



ANNUAL REPORT FOR 2001-2004
The Implementation of the Nunavut
Land Claims Agreement

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Table of Acronyms and Initialisms

AG	Auditor General
CAO	Chief Administrative Officer
CAHSP	Canadian Arts & Heritage Sustainability Program
CGS	Department of Community and Government Services (Nunavut)
CLEY	Department of Culture, Language, Elders and Youth (Nunavut)
CLSR	Canada Lands Surveys Records
CGS	Department of Community and Government Services (Nunavut)
CWS	Canadian Wildlife Service
DEIA	Executive and Intergovernmental Affairs (Nunavut)
DFO	Department of Fisheries and Oceans (Canada)
DHR	Department of Human Resources (Nunavut)
DIO	Designated Inuit Organization
DND	Department of National Defense (Canada)
DOE	Department of Environmental (Canada)
DOJ	Department of Justice (Canada)
EC	Environment Canada
EPB	Environment Protection Branch (Canada)
GIS	Geographical Information System
GC	Government of Canada
GN	Government of Nunavut
GNWT	Government of the Northwest Territories
HRSDC	Human Resources & Skills Development Canada
HTO	Hunters and Trappers Organization
IEP	Inuit Employment Plan
IHT	Inuit Heritage Trust
IIBA	Inuit Impact and Benefit Agreement
INAC	Indian and Northern Affairs Canada
IPG	Institutions of Public Government
ITK	Inuit Tapiriit Kanatami
JPMC	Joint Parks Management Committees
KIA	Kivalliq Inuit Association

LTO	Land Titles Office
MACA	Department of Municipal and Community Affairs
MLO	Municipal Lands Officer
MOU	Memorandum of Understanding
MTO	Municipal Training Organization
NAB	Nunavut Arbitration Board
NIP	Nunavut Implementation Panel
NIRB	Nunavut Impact Review Board
NITC	Nunavut Implementation Training Committee
NJPMC	Nunavut Joint Park Management Committee
NLWG	Nunavut Legislative Working Group
NNI	Nunavummi Nagminiqqtunik Ikajuuti Policy
NPC	Nunavut Planning Commission
NRCan	Natural Resources Canada
NSA	Nunavut Settlement Area
NSDC	Nunavut Social Development Council
NSOWG	Nunavut Senior Officials Working Group
NSRT	Nunavut Surface Rights Tribunal
NTI	Nunavut Tunngavik Incorporated
NWB	Nunavut Water Board
NWMB	Nunavut Wildlife Management Board
NWT	Northwest Territories
PCH	Department of Canadian Heritage (Canada)
PWGSC	Public Works and Government Services Canada
QIA	Qikiqtani Inuit Association
RIA	Regional Inuit Association
RWO	Regional Wildlife Organizations
RWED	Department of Resources, Wildlife and Economic Development
TBS	Treasury Board Secretariat
TFN	Tunngavik Federation of Nunavut





1. Features of the Nunavut Land Claims Agreement

The Nunavut Land Claims Agreement (NLCA), also referred to as the Nunavut Final Agreement:

- Was signed on May 25, 1993 in Iqaluit by representatives of the Tungavik Federation of Nunavut (TFN), the Government of Canada (GC) and the Government of the Northwest Territories (GNWT);
- Was ratified by Inuit and the federal government according to the ratification provisions of the Agreement and came into force on July 9, 1993; and
- Involves the largest number of beneficiaries and the largest geographic area of any land claim agreement in Canadian history.

Today, there are approximately 23,000 Inuit beneficiaries in the Nunavut Settlement Area (NSA) formerly central and eastern Northwest Territories (NWT). The area conforms closely to the territory of Nunavut that came into existence on April 1, 1999. This area includes approximately 1.9 million square kilometers (one-fifth of the total land mass of Canada), as well as adjacent offshore areas. Inuit constitute approximately 85 percent of the population in the NSA.

2. Foreword

On behalf of:

The President of Nunavut Tunngavik Incorporated

The Premier of the Government of Nunavut

The Minister of Indian and Northern Affairs

The Nunavut Implementation Panel (NIP) presents its Annual Report on the Implementation of the Nunavut Lands Claims Agreement (NLCA), pursuant to Article 37.3.3 (h). This report covers the period April 1, 2001 to March 31, 2004.

In the four years since the last annual report, the parties represented on the NIP have been engaged in a comprehensive and thorough review of the implementation of the NLCA. This process has primarily been conducted through negotiations to update and amend the Implementation Contract. These negotiations have been challenging and they are not yet concluded.

Each member organization of the NIP has made submissions to this report, outlining implementation challenges and progress. Reports from other principal bodies supporting implementation including the Nunavut Implementation Training Committee, the Nunavut Wildlife Management Board, the Arbitration Board, the Surface Rights Tribunal, the Nunavut Impact Review Board, the Nunavut Water Board and the Nunavut Planning Commission are also provided in this document.

While much remains to be done, the Nunavut Implementation Panel hopes that the following report will illustrate what is and is not working with the NLCA.





3. Nunavut Tunngavik Incorporated

3.1. General Issues related to implementation

3.1.1. First Five-Year Review

In March 2000, the first five-year review of the implementation of the Nunavut Land Claims Agreement (NLCA) was released. It concluded that, given the time available and resources invested, “better progress should have been achieved.” In response to the recommendations in the review, the Nunavut Implementation Panel (NIP) resolved to develop a joint action plan and a system for monitoring the progress of implementation. To date no action plan has been developed. Nunavut Tunngavik Inc. (NTI) volunteered to develop the monitoring system, and this is now close to completion.

The NIP established a Support Group as a three-year pilot project to provide administrative support to the Panel. The three years have expired, and the project awaits the Panel’s evaluation.

3.2. Core Implementation Issues

3.2.1. Nunavut Implementation Panel

Problems associated with negotiations to update the Implementation Contract led to an hiatus in the meetings of the NIP. The last formal meeting of the Panel occurred in March 2003. One disputed issue was the matter of the seniority of the federal member of the Panel. The Government of Canada agreed in September 2003 that the federal member would be

the Director General for Claims Implementation. However, the position remains vacant.

3.2.2. Working Group to Update the Implementation Contract

The NIP approved Terms of Reference establishing a Working Group mandated to update the Implementation Contract in 2001. Negotiations commenced on May 31, 2001, and over the following months the Working Group received funding proposals from the Institutions of Public Government (IPGs), the Nunavut Arbitration Board (NAB), the Regional Wildlife Organizations (RWOs), the Hunters and Trappers Organizations (HTOs), and the Nunavut Sivuniksavut Program. The Government of Nunavut’s funding proposal was tabled in February 2002. This was the last submission.

Negotiations broke down on January 30, 2003 over the issue of federal responsibility for funding the implementation of Article 23. In order to demonstrate that there was a federal responsibility for Article 23, NTI and GN met with the Minister of INAC on February 21, 2003, and presented *Annaumaniq*, a three-volume compendium of studies and documentation calling for a significant new initiative to address the matter of Inuit employment.

A new federal negotiator was appointed in September 2003. Negotiations between the Parties resumed and continued through to January 30, 2004.

In December 2003 and February 2004, NTI and GN submitted written proposals to try to bring the discussions to a conclusion. No response from INAC had been received by the end of the period covered by this report.

a. General Provisions

NTI and GN have tabled new versions of the NLCA's general provisions, seeking to address problems that arose during implementation efforts to date; the Government of Canada tabled a slightly modified version of the existing provisions. All three versions were tabled by December 2002; there has been no substantive discussion of any of the three versions since then.

b. IPGs

There was a large divergence of views between the parties in a number of key areas related to the IPGs. These included:

- Funding levels for the IPGs and the NAB, and the method used to calculate their baseline costs;
- Funding for NWMB and the RWO/HTOs;
- The role of the Nunavut Marine Council.

