



17th Legislative Assembly of the Northwest Territories

Standing Committee on Economic Development and Infrastructure

Report on the Development of the Economic Opportunities and Mineral Development Strategies

Chair: Mr. Robert Hawkins

**MEMBERS OF THE STANDING COMMITTEE ON
ECONOMIC DEVELOPMENT
AND INFRASTRUCTURE**

Robert Hawkins
MLA Yellowknife Centre
Chair

Frederick Blake Jr.
MLA Mackenzie Delta
Deputy Chair

Robert Bouchard
MLA Hay River North

Bob Bromley
MLA Weledeh

Kevin Menicoche
MLA Nahendeh

Michael M. Nadli
MLA Deh Cho

COMMITTEE STAFF

Michael Ball
Committee Clerk

Alicia Tumchewics
Committee Researcher

**STANDING COMMITTEE ON
ECONOMIC DEVELOPMENT
AND INFRASTRUCTURE**

**REPORT ON THE DEVELOPMENT
OF THE ECONOMIC OPPORTUNITIES
AND MINERAL DEVELOPMENT STRATEGIES**

TABLE OF CONTENTS

Report on the Development of the Economic
Opportunities and Mineral Development Strategies 1

**STANDING COMMITTEE ON
ECONOMIC DEVELOPMENT
AND INFRASTRUCTURE**

**REPORT ON THE DEVELOPMENT
OF THE ECONOMIC OPPORTUNITIES
AND MINERAL DEVELOPMENT STRATEGIES**

The Standing Committee on Economic Development and Infrastructure sees the development of the Economic Opportunities and Mineral Development Strategies as major initiatives of the 17th Legislative Assembly. The policy direction of these Strategies and their implementation action plans will have significant bearing on the work of Government departments and the economic success of the Northwest Territories over the next ten to twenty years. The Committee has gone to considerable length to provide meaningful input on these Strategies from the beginning of the Assembly's involvement in their development process.

From the outset, the Committee has expressed considerable interest as well as concern with the development of both Strategies, particularly with the lack of public interest in the approach to the Mineral Development Strategy. In the spirit of upholding the principles of consensus government, and promoting the constructive, collaborative public processes in the post-devolution Northwest Territories, the Committee would like to highlight these concerns and make a number of recommendations.

The Department of Industry, Tourism and Investment appointed two separate panels made up of highly qualified individuals to undertake consultation on the development of these Strategies. In the case of the Economic Opportunities Strategy, the panelists were drawn from a range of backgrounds, public service experience and private business interests. Their work involved extensive public engagement and meetings that invited full public participation. Recommendations stemming from this consultation reflect the diversity of interests, resources, challenges and opportunities throughout all regions of the Northwest Territories.

The Mineral Development Stakeholder Engagement Panel was made up of individuals with extensive expertise in the mining industry and high level stakeholder engagement, but limited formal involvement in other sectors. In Members' views, the Panel lacked the public interest and policy expertise represented in the panel appointed for the development of the Economic Opportunities Strategy. While the Department solicited written feedback from the public, the Panel met privately with an extensive, yet select list of stakeholders.

The Minister argues that this consultation was broadly inclusive, but recommendations resulting from the Panel's work appear to reflect a strong industry bias.

The Committee was provided a very limited timeframe in which to comment on this stage of the Mineral Development Strategy. It made an effort to counterbalance this industry-centered approach by engaging the Pembina Institute to undertake an analysis of the Mineral Development Strategy and provide comments and recommendations to the Committee to enhance the public interest responsibility we have as a Government. The Pembina Institute's report, "Responsible Extraction: An Analysis of the Northwest Territories Mineral Development Strategy Panel Report" was tabled in the Legislative Assembly on October 31, 2013.

The Committee twice asked the Minister to respond to the Pembina Institute's recommendations. The Minister refused to comment each time, stating that the recommendations were essentially addressed by the Mineral Development Strategy Stakeholder Engagement Panel, which had since been disbanded. The Minister did not make any effort to facilitate an opportunity for the former panelists to respond, nor make any evident effort to incorporate perspectives presented in the Pembina Institute report into the Strategy's implementation plan that did not already align with those of the Stakeholder Engagement Panel.

The implementation plans for both Strategies are based on the recommendations of their respective public engagement panels. The Committee observes that each action in the Mineral Development Strategy Implementation Plan is set out in direct response to the Stakeholder Engagement Panel's recommendations, regardless of the fact that the Minister denied ownership of the recommendations when asked to respond to differing views presented by the Committee.

In contrast, the Implementation Plan for the Economic Opportunities Strategy has embedded most of the recommended actions in the activities of Industry, Tourism and Investment and other Government departments and agencies. The original public engagement panel is retained for on-going oversight and implementation support. The Committee expressed some concern with certain actions contemplated within the implementation plan, but believes that overall, the plan reflects diverse points of view, a range of priorities and strives to create an economic environment where all sectors are supported.

In spite of numerous commitments, the Minister failed to meet with the Committee to discuss the implementation of both Strategies. The implementation plans were sent to the Committee the day after the conclusion of the February/March 2014 Session of the Legislative Assembly, when it was no

longer practical to hold a fulsome discussion. The Committee provided written responses to both implementation plans as soon as reasonably possible. Members acknowledge the Department's timely response to the Committee's comments, but are disappointed that it refused to discuss or re-visit actions.

The Committee believes that the very short time frame for the development of the Economic Opportunities and Mineral Development Strategies and their implementation plans placed unreasonable time constraints on Members, compromised quality work on the part of public servants, limited broad public involvement and reflects poorly on the work of Government. The Committee believes the public could be better served.

The Minister has committed to a review of the Mineral Development Strategy two years after implementation. The Committee looks forward to this review as an opportunity to evaluate the success of certain actions and potentially broaden the scope of risks and opportunities for Northwest Territories residents in the mineral development sector.

To enhance representative and transparent processes in the work of Government and this legislature, the Committee recommends that in the future, Departments undertake public consultation in a thorough, transparent, meaningful public engagement process, free of perceived biases, with ample opportunity for public response and a reasonable timeframe for dialogue between Government departments and all Members of this House. Expertise in public interest policy should be part of the exercise.

The Committee further recommends that when Departments adopt third-party recommendations as the basis for public expenditure and policy direction, their responsible Ministers should be prepared to respond to feedback referred to them by Committees.

The Committee is still fully prepared to meet with the Minister and the Department of Industry, Tourism and Investment for a cooperative, productive discussion on both the Economic Opportunities and Mineral Development Strategies. As we enter a new chapter in the governance of the Northwest Territories, Members are keenly aware that the Legislative Assembly is at a pivotal, precedent-setting time in its history. We can choose now to forge a strong, cooperative, collaborative approach on issues that threaten to divide us, or remain forever at odds over challenges that may have united us as northerners, and assisted us in serving the public to the best of our ability.

