



Alternatives North

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Alternatives North
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Honourable Bob McLeod, Premier
Members of the Legislative Assembly
Government of the Northwest Territories

Democratic Devolution? – What We Heard

Alternatives North is pleased to convey two documents on devolution, and a copy of the results of the EKOS Research Associates public opinion poll sent to you last month.

Democratic Devolution is a question that we posed in the face of devolution negotiations being concluded by the territorial and federal governments. Promises of public consultation were equivocal, failed to meet timelines stated at the signing of the draft agreement, and were left to officials rather than carried out by elected leaders.

Devolution of authority for land and resources is a fundamental shift in the nature of governance of the Northwest Territories. We regret the decision of the Legislative Assembly not to hold a plebiscite, and to use the opportunity a plebiscite would have offered to rally support for devolution.

The **Democratic Devolution? What We Heard** report speaks for itself. We have highlighted some remarks that capture the flavour of many participants' views, but the report is short enough that we recommend it to you in its entirety.

Alternatives North has questions and suggestions of its own that are appended to this letter. We request your consideration of these items as well, and would welcome your views.

Accountability rests with elected representatives, not with officials. We look forward to a vigorous and informed debate in the Legislative Assembly and trust that Alternative North's contribution will encourage this.

Respectfully submitted,

ORIGINAL SIGNED BY

Gordon Hamre
For Alternatives North

ENCL:

Alternatives North's Recommendations and Questions on Devolution
Democratic Devolution? What We Heard
Public Attitudes Towards Devolution of Powers to the Government of the Northwest Territories

ALTERNATIVES NORTH'S RECOMMENDATIONS AND QUESTIONS ON DEVOLUTION

Guiding Principles for Devolution and Implementation

- Protect the land and water including ecological integrity of the NWT.
- Build a diversified economy with an emphasis on self-reliance and import substitution, including renewable energy.
- Improve public and Aboriginal government relationships, including a constitution for the NWT.
- Acknowledge the central role for GNWT in the elimination of poverty and ensuring that disadvantaged people are not left behind.
- Recognize the value of meaningful public participation in decision-making.
- Build public confidence through transparency, openness and accountability.
- Integrate transferred employees into the territorial public service while respecting their employee rights, skills and experience. The territorial public service should be valued and appropriately invested in.

Engagement and Consultation

- The engagement and consultation process for the Devolution Agreement should not serve as a model for other aspects of implementation and evaluation, or other major GNWT initiatives. The Berger Commission and the Bourque Commission (to name two NWT examples), were much better at truly engaging the public in key developments in NWT history. Alternatives North offers its own definition of consultation – a form of public engagement where the views of the party being consulted can influence the outcome – and challenges the GNWT to enunciate its own definition if it is different from this.
- There should be meaningful public consultation in the review of the Devolution Implementation Plan and remaining schedules and sections of the Devolution Agreement. This should include opportunities for the submission of written comments with responses and be carried out in a manner that befits a government that prides itself as being consensus-based.

Concerns with the Consensus Draft Northwest Territories Lands and Resources Devolution Agreement

- The federal cabinet can take back from the Commissioner the administration and control of any lands or rights in respect of waters when deemed by the federal government to be in the national interest, subject only to consultation on the boundaries and the location of the waters (s. 3.38 and 3.39)? Will the federal government also keep any royalties or taxes from resources on such lands or waters?
- Schedule 5, the NWT Intergovernmental Agreement on Lands and Resources Management does not recognize or incorporate the Environmental Audit provisions of the *Mackenzie Valley Resource Management Act*, the only legislated mechanism to examine the effectiveness of this integrated resource management system. Section 2.1 (f) of this Schedule sets out some objectives but there is no mention of protection of ecological integrity or public participation. Much of this Agreement is focused on promoting further resource development and for-profit businesses rather than the broader public interest.

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- The purpose of the five-year review of the Net Fiscal Benefit provisions is set out in s. 10.9 are to ensure that the arrangement, amongst other things, “continues to provide an additional incentive for the NWT to develop natural resources”. No mention is made of fiscal sustainability or scale and pace of development that is sustainable and ensures that NWT residents truly benefit from such development.

Implementation of the Devolution Agreement

- GNWT should commit to a public review of implementation of the Devolution Agreement beginning on the second anniversary of the effective date. This should include a public conference and regional workshops.
- GNWT should commit to a public review of the adequacy of the economic rent regime (taxes and royalties) for non-renewable resources beginning on the first anniversary of the effective date.
- GNWT should commit to a public review of the options for the use of the resource royalty windfall from the Devolution Agreement. This review should supplement and complement the regular annual financial and fiscal processes by GNWT. The review should include as options, expenditures on infrastructure, programs and services, and investment in the Heritage Fund. The future of the Heritage Fund and its management should also form part of the discussion.
- GNWT should commit to separate public reporting on expenditures related to implementation of the Devolution Agreement, especially the management of new land and water resources for which the federal government is providing \$67.3 million on an annual basis.
- GNWT should review and publicly report on the adequacy of financial security held for all industrial developments that it will assume responsibility for within one year of the effective date to ensure there are no new public liabilities. This review should include the adequacy of the existing legislative regime for financial security and should feed into the planned five-year review of waste sites.
- Consultation on further transfers to GNWT of authorities under the *Mackenzie Valley Resources Management Act* should start well before the five-year review, and include Aboriginal governments and non-Aboriginal residents.
- The *Territorial Parks Act* is the GNWT's principal tool for protection of the land and creation of outdoor tourism opportunities. It seems unwise for it to remain assigned to a Minister responsible for development of lands. It's a sad fact that no new territorial park has been created in more than two decades apart from a couple of land claim obligations. This must change. Assignment of this Act to the Minister of Environment and Natural Resources would be a good first step.