No agreement was achieved on the future of Nunavut Wildlife Harvest Study, despite support for its continuation from a wide range of federal agencies and other wildlife experts.

c. Escalator

There has been no substantive discussion about the appropriateness of the Final Domestic Demand Implicit Price Index (FDDIPI) or about alternative federal adjustment formulae tabled by GN.

d. Article 23

Article 23 of the NLCA commits the Crown (federal and territorial governments) to the objective of achieving a public sector workforce in Nunavut that is representative, at every level, of the population of Nunavut (approx. 85 percent Inuit). Today, Inuit in the public sector comprise only 42 percent of the GN's workforce and 33 percent of the Nunavut-based federal public service. Most Inuit are concentrated in the lower levels of the workforce; the average Inuit wage is 78 percent the average non-Inuit wage. At NTI, on the other hand, Inuit Employment levels are at 76 percent of the 87 positions filled, including a majority of senior management positions.

Studies undertaken in 2002 by Informetrica and PricewaterhouseCoopers confirm that the costs of this disparity, in economic terms alone, is significant. Conservatively estimated, Inuit of Nunavut are being deprived of \$123 million dollars in salaries that would flow to Inuit if the 85 percent representative level was being met.

While the Inuit suffer chronic unemployment and underemployment, large numbers of southern public servants are flown into Nunavut. Apart from the opportunity cost to Inuit, the federal and territorial governments together spend approximately \$65 million per year on recruitment and relocation costs to support a fly-in bureaucracy and welfare costs to support unemployed Inuit. These direct costs could be drastically reduced if Inuit education and training levels were raised to national norms.





The failure to implement Article 23 also involves secondary and tertiary costs, such as the impact on Inuit job creation in the non-government sector, the loss of additional personal income tax revenues arising from the non-government sector, impacts on health, crime, the quality of life, and the general health and sustainability of the Nunavut economy.

As noted above, NTI and GN presented the *Annuamaniq* report to the Minister of INAC in February 2003.

The Deputy Minister of INAC responded on May 28, 2003, committing the Department to a two-part process to implement Article 23. The first stage would be to agree on "...specific commitments (including a specified financial commitment) by Canada, with respect to labour force survey, employment plans, pre-employment training and support measures." The second stage would establish "...a process and plan for Canada, GN and NTI to cooperatively address the broader issues of education attainment, language of work and social issues which are impacting on the availability and ability of Inuit to qualify for public sector employment."

INAC subsequently removed their senior negotiator and replaced him six months later with a more senior official. Negotiations resumed in November 2003.

e. Nunavut General Monitoring

Article 12.7.6 requires that government and the Nunavut Planning Commission (NPC) together "...provide timely, accurate, and accessible environmental information, integrated with socioeconomic factors, to improve decision-making and support progress towards sustainability."

This obligation has not been addressed in a substantive way in the Working Group. Canada owns more than 80 percent of the surface and an even greater share of the sub-surface of the Nunavut Settlement Area (NSA); it is critical that the federal government take the lead in implementing this important provision. To date, however, INAC has not tabled a monitoring plan for the NSA that would meet the requirements of Article 12.7.6.

NTI feels that such a plan should include, among other elements;

- a) The establishment of a central clearing-house for environmental data and information located in and administered by the NPC. This data would be freely available to NTI and Regional Inuit Association (RIA) lands departments, NTI Social and Cultural Department, and any other DIO with a need for this information;
- b) An independent audit of the state of the environment, conducted every five years.

f. GN Funding

There is a wide difference of views on the real cost to GN of implementing its NLCA-based obligations, and on Canada's overall obligation to support the GN in its implementation activities.

INAC has not acknowledged a federal obligation, founded on the NLCA, to underwrite the cost of implementing obligations that fall within the GN's area of responsibility. INAC asserts that its responsibilities are defined in a 1992 Memorandum of Understanding (MOU) with the Government of the Northwest Territories. Inuit, however, were not a party to this MOU; neither was the Government of Nunavut, which did not exist at the time.

g. Article 32

The NLCA requires that government consult with Inuit on the development and design of all programs, policies and services that impact on the social or cultural life of Inuit in Nunavut. This obligation to consult in a meaningful way is unique among Canadian claims, and imposes a significant financial burden. GN has confirmed the extent of these costs through detailed monitoring of actual consultations.

Although these expenditures are unquestionably significant, incremental and directly attributable to the NLCA, INAC has refused to acknowledge this financial burden.

h. Article 37.2.2(d)

Negotiations have been further hampered by INAC's refusal to disclose funding levels and implementation activities as required by Article 37.2.2(d). All other Parties have complied with this obligation. INAC's refusal to comply has prevented the working group from evaluating the effectiveness and full costs of implementation. NTI is seeking this critical information through the Access to Information process.

i. Heritage Centre

All Parties agreed to the long-term objective of establishing an Inuit Heritage Centre in Nunavut, and accepted the principle that both public and private funds should be sought to construct and operate the Centre.

j. Territorial Parks IIBA

Article 8.4.4 of the NLCA and the Implementation Contract require that the parties agree on an IIBA for Territorial Parks. NTI and GN have negotiated and concluded an Agreement; to

date, however, the Government of Canada has not engaged in substantive discussions on the funding of the IIBA.

3.2.3. Article 24

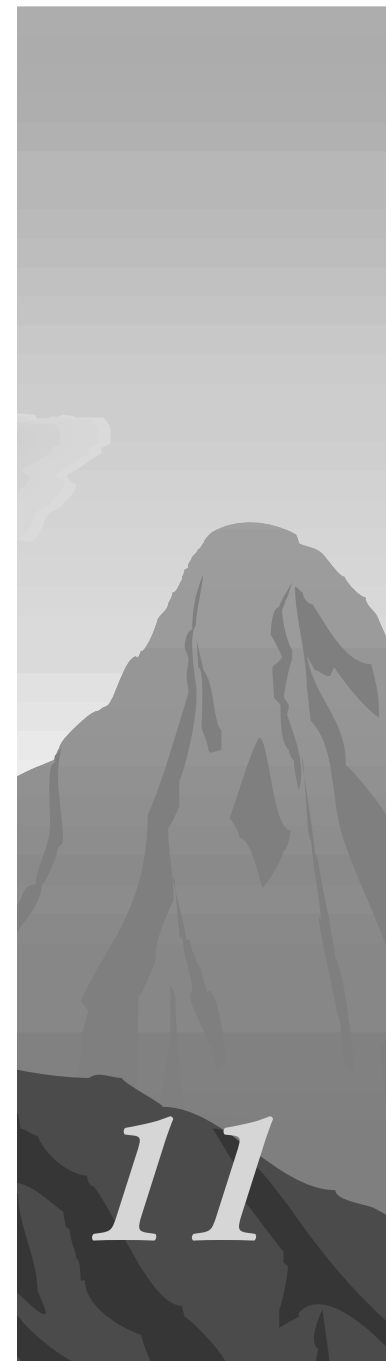
Article 24.3.1 requires that the Government of Canada develop procurement policies respecting Inuit firms for all federal contracts required in support of its activities in the NSA. Article 24.3.2 further requires the Government of Canada develop or maintain these policies in close consultation with the DIO (NTI); 24.3.3 specifies that 24.3.2 is binding on the Government of Canada and shall be given effect, in all cases, no later than one year following ratification of the NLCA.

In NTI's view, Article 24.3.1 and 24.3.2 have not yet been adequately addressed. In a letter of September 17, 2001 the Deputy Minister of INAC informed NTI that the federal government had implemented Article 24 by issuing Treasury Board "Contract Policy Notices" in 1995 and 1997. These "Notices" to all departments simply attach some excerpts from the NLCA, leaving responsibility for implementation to each Department. The notices were issued without undertaking the consultation required pursuant to 24.3.2.

NTI is not aware of any further steps taken to implement federal obligations under Article 24, or to establish the measures required in 24.8.1 to monitor and periodically evaluate the implementation of the Article.

3.2.4. Panel Support Group

The Panel Support Group (PSG) was established in 2000 for a three-year trial period in response to the recommendations of the independent Avery Cooper report on the first five years of NLCA





implementation. The Avery Cooper report had recommended that the three-party NIP be supported by an independent Chair and staff; the PSG was a more modest institutional reform agreed to by the Nunavut Senior Officials Working Group (NSOWG).

