfer of responsibilities and authorities associated with the management of Crown lands and resources in the NWT to the GNWT occurred on April 1, 2014.

Activities: 2013-2014 to 2014-2015

The IFA ICC discussed the evolution of devolution negotiations. In addition to the completion of the Agreement-in-Principle, numerous related agreements were also developed: a Territorial Lands Administration Agreement, a tripartite agreement between Canada, the GNWT and the Inuvialuit for the coordination and cooperation of On-shore and Off-shore oil and gas activities, and a bilateral agreement with the GNWT on resource management. Legal and technical reviews of the draft final agreement were undertaken, and an implementation plan to guide devolution activities was also developed.

On June 25, 2013, the *Northwest Territories Lands and Resources Devolution Agreement* was signed, with an agreed-upon date for the transfer of responsibilities from Canada to the GNWT of April 1, 2014. IRC and several other aboriginal governments signed on to the agreement and will work in collaboration with the GNWT on shared interests respecting land and resource management through an Intergovernmental Council.

The IFA ICC discussed the impact of devolution on the obligations and responsibilities of Canada, IRC and the IGC under the agreement. All parties agreed that devolution will not have an impact on Canada's obligations under the IFA, although the GNWT will, in some areas, be involved in fulfilling those responsibilities on behalf of Canada.



GNWT circulated an extensive document on devolution implementation activities that were currently being addressed. The IFA ICC discussed ongoing reporting on devolution activities and determined that it would be addressed as an agenda item on an “as and when required” basis, should any of the parties have any specific issues or questions related to devolution.

Annual Reports

While there is no requirement under the IFA for the preparation of annual reports on the implementation of the IFA, the parties have agreed, through the terms of reference for the IFA ICC to prepare a periodic report on the activities of the implementation committee and the other activities related to the implementation of the IFA. While Canada is responsible for publishing these reports, the GNWT has agreed to support the implementation of the terms of reference by undertaking the drafting, translation and publication of reports on behalf of Canada.

For the fiscal year 2016-2017, the IFA ICC will report on its activities through an annual report and will endeavour to complete the report before the end of the first quarter of the following fiscal year.

Other Issues

1. Cabinet Directive on Federal Approach to Modern Treaty Implementation

The IFA ICC applauded Canada’s accomplishment in establishing a Deputy Minister’s Oversight Committee pursuant to the Cabinet Directive on the federal approach to modern treaty implementation. The IFA ICC looks forward to discussion of, and input into, the implementation of positive initiatives that support the implementation of treaties with Canada’s aboriginal peoples.

2. Amendments to Funding Agreements

The parties discussed the shortcomings of the current system of amendments to the Aboriginal Resource Funding Agreements. The paperwork required for each amendment is time-consuming and results in an overwhelming number of amendments throughout the year. Canada committed to research how the process could be simplified.

3. Board Funding Analysis and Review

Canada has long recognized the challenges and inefficiencies in its current approach to board funding in the NWT, and as a result, embarked on an initiative to affect a positive change in board funding approaches, processes, and where appropriate, funding levels. While Canada had expected that undertaking this initiative could impact the timeframe for the renegotiation of board funding levels, the delay experienced over the reporting period has been much more substantial than Canada had anticipated for a number of reasons beyond the control of INAC’s Implementation Branch, such as the lengthy caretaker convention period surrounding the federal election.

While understanding of Canada’s challenges in moving the initiative forward, the other parties to the IFA ICC have expressed frustration with the approach and timeframe in moving forward with the initiative. Canada has acknowledged that frustration and upon the conclusion of the caretaker convention period, has placed this work high on its priority list, dedicating additional resources to the project and revising its business case to give the initiative the greatest possibility of success. Canada has advised that it will be able to move forward with a mandate and negotiation of board funding levels in fall, 2016.



4. Funding Agreement 5-year Renewal – Treaty Partners

The last agreement on funding levels for IFA implementation was negotiated in 2004-2005. The funding provided by Canada is no longer adequate to cover the costs of GNWT and YG's implementation activities, and treaty partners have been requesting the negotiation of new funding levels for several years. Yukon has been receiving supplemental funding for the last three years to offset deficits in their IFA implementation budget, as a result of rising costs. Canada informed the parties that they are moving forward with the negotiation of five-year core funding levels for GNWT, YG, and IRC implementation activities.

5. Canadian Oil and Gas Operations Act – Northern Benefits Plan

The *Canadian Oil and Gas Operations Act* (COGOA) sets out regulations for the oil and gas industry in Canada. This includes specific regulations around aboriginal lands and Northern exploration and extraction. Benefit agreements with industry and aboriginal groups have a significant impact on economic development and growth in the north.

Canada confirmed that the offshore guidelines for oil and gas exploration are complete and was published online on September 2, 2013. IRC is pleased with the outcome of the guideline, but expressed concerns about whether the agreement will be respected over time given future changes in government. They also noted that ongoing monitoring of the agreement will be a challenge.