The terms of reference of the PSG anticipated that, prior to the conclusion of the three-year period, a comprehensive review of the PSG's performance would be conducted under the supervision of the NIP and provided to the three Parties. It was stipulated that the review would be conducted "with the objective of agreeing on the renewal of the PSG's mandate and term, and of making any improvements in its Terms of Reference they deem advisable."

The review of the PSG's future was not conducted by the NIP within the three-year trial period, as the NIP's activities were suspended by the larger uncertainties surrounding the Implementation Contract negotiations. NTI had nevertheless made proposals with respect to the PSG in the context of an updated Implementation Contract.

With the appointment of a new federal Implementation Contract negotiator, and the INAC DM's commitments as to the expanded scope of Contract negotiations in the correspondence exchanged in the spring, it is possible to foresee that the revival of both the Contract negotiations and Panel activities can allow the Parties to deal with the future of the PSG.

3.3. Other Implementation Issues

One objective of the NSOWG was to deal with those important issues related to the implementation of the NLCA. This included issues that the Nunavut Implementation Panel was unable to address. Some of these issues are described below.

3.3.1. Devolution

While devolution is primarily an intergovernmental issue, NTI, as part of its broader mandate, wishes to ensure that devolution meets specific Inuit requirements. Those include assurance that devolution initiatives:

- Are developed within the framework of the NLCA;
- Build on, and do not interfere with the development of new IPG legislation;
- Are preceded by adequate training to prepare Inuit for relevant public sector jobs; and
- Fit within the Economic Development Strategy.

As the largest private land and sub surface owners, NTI and the RIAs clearly have a major stake in any developments which affect land and resource management.

The federal government is taking a "go slow" approach to devolution negotiations; it appears that devolution for Nunavut is a lesser priority than devolution for the NWT.

3.3.2. Commercial Fisheries in Waters Adjacent to Nunavut

Given its small population size and high operating costs, Nunavut does not have as wide a range of economic prospects as most other areas of Canada. The territory's commercial fisheries, however, do have rich potential. The recently adopted Nunavut Economic Development Strategy has forecast that the value of Nunavut commercial fisheries could increase dramatically from less than \$10 million per year to approximately \$100 million per year if Nunavut were given the same share of its adjacent fish resources as all other coastal jurisdictions in Canada.

Article 15.3.7 of the NLCA requires that special consideration be given to the principle of adjacency and the economic dependence of communities in Nunavut when allocating commercial fishing licences within Baffin Bay and Davis Strait. The principles must be applied in such a way as to promote a fair distribution of licences between the residents of Nunavut and the other residents of Canada.

The people of every other coastal jurisdiction in Canada are granted between 85 percent and 100 percent of the Total Allowable Catch (TAC) of fish in their coastal waters. In Nunavut the principle of adjacency, although specifically referenced in the NLCA, is ignored. In 1997 the Minister of Fisheries and Oceans determined that the Nunavut Inuit would receive only 24 percent of the TAC for turbot. In addition, in 2003 the Minister set the TAC for Nunavut for shrimp at 19 percent.

3.3.3. Manitoba Dene Claims to Kivalliq Region of Nunavut

The NLCA recognizes that, where neighbouring Aboriginal peoples have traditionally used lands in Nunavut for hunting and related purposes, and where they continue to do so, their access to lands in Nunavut is not impeded. At meetings in February 2004 in Ottawa, NTI and the Kivalliq Inuit Association (KIA) were finally informed that the federal government and Manitoba Dene have been bilaterally negotiating a proposed settlement area boundary for a Dene treaty within Nunavut.

In NTI's view, INAC's negotiators with the Manitoba Dene are attempting to conclude a Dene treaty within Nunavut that exceeds in geographic scope areas that Dene themselves claim to use. The proposed settlement area boundary, which is not

based on any objective analysis of relevant land use data, would be contrary to Article 40 of the NLCA, in that the NLCA recognizes Dene hunting rights only in areas of traditional and continued Dene use. Further, the proposed settlement boundary is not the product of consultation with NTI/KIA and would be contrary to federal land claims policy.

INAC's actions represent, in essence, an amendment to the NLCA, without prior discussion of such an amendment with Inuit.

3.3.4. Article 2 – Housing

Article 2 of the NLCA is intended to ensure that Inuit do not lose access to government programs as a consequence of signing the NLCA. Since 1993, the Government of Canada, which retains responsibility for social housing “north of 60”, has not built or renovated any new units in Nunavut. In that same period, INAC has built 9,100 houses for First Nations through the ‘on reserve’ housing program; in addition, a total of 85,000 houses have been built by tribal corporations (funded by INAC) on reserves across Canada. None of this money allocated to Aboriginal housing is provided to Inuit.

Adequate housing is the cornerstone of every healthy family. Today in Nunavut, Inuit are suffering from the most overcrowded conditions in Canada. The Government of Nunavut estimates that 3,500 units will be required to meet demand over the next five years, at a capital cost of \$640 million. With the population growing by 50 percent to 70 percent across Nunavut (based solely on birth rates), the housing shortage and its accompanying social crises will deepen.





3.4. Report of the Office of the Auditor General

On February 10, 2003 the Auditor General of Canada (A-G) tabled her report. Chapter 8 of the report provided an audit of INAC's management of the implementation of the Nunavut and Gwich'in land claims agreements.

The objective of the report was to “*assess the extent to which INAC has processes in place for managing the implementation of the NLCA and GCLCA and the extent to which INAC is accountable to Parliament.*”

The A-G reviewed three main aspects to the management of implementation, and found problems with all three.

i. Implementation Panel

The requirement for consensus effectively incapacitates the ability of the Panel to make decisions.

ii. Dispute resolution mechanism (Arbitration Board)

The requirement that both Parties must agree to go to arbitration, and the position taken by INAC that they will never consent to any money issue going to arbitration, has ensured the ineffectiveness of the Board as a viable dispute resolution mechanism.

iii. Reporting (Annual Report of the Panel)

The insistence by INAC on consensus has effectively sanitized the reports of all substantive content, and paints a picture of implementation being free of dispute. This point is acknowledged by INAC.

The Auditor General reported that the Annual Reports were “not helpful in holding the federal government accountable.” The A-G found that the parties to the NLCA were not applying the basic principles of good reporting to the Annual Reports, and that the weaknesses in the implementation process contributed to the weak state of reporting. The A-G recommended that the parties work together to “overhaul the annual reports ... and make them more results-based.”

INAC uses completion of the obligations as the measure of progress in implementation, rather than establishing benchmarks in order to measure progress towards achieving the objectives of the Agreements. The A-G confirmed that this does not work, pointing out that they are, thereby, merely recording “activities” rather than “results”. Further, INAC's attempts to coordinate these activities do not work.

In March 2004, NTI and the Gwich'in Tribal Council, at the invitation of the House of Commons Committee on Aboriginal Affairs, made a presentation stating their full support for the conclusions and recommendations of the Auditor General's Report.

3.5. Specific Implementation Initiatives of NTI

3.5.1. Article 32

Government is required to engage Inuit in the development, design and delivery of all policies that will affect the social and cultural lives of Inuit. NTI has actively lobbied government to enable Inuit participation, and assigned resources to ensure that participation will be constructive. Notable among these initiatives are:

3.5.2. Language and Education

NTI is developing a strategy that will address the need to access more funding for the development of an Inuktitut Curriculum for use in schools. There are plans to meet with the Department of Education to discuss the strategy and its implementation.

NTI has successfully lobbied to alleviate hardship incurred by Inuit students by changing the policy for the provision of financial assistance to students to ensure that student assistance will continue throughout the period of their absence from their home community, including school vacations.

NTI has also met with the Language Commissioner of Nunavut to discuss the proposed recommendations of the *Language Act*.

NTI is collaborating with the GN Department of Education to set up a partnership for the development of an Adult Learning Strategy for Nunavut.

3.5.3. Health

Health is one of NTI's largest files, covering a wide range of issues of critical concern to Inuit.

Suicide Prevention

In May 2003, NTI co-sponsored the major national conference of the Canadian Association for Suicide Prevention (CASP). Since then, NTI collaborated with the GN and the RCMP on developing a proposal to provide assistance to organizations in Nunavut to address suicide prevention in a more coordinated and coherent way at the community level. The proposal was further enhanced by GN's commitment to set up a "Suicide Prevention Council". NTI participates on the Council executive.

Non-Insured Health Benefits

Due to concerns over privacy protection for Inuit and First Nations, NTI joined with other Aboriginal organizations to successfully lobby Health Canada to drop the requirement for consent forms under the Non-Insured Health Benefits Program.

Drug and Alcohol Treatment Centre

In 2003 the NTI Board of Directors directed that a proposal be developed to establish a Nunavut-based, Inuit-owned Drug and Alcohol Treatment Centre. NTI's Social / Cultural Development Department has been conducting research on this, and exploring with the GN a form of partnership for a Treatment Centre.

Fetal Alcohol Spectrum Disorder

NTI, the RIAs and GN collaborate on a steering committee to address this issue.

Disabilities

NTI has increased its focus on the issue of disabilities, an area the Board had identified as a high priority. The NTI Executive approved funding of \$2,000 per community to support a modest local initiative to assist people with disabilities.

NTI has collaborated in establishing a joint Disabilities Task Force to carry out research on the issue.

NTI has also hired two full time staff to ensure that Inuit are fully informed on disabilities-related issues, and to enable Inuit to access programs and services for the disabled.

NTI is also collaborating with GN, RIAs and other agencies in the areas that include Community Wellness, Justice, and Inuit Qaujimajatuqangit (IQ).





3.5.4. Communication

Schedule 6 of the Implementation Contract directs NTI to “... play a lead role in ensuring that DIOs and Inuit are made aware of their rights and obligations under the Nunavut Final Agreement and the Implementation Plan.” NTI has taken a number of steps to address that responsibility, including:

- Design and publication of a Plain Language Version of the NLCA;
- Creation of a Joint Communications Committee with the RIAs to streamline and strengthen communications with beneficiaries;
- Development of a new website in Inuktitut, Inuinnaqtun and English;
- Allocation of \$50,000 to compile an oral history of the NLCA, which will eventually be posted on the website.

3.5.5. Annual Report on the State of Inuit Culture and Society

NTI tabled its 2003-2004 Annual Report on the State of Inuit Culture and Society in the Nunavut Government Legislative Assembly in May 2004.

3.5.6. Article 20 – Designation of Obligations to DIOs

In May 2000 the NTI Board passed a resolution directing the organization to work toward designation of Article 20 NLCA obligations relating to Inuit water rights.

The first major step in this process was completed in May 2003, when the NTI Board approved a comprehensive Water Policy. A Water Management Framework was subsequently developed, and the designation process is now complete.

3.5.7. Article 24 – Nunavummi Nangminiaqqtunik Ikajuuti (NNI)

Article 24 applies to both the territorial and the federal governments. The Government of the NWT adopted *Contracting Procedures in the Nunavut Settlement Area* in 1997, and, following the establishment of Nunavut, the Nunavummi Nangminiaqqtunik Ikajuuti (NNI) policy was agreed to between the Government of Nunavut and NTI (2000). Among other things, the NNI Policy provides a formula for bid-weighting to ensure fair access for local, regional and Inuit firms, a contracting appeals process, and annual and comprehensive reviews.

An annual *Contract Data Report*, prepared by the Government of Nunavut, provides information about the contracts issued and trends, and is an important component of the review process.

The first *Annual Review* and *Annual Contract Data Report* were completed in 2001. In 2002 disagreements arose between the Government of Nunavut and NTI:

- (1) A one-year transitional period granting certain non-Nunavut and non-Inuit firms recognition as Nunavut firms under the NNI (“grandfathered firms”) was extended by the Government of Nunavut for a year, without consulting NTI;
- (2) NTI and the Government of Nunavut were unable to reach agreement on the contracting appeals process required by the NNI; and
- (3) The second *Annual Contract Data Report* was not completed within the calendar year, and the second *Annual Review* did not proceed.

NTI undertook legal action to address item one. Minutes of settlement registered with the court: (1) provided that the transitional period for “grandfathered firms” would not be further extended; (2) clarified the meaning of the term “consultation” with regard to Article 24; and (3) provided for the appointment of an independent advisor to both parties with regard to the contracting appeals board. Brian Crane, Q.C., was subsequently appointed in the latter role. His recommendations were accepted by NTI and the Government of Nunavut and incorporated into a revised NNI Policy in 2003.

The 2003 comprehensive review was completed by a Review Committee, representing NTI and the Government of Nunavut. The Committee held public consultation sessions and developed 32 recommendations. These were accepted both by the GN Cabinet and by the NTI Board of Directors, and a revised NNI Policy was issued

3.5.8. Conservation Areas Umbrella IIBA Negotiations

Throughout 2003, NTI and the RIAs have been negotiating with the Canadian Wildlife Service to conclude an Umbrella IIBA for Conservation Areas. As of March 31, 2004, this IIBA was close to completion. One of the most important components of the IIBA covers Igaliquuuq, which will become the world’s first Bowhead Whale Sanctuary.

3.5.9. Territorial Parks IIBA Implementation

NTI and GN negotiated the Umbrella Territorial Parks IIBA in accordance with Article 8 of the NLCA, and pursuant to the Implementation Contract. The IIBA is a key element in meeting two of the four principal objectives of the Preamble to the NLCA:

- To provide Inuit with financial compensation and means of participating in economic opportunities;
- To encourage self-reliance and the cultural and social well-being of Inuit;

Both parties agree that the IIBA cannot be funded by merely updating the provisions of the Bilateral Agreement between INAC and GNWT. Those provisions did not consider the affect of Article 8.

Since the Territorial Parks IIBA was signed in May 2002, little has happened; overall funding for the IIBA is still dependent on the outcome of the Implementation Contract negotiations.

3.5.10. Heritage Rivers and Historic Sites IIBAs

NTI is currently preparing a Memorandum of Understanding (MOU) as the first step in the development of a Heritage Rivers IIBA. The MOU will guide the collaboration of Parks Canada, the GN, NTI and the KitIA in negotiating this IIBA.

The NLCA also calls for the development of an IIBA for Historic Sites in Nunavut. NTI has prepared a scoping document and submitted it to the RIAs and Parks Canada.

3.5.11. Legislation

Nunavut Wildlife Act

Bill 35 was passed December 2, 2003. Regulations for the implementation and enforcement of the Act are scheduled to be finalized by July 1, 2004.





Nunavut Impact Review Board and Nunavut Planning Commission

Since June 2002, officials from NTI, the federal government, the GN, NIRB, and NPC have been meeting to develop the legislation to govern the operations of NIRB and NPC.

Discussions have gone well, and the parties have reached agreement on the ground rules for the operation of a technical working group, and on some of the controversial issues.

The federal government has assured the Parties that it intends to move quickly on drafting the legislation.

3.5.12. Appointments Policy

To address its responsibilities under the NLCA, and to promote the efficient operation of the IPGs and the many Boards, NTI has developed an Appointments Policy to ensure that the highest standards of fairness apply to its nomination and appointments process.

3.5.13. Environment Policy

In keeping with its responsibilities under the NLCA, as a land and water manager, and to enable Inuit to publicly express their views on matters of regional, national and international concern to the environment, NTI, together with the RIAs, has developed an Inuit Environment Policy.

3.5.14. Firearms Act

NTI successfully asserted Inuit rights under the NLCA by obtaining a temporary injunction in the Nunavut Court of Justice to exempt Inuit from the application of the licensing and registration requirements under the *Firearms Act* as related to the exercise of Inuit hunting rights.

3.5.15. Inuit Organization (DIO) Process

NTI continued the DIO Designations Process in 2001, formally assigning powers, functions and authorities for specific Claim obligations to the RIAs. Round two of the DIO Process, completing the assignment of surface IOL-related NLCA obligations, was completed in May 2003. A comprehensive DIO List will be published in the near future.

3.5.16. Community Liaison Officer Program

In early 2001 the NTI Board of Directors established the Community Liaison Officer (CLO) Program, designed to strengthen implementation of the NLCA, improve the delivery of programs/services at the local level, and enhance communication between Inuit organizations. In 2002 NTI made provisions for 22 CLO positions, administered by the RIAs.

3.5.17. Implementation Monitoring System

NTI is now finalizing the second version of the Implementation Monitoring System (IMS), making it more versatile and functional. The system provides a tool for tracking the implementation of all Inuit and government obligations, planning and scheduling implementation activities, and identifying actual and potential problem areas. The IMS is linked to NTI's internal protocols for creating and updating implementation plans, which emphasize the definition of clear monitoring objectives and milestones.

3.5.18. The “Redefining Relationships” Conference

In November 2003, as part of its effort to draw public attention to issues arising out of the implementation of the NLCA, NTI in collaboration with the Aboriginal Summit, the Nisga'a, the Inuvialuit Regional Corporation, Makivik Corporation, the Grand Council of the Crees, and the Labrador Inuit Association,

organized a conference in Ottawa. “Redefining Relationships” examined the state of implementation of comprehensive land claims agreements 25 years after the first of these, the James Bay and Northern Quebec Agreement, was signed. A number of common themes emerged, including a general frustration with the implementation process, and a clear consensus that INAC is not carrying out its mandate to fully implement existing agreements.

3.5.19. Lands Claims Coalition

Leaders attending “Redefining Relationships” signed a joint statement at the conclusion of the conference, expressing their determination to work together to ensure that the Government of Canada does carry out all of the promises made in the land claims agreements and to press for improvements in the management of implementation by INAC. Principal among these themes was the recognition that the lack of any coherent federal policy, worked out with the Aboriginal signatories to the land claims agreements to guide the process, was causing the implementation process to give rise to friction and frustration and the depletion of the original goodwill and hope associated with the signing of the agreements.

3.6. Conclusions

Under the NLCA, Inuit traded their Aboriginal Title in exchange for certain defined rights and benefits, which included promises respecting Inuit employment and economic development. At the same time, and with immediate effect, the NLCA reduced the uncertainty placed on Canada's title to one fifth of its land mass. The Agreement put in place public boards that have created a process for obtaining the consent of the local people to development where none existed before.

There is no question that the ability to legitimize encroachments on the land, and to harness the knowledge and commitment of the local people into the management of the North's resources is an important gain for Canada. The Agreement, however, is contingent on the fulfillment by Canada of its objectives and obligations of the NLCA.

As this report shows, the Government of Canada has failed to provide many of the key benefits promised to Inuit as their part of the bargain. Notable among these are Inuit employment levels under Article 23, procurement policies under Article 24, and a General Monitoring Program under Article 12. The failure to deliver on these obligations undermines the foundation objectives of the NLCA – that the NLCA would provide Inuit with the means of participating in economic opportunities and encourage the self-reliance and the cultural and social well-being of Inuit. Instead, as the Auditor General of Canada noted, INAC has managed the NLCA “... by focussing solely on the letter of the obligations, appearing not to take into account [NLCA] objectives or the spirit and intent of the agreement.”

This has contributed to a deepening sense of frustration between Inuit and the Government of Canada – a sense that the NLCA has become a contract that only one party is honouring.





4. Government of Nunavut

4.1. *Department of Executive and Intergovernmental Affairs*

The Department of Executive and Intergovernmental Affairs (EIA) provides support for all Government of Nunavut (GN) departments implementing elements of the Nunavut Land Claims Agreement (NLCA). DEIA also has obligations relating to the Nunavut Implementation Panel (NIP). These include:

- Nunavut Implementation Panel (NIP) meetings:
- Annual reports;
- Five-Year Review;
- Funding items and decisions for Institutions of Public Government (IPGs);
- Transboundary issues;
- Advising Canada on claims tabled by other jurisdictions adjacent to Nunavut;
- Coordination of all GN implementation responsibilities, and related activities;
- Nunavut General Monitoring Program;
- Lead on developing proposals for GN endeavors related to the NLCA;
- IPG proposals;
- Update of Implementation Contract;
- Negotiation and submissions of proposals in partnership with IPGs and other departments.

The GN continues to negotiate implementation funding. Initial meetings of the NIP Implementation Contract Working Group were held in the spring of 2001, and progressed through the

presentation of IPG positions to the tabling of the GN position in February 2002. Negotiations are ongoing.

DEIA worked with Nunavut Tunngavik Incorporated (NTI) on a range of NLCA-related issues. The first review of the Clyde River Protocol (renamed Iqqanaijagatiqit) was completed, as was the first review of the GN's new contracting policy, the Nunavummi Nangminiqaqtunik Ikajuuti (NNI) policy. The second review of the NTI GN partnership in 2002 recommended a strengthened partnership to work together on the following areas:

- Inuit Impact Benefit Agreement (IIBA) negotiations on Territorial Parks implementation;
- Article 24 and the NNI Policy;
- Education, from kindergarten to grade 12;
- Article 23, relating to Inuit employment in government;
- Wildlife Act, and development of a Claims-compliant Act;
- Devolution of Federal control over lands and resources in Nunavut;
- Implementation Contract renegotiation;
- Article 2.7.3, to ensure access to programs for Aboriginal peoples;
- Protection and promotion of Inuit languages.

This commitment to partnership with NTI has yielded positive results, including DEIA's participation in the Article 23 Working Group, and the drafting of the new, Nunavut-specific Education and Wildlife Acts. The GN and NTI also partnered to produce the report "Annaumaniq", a quantitative impact analysis and recommendations on the implementation of Article 23.

A highlight of this review period was the successful legislative drafting process to produce federal enabling legislation for the Nunavut Water Board (NWB) and the Surface Rights Tribunal (SRT).

The Nunavut Senior Officials Working Group (NSOWG) dealt with a wide range of Claims-related issues, and proved to be a constructive forum for the examination of broad policy issues related to the implementation of the NLCA. GN has actively participated in table meetings with several transboundary groups, including the James Bay Cree, Makivik Corporation, Manitoba Dene and Saskatchewan Dene.

Proposals in a number of areas, including the GN umbrella proposal for implementation funding, were submitted to Canada formally in February of 2002.

In many areas, progress has been made. However, Implementation Contract negotiations between Canada, Nunavut and NTI stalled in January 2003. A significant barrier to progress was the refusal by federal negotiators to deal adequately with Article 23 of the NLCA, or to provide a detailed response to GN departmental funding proposals.

Despite the appointment of a new negotiator and an agreement to deal with Article 23 through a two-stage approach (short-term initiatives and the development of a longer-term strategy), the parties have made little substantive progress. Funding amounts now under discussion would require that the GN reallocate Vote 1

base funding to provide services and programs to meet its current obligations.

GN's participation in the Panel Support Group for the NIP continued during the review period, but is being reviewed. It is GN's view that the Panel will not be an effective vehicle until all parties establish and adhere to more useful guidelines, and until a more substantive, constructive and detailed mandate is adopted by Canada.

4.2. Department of Community Government and Services

The Department of Community and Government Services (CGS) responsibilities under the NLCA include obligations set out in Article 14 (Municipal Lands) and Article 24 (Government Contracts). Implementation of these obligations continues, despite the lack of NLCA-specific funding allocations during one fiscal year in the reporting period.

The transfer of title to developed Municipal Land within the built-up area of Nunavut communities at the date of ratification is essentially complete. As additional land is surveyed, CGS assists municipalities in the preparation of Land Acquisition Bylaws, working with the Land Titles Office to transfer title of newly created parcels to the municipalities. The Land Titles Office continues to administer untitled Municipal Land for the use and benefit of the municipalities, and to administer Commissioner's Land within a 100-foot strip from the ordinary high water mark.





CGS, along with DEIA and NTI, participated in the first comprehensive review of the NNI Policy in 2003. The resulting report set out 32 recommendations for Cabinet review. Cabinet requested a detailed working plan in order to implement all 32 recommendations, and proposed an increase in the recommended incentive percentages available to local companies, and to Inuit businesses.

Under a bilateral agreement, the federal government provided funding for the salaries and benefits of Municipal Lands Officers (MLOs). The MLOs administer municipal land on behalf of the communities. The agreement expired in 2002/03; CGS provided funding for the MLO positions in 2003/04.

CGS also provided formal and informal training to the MLOs to assist them in accomplishing their land administration duties. Formal training was provided through the Community Land Administrator Certificate Program, coordinated by the Municipal Training Organization (MTO). The headquarters and regional offices of the Department provided on-going mentoring and annual workshops to familiarize learners with the current land administration systems and processes, thus providing additional informal training for MLOs. CGS also prepared a comprehensive Lands Administration Manual, setting out key systems and procedures in detail.

The transfer of remote sites – sewage lagoons, water supply sites, gravel pits, etc. – to the communities remains outstanding. The Implementation Contract suggests that such land could be transferred without survey. This was discussed with the Surveyor-General and the Land Titles Registrar; but no alternative method to survey could be identified. The cost of surveying and

transferring these lands is estimated at \$1 million. Some of the sites may contain hazardous materials; specialized training may be required at the community level to ensure sufficient capacity to operate the facilities safely.

Permanent, inflation-corrected federal funding dedicated to the Municipal Lands Officers Program is required to continue this important work. An additional estimated \$1 million is also required for the transfer of remote sites.

4.3. Department of Culture, Language, Elders & Youth

The NLCA recognizes the special and enduring relationship that Inuit have with their traditional way of life, and the stabilizing role that this relationship plays, not only for contemporary Inuit society, but also for future generations. This link is represented in many forms - archival documents and photographs, traditional place names, ancient archaeological sites and artifacts, and in the language used to describe and to give meaning to these things and to the connections between them.

Government has explicitly recognized the uniqueness of Inuit culture, and the vital importance of implementing systems that will reinforce individual and collective Inuit identity, and foster the re-emergence of a healthy and vibrant society. In any society, heritage 'resources' play a fundamental role in this process, and Nunavut's wealth of such resources provides cultural "anchors" that foster much needed stability with respect to cultural identity and sense of place in Canada and the world.

In recognition of those principles, the Department of Culture, Language, Elders & Youth (CLEY) has continued to implement its responsibilities under Articles 32, 33 and 34 of the NLCA.

In adherence to the provisions of Article 32, CLEY supported the involvement of the Nunavut Social Development Council (NSDC) in the development of social and cultural policy and programs.

CLEY invited the Inuit Heritage Trust (IHT) to participate in the development of new archaeological regulations for Nunavut. These included:

- The Nunavut Archaeological and Paleontological Sites Regulations, approved by the Government of Canada on June 15, 2001;
- The Human Remains Policy, which ensures that any archaeological investigation or analysis of human remains or associated grave goods will be conducted according to Nunavummiut values, ethical and scientific principles, and all applicable laws, codes of conduct, and conventions. This policy was approved by the Government of Nunavut, and came into force on June 15, 2001;
- The review of land use development proposals and archaeological research permit applications for potential impacts on archaeological and other heritage resources.

CLEY is also responsible for the official designation of traditional place names. This requires the establishment of information management systems in order to revert geographic names in accordance with Inuit values and customs, which is ongoing.

4.3.1. Nunavut Heritage Centre

Article 34 (Ethnographic Objects And Archival Materials) defines a number of GN responsibilities in such areas as the establishment and implementation of information management systems, the acquisition of ethnographic and archival collections, and the provision of conservation, curation and storage facilities to maintain and to utilize these collections.

In recognition of its obligations for the management of Nunavut's heritage assets, CLEY commissioned a major study to develop a strategic plan for the establishment of a territorial Heritage Centre providing professional curatorial and conservation services, through which heritage programs and services for Nunavummiut would be developed and delivered.

Article 33.2.4 emphasizes the urgency of establishing such a facility for the territory's archaeological collections, and Article 33.8.1 obligates Designated Agencies to dispose of a maximum number of specimens to institutions in Nunavut. Article 34.3.1 further obligates the Canadian Museum of Civilization and other Designated Agencies to lend a maximum number of ethnographic objects to institutions in Nunavut. Both Articles, however, stipulate that such loans and transfers may be refused in the event that the objects cannot be "maintained without risk or damage or destruction, including provision for climate control and security" or in the event that "access to the object commensurate with scientific or public interest cannot be provided."

While the NLCA explicitly recognizes the urgency of establishing these facilities, funding was not provided to enable Nunavut to meet this key obligation, and implementation of the recommendations of the Heritage Centre Study remains on hold pending access to the required resources.





4.4. Department of Justice

4.4.1. Legal Counsel Services

Nunavut Justice provides legal services required by all GN departments for operations and processes mandated by the NLCA, including:

- Advice and education services to other GN departments about their NLCA obligations. These included seminars and materials on Articles 23, 32 and 24 of the NLCA, including the NNI Policy by which Article 24 is being implemented;
- Assistance with NLCA-mandated legal procedures, such as expropriation and board hearings;
- Arbitration and litigation relating to NLCA, such as the matter of *Kadlak v. Nunavut* (Minister of Sustainable Development) (NLCA Articles 2 and 5);
- Implementation-related negotiation support in matters such as the implementation of the NNI Policy, and negotiations to implement IIBAs;
- Legal Services assistance concerning NLCA-mandated land transfers, including the correction of past transfers (Article 14, 19);
- Legal support for the collaborative development of federal Archaeological and Paleontological Sites Regulations with the IHT and Indian and Northern Affairs Canada (INAC);
- The establishment of GN as Designated Authority for the administration of permits, and revision of the permitting process in light of the regulations (Article 33); and,
- Participation and consultation with a DIO and/or the federal government regarding implementation legislation

required by the NLCA, including:

- *Nunavut Water Board and Surface Rights Tribunal Act* (Federal);
- *Nunavut Wildlife Act* (Nunavut);
- *Environmental Assessment Act* (NIRB and Nunavut Planning Commission, (NPC)).

4.4.2. Legislative Drafting

The Legislation Division provides support to government departments and agencies in drafting changes to Nunavut legislation for greater consistency with the NLCA, and in providing translations of legislation into Inuktitut.

This Division is responsible for the preparation of all bills in English, French and Inuktitut; for preparing summaries of each Act and translating it into Inuktitut; for assisting government departments and agencies in developing policy consistent with the NLCA that ultimately is reflected in legislation; and for publishing and making public the legislation enacted.

The Legislation Division accomplished the following during the report period:

- Drafted and translated a new Wildlife Act;
- Prepared Inuktitut and Inuinnaqtun versions of four plebiscite regulations;
- Drafted and translated extensive amendments to the Cities, Towns and Villages Act and the Hamlets Act, which included increasing municipalities' powers to deal with land;
- Translated Ministerial appointments into Inuktitut;
- Gave advice on consultation requirements under the NLCA respecting various legislative initiatives;

- Prepared various consolidations of Nunavut Acts in Inuktitut;
- Trained with the federal Translation Bureau in an Inuktitut version of Termium, the Government of Canada's terminological and linguistic database;
- Continued to develop a four-language website that will contain Nunavut's legislation.

The Legislation Division eventually hopes to translate all regulations into Inuktitut, as well as the bills themselves. The Division is also working on publishing Nunavut's statutes in English, French and Inuktitut; Nunavut's Acts have never been published. Additional resources would provide more opportunities for training Inuit in legal translation and computer skills.

4.4.3. Land Titles Office

The Land Titles Office (LTO) administers the *Land Titles Act* (Nunavut) and provides guaranteed titles under a modern legal regime. The Office is responsible for registering municipal and Inuit owned lands under Articles 14 and 19 of the NLCA. Staff also consult and assist MLOs and other public agencies with land title requirements to support effective administration of municipal lands.

Under Article 14.3, the LTO issues fee simple titles for all municipal land parcels, records encumbrances, and issues separate leasehold titles when needed. This may be preceded by registering survey plans to reflect new land development and remediate existing surveys when lot lines must be varied for existing structures or roadways. When surveys are completed for remote municipal infrastructure sites, the LTO registers them and issues titles. The NLCA requires issuance of two separate titles for each parcel

for both the fee simple and leasehold estates, due to limits on alienation contemplated in Article 14.8. Under Article 19.8.12, the LTO reviews survey plans for Inuit owned lands relative to existing descriptive map plans, registers them, and issues titles for the resulting fee simple and mines and minerals estates.

A substantial number of municipal fee simple titles have been issued for land within the built-up areas of municipalities since the date of ratification. A temporary Survey Review Officer began work in early 2004, and has gained experience in the ongoing review and registration of surveys of municipal and Inuit owned lands. The LTO now has better capacity to provide advisory support to MLOs and others, resulting in more land in the system, more efficient and timely conveyance and financing transactions, and greater legal certainty.

Many communities have land parcels that require remedial surveys; these will yield new parcel descriptions and require issuance of additional municipal and leasehold titles. Remote municipal infrastructure sites are not yet registered, as surveys have not yet been filed. Senior LTO personnel provide significant advisory and consultative support to promote effective land administration, which impacts other day-to-day registration functions. As of March 31, 2004, there were approximately 1000 parcels of Inuit Owned Lands for which legal survey plans had been completed but not yet submitted to the LTO.

Additional funding is needed for an added LTO staff member as a full-time Survey Review Officer and for ancillary operating and capital requirements.





4.5. Department of Environment

DOE is responsible for the implementation of some of the most significant obligations established by the NLCA. These obligations are extensive enough to transect almost all sections of the Claim. Articles 5, 6, and 7 define DOE responsibility for ensuring the effective and timely implementation of all co-management responsibilities as they relate to Nunavut's HTOs, RWOs and Wildlife Management Boards; ultimate responsibility for wildlife conservation and management, Inuit harvesting rights, outpost camps; and compensation for wildlife.

Articles 8 and 9 establish DOE responsibility for the implementation of an IIBA for all Territorial Parks, and for negotiating and implementing IIBAs for Conservation Areas either under shared jurisdiction or solely under the jurisdiction of the territorial government. Co-management is a cornerstone of both the NLCA and IIBA as it relates to Territorial Parks and Conservation Areas.

Under Articles 10, 11, 12, and 13 DOE is mandated to work with IPGs to ensure that Nunavut's natural resources are protected and enhanced through effective co-management of land use planning, development impact reviews, water management, and other forms of support to land and resource management institutions. DOE also has ancillary or secondary responsibilities for obligations under Articles 15, 16, 20, 21, 40, and 42, which are part of the day-to-day operational mandate of the Department.

4.5.1. Inuit Impact and Benefit Agreements

In 2001, DOE concluded negotiations with NTI and all Regional Inuit Associations (RIAs) to reach an Agreement in Principle for an umbrella Inuit IIBA for Territorial Parks in Nunavut. Formal

approval of this IIBA by the GN, NTI and the three RIAs was signed in May of 2002.

IIBAs help to ensure that Inuit receive economic benefit from the establishment and operation of Territorial Parks and Conservation Areas through the protection of first rights of refusal, and access to other economic opportunities related to the operation of the Parks and Conservation Areas. Highlights of the umbrella IIBA include 15 initialed articles that will ensure effective and meaningful Inuit participation in park management and planning. The Nunavut Joint Park Management Committee (NJPMC), as outlined in Article 13 of the IIBA, plays a strong role in the co-management of Territorial Parks, and in defining the direction and development of a new Nunavut park program and system plan.

DOE also monitored, developed and represented GN interests in IIBA negotiations relating to National Parks, National Wildlife Areas, and Migratory Bird Sanctuaries.

4.5.2. Contracting Procedures

The parties agreed to contracting procedures in Territorial Parks and Conservation Areas that build on accepted government standards and policies. The contracting procedures provide for preferential treatment to Inuit on park development and operations projects, and first right of refusal on any business opportunities related to Territorial Parks and Conservation Areas. Interim contracting procedures have been accepted by NTI and DOE pending final agreement.

4.5.3. Thelon Wildlife Sanctuary

DOE continued the coordination of the Thelon Wildlife Sanctuary Management Plan in cooperation with the Kivalliq Inuit Association (KIA), the Nunavut Wildlife Management

Board (NWMB), INAC, and NTI. Once the review of the plan is complete, DOE will work with INAC and the Department of Resources, Wildlife and Economic Development (RWED) in the NWT to facilitate necessary approvals for the Plan.

4.5.4. Park Information

DOE ensured that all publications, signs, kiosks and interpretation material related to parks were produced in Inuktitut and one or more of Canada's official languages. A Territorial Parks Signage Manual was developed to ensure consistency of information and interpretation at Territorial Parks and Conservation Areas throughout Nunavut. DOE worked closely with Parks Canada, the Canadian Wildlife Service, and other federal and territorial partners to promote and communicate the roles for Parks and Conservation Areas in Nunavut.

4.5.5. Wildlife Legislation and Regulations

The Department received approval from the Cabinet Committee on Legislation to proceed with the development of a new Nunavut Wildlife Act. The previous Act was outdated and required revision to reflect the terms of the NLCA as well as the needs of Nunavut as a whole. Initial background research suggested that at least one third of the topics that required attention during consultation and revision of the Act are directly related to rights and obligations flowing from the NLCA. A working group was formally established between the NWMB, NTI and DOE to oversee the development of draft legislation. A community consultation plan was implemented, soliciting input from residents and HTOs. The Nunavut Wildlife Act was completed and DOE has also continued to work with NWMB, NTI and other co-management partners to address other legislation or regulatory issues such as Assignment of Rights.

4.5.6. Co-management of Wildlife

The Department worked closely with the NWMB, RWOs, HTOs and NTI on wildlife research and management activities. DOE staff regularly attended NWMB meetings and provided written reports and recommendations to NWMB on specific topics. DOE staff also regularly attended RWO and HTO meetings to exchange information and collaborate on research and management projects.

One of DOE's main objectives in wildlife management continues to be the establishment of inter-jurisdictional agreements to cover the shared management of trans-boundary wildlife populations. In accordance with the NLCA, the Department works to ensure the involvement of NWMB, NTI and the RWOs in the development of these agreements. Most recently, these parties have been involved in the development of agreements for polar bears in western Hudson Bay and caribou in the Bathurst herd.

DOE and the NWMB collaborated on a number of projects designed to increase public access to wildlife management information and increase the effectiveness of Inuit in all aspects of wildlife management. A joint communications position has been established to assist in the distribution of wildlife management information to communities.

4.5.7. Land Use Planning

DOE coordinated the review of the Kivalliq and North Baffin Regional Land Use Plans prepared by the NPC on behalf of GN departments and agencies. Both plans required revisions to better reflect the GN's new roles in wildlife management, environmental protection, cultural and natural heritage resources, parks and tourism, research, and other legislative mandates. The plans were reviewed and approved by the GN Cabinet.



DOE staff participated in workshops on the development of the Central Baffin and South Baffin Regional Land Use Plans, and attended public hearings on the Central Baffin (Akunnig) Plan. An initial review of the Draft West Kitikmeot Regional Land Use Plan was also carried out.

DOE continued dialogue with NPC regarding the outputs of the current Land Use Planning model and the appropriateness of the Land Use Planning model in relation to the NLCA. DOE also continued to provide input into the review and update of principles, policies, priorities and objectives for the established planning regions, and into the nomination and selection of GN representatives to the respective IPGs.

4.5.8. The Cost of Implementation

The major policy, legislative and procedural initiatives necessitated by the NLCA have created additional incremental responsibilities for which funding was not identified under the first Implementation Contract; implementation efforts have been significantly slowed as a result. This is especially true of the IIBA for Territorial Parks. The 2002 signing of the Territorial Parks IIBA obliges the GN to institute new measures for the development, management, and operation of parks. Current estimates place the cost of these new measures at approximately \$2.2 million per annum over a 10-year period.

Despite the challenges posed by a lack of funding, the parties to the IIBA have:

- Formed an Implementation Working Group. The Working Group has been meeting regularly and has completed a Draft Implementation Plan;
- Developed a Park-Specific Contracting Procedures Policy that has been approved by GN Cabinet;

- Established a Parks Contract Working Group (PCWG), which has been meeting regularly regarding Parks Contracts, and which continues to monitor the contracting process for each fiscal year for Territorial Parks.

The Federal Government has an underlying and ongoing responsibility to ensure that adequate funding is available to the GN to meet its obligations under the NLCA. Funds for IIBA implementation identified by INAC in negotiations for funding NLCA obligations for a second contract period fall far short of the needs identified in GN's proposal, and will leave the GN unable to implement the IIBA.

There are a number of DOE implementation issues that remain outstanding and unresolved. They include:

- The need to update the Nunavut Territorial Parks Legislation, which was inherited from the NWT upon division in 1999. A new Parks Act will require adequate funding for IIBA implementation.
- Implementation of new responsibilities defined in the new Nunavut Wildlife Act, and linked to Article 5 of the NLCA;
- Measures and resources to implement the Umbrella Territorial Parks IIBA signed off by the Premier and Presidents of NTI and RIAs on May 13th, 2002.

Adequate funding in future Implementation Contracts and other agreements will be required to ensure that DOE and the GN as a whole can meet its responsibilities under the NLCA, and that Inuit of Nunavut receive the full level of benefits resulting from the NLCA.

4.6. *Department of Human Resources*

The Department of Human Resources (DHR) provides leadership and support to the GN for the implementation of Article 23 of the NLCA. This Article requires the development and implementation of an Inuit Employment Plan (IEP) to achieve a representative level of Inuit staff in government positions.

Under the NLCA, the GN is committed to developing a representative workforce of 85 percent Inuit employment at every level by 2020, and an interim target of 50 percent overall by 2008. Under the current Implementation Contract, funding for Article 23 to the GN amounted to \$160,000 over a 10-year period. This funding is targeted for training and development activities to support the IEP. While these resources fall far short of the actual need, DHR continues to develop and implement training and development programs to the extent that available budget allocations permit.

In 2003-04, the Inuit Employment Division was created to lead the implementation of the IEP. Training and development initiatives included:

- Funding eight interns as part of the Sivuliqtiksat Management Internship Program, and developing a proposal to extend the program to additional positions;
- Conducting employee orientation sessions across Nunavut, including a pilot cultural orientation program;
- Developing a self-directed Employee Orientation CD-ROM in four languages;
- Developing mentorship guidelines and video;

- Establishing a specialized fund to assist departments in addressing their specific training needs;
- Delivering a Language Training program to 122 employees;
- Initiating the Nunavut Public Service Studies Program.

Inuit Employment Statistical Reports (*Towards a Representative Public Service*) were issued for each quarter during the period. An interdepartmental committee was established to complete a draft GN-wide IEP, which was approved by Cabinet in November of 2003 (albeit without additional funding).

The Department initiated a multi-year review of the education and experience requirements set out in GN descriptions, in order to remove systemic barriers to hiring of Inuit. Other measures were introduced to broaden recruitment outreach, including weekly radio programming publicizing recruitment opportunities.

The Terms of Reference for a new GN-NTI Bilateral Article 23 Working Group were approved, and planning for the inaugural meeting was completed, along with the identification of the GN Caucus members.

Finally, DHR, in cooperation with Internal Audit, initiated a review of all training and development in the GN to identify training gaps and opportunities. Areas requiring increased funding include the Internship Program and Educational Leave. Negotiations with INAC for additional funding continue to be a high priority.





5. Government of Canada

5.1. Implementation from a Federal Perspective

5.1.1. Coordination of Federal Implementation Activities

The Implementation Branch (IB) of Indian and Northern Affairs Canada (INAC) is responsible for monitoring federal government activities in order to ensure the Government of Canada is meeting its obligations under the Nunavut Land Claims Agreement (NLCA). IB consulted regularly on implementation matters with government officials in INAC and other departments, and exchanges information with implementation managers for the Government of Nunavut (GN) and Nunavut Tunngavik Inc. (NTI) on policy, legal, and administrative matters pertaining to implementation.

Many issues have been raised by all parties to the NLCA in this Annual Report. It is to be expected that divergent perspectives will evolve in the course of implementing an agreement as complex as the NLCA. While INAC does not share the same view as NTI and GN on many of the issues explored in this report, we respect the right of all parties to their perspective, and to raise awareness of the challenges faced in implementing the Agreement.

5.1.2. Implementation Funding under the Nunavut Land Claims Agreement

IB is responsible for managing funding arrangements with the GN and all implementing bodies established by the NLCA, as well as for capital transfer payments to the Nunavut Trust. A list of Implementation-related funding follows this section.

Throughout the reporting period, Canada provided uninterrupted funding to the GN and the Institutions of Public Government (IPGs) to ensure their sustained and effective operation. Their funding flowed on an annual basis at the level of the last offer Canada tabled during the negotiations, representing an average increase of 25 percent for the IPGs and 33 percent for the GN over the first 10-year period.

IB consulted with all implementing bodies to assess their funding requirements to year-end, and made recommendations to the Panel on requests for carry forward funding. As a result of an increase in development activities in Nunavut's mining sector, Canada provided nearly four times the original funding estimates to the Nunavut Water Board and the Nunavut Impact Review Board for public hearing costs.

On January 7, 2002, the Minister announced new rates for chairs and members serving on territorial IPGs effective October 1, 2000. All Nunavut boards were eligible for this increase and, in compliance with the new rates, Canada processed retroactive payment to the boards.

5.1.3. Status of Contract Negotiations as of March 31, 2004

The Implementation Contract is of indefinite duration, and may be terminated only upon written consent of all parties. The first planning period ended on July 9, 2003; in July 2001 the parties entered into negotiations for the purpose of determining the levels of funding required to implement the NLCA during the second planning period.

By January 2003, negotiations to update the Implementation Contract had reached an impasse, principally due to differing interpretations of the obligations described in the NLCA. Key issues contributing to the impasse were levels of implementation funding for the Government of Nunavut, approaches necessary to implement Article 23; and issues relating to the updating of the General Provisions of the Contract.

In May 2003, negotiations resumed following the appointment of a new federal negotiator.

The parties now intend to embark on a new approach, engaging a recognized problem solver to prepare an objective assessment of the issues contributing to the impasse and develop mutually acceptable solutions.

5.1.4. Challenges Identified from 2001 - 2004

Federal Involvement at the Nunavut Implementation Panel

The Nunavut Implementation Panel (NIP) is responsible for overseeing the implementation of the NLCA. The Government of Canada restored senior-level representation by appointing the Director General of the Implementation Branch to the Nunavut Implementation Panel in October 2003.

Canada is committed to utilizing the NIP as a forum for resolving issues and disputes, and for fostering positive relationships amongst the parties. It was therefore a matter of some concern to Canada that NTI and GN were unwilling to meet regularly at the panel level during the period covered by this Annual Report.

During negotiations Canada tabled many suggestions to promote better management, decision-making, and problem solving by the Panel. INAC's goal is to help panel members to work together to create a cooperative, collaborative and effective instrument for implementation.

Article 23

An Umbrella Inuit Employment Plan (UIEP) was developed by the Nunavut Federal Council, a group with representation from all federal departments with programming in Nunavut, to cover the period from 2002-2007. The UIEP will be used as a basis for internal discussions with other federal government departments to address barriers to Inuit employment in government.

INAC contributed approximately \$2 million per year to training through the Student Career Placement and Summer Science Programs. INAC also provided approximately \$160,000 per year to Nunavut Sivuniksavut (NS) through the post-secondary school support program. NS is a specialized program that assists Inuit youth preparing for further post-secondary studies and jobs.

Human Resources and Skills Development Canada (HRSDC) conducted the initial Inuit Labour Force Analysis. HRSDC provides funding to the Nunavut Bureau of Statistics to ensure that the labour force analysis is continually updated and conducted for at least the next three years through targeted program funding.

In March 2004, INAC and the GN released a joint Study on Matters Affecting the Implementation of Article 23. The report





contained several recommendations to assist Government in achieving the Article's objectives.

The GN and NTI have requested that Canada provide funding for short-term and longer-term initiatives to address the objectives of Article 23 in a renegotiated Implementation Contract. Canada continues to support the establishment of a process and plan that will enable the parties to cooperatively address the broader issues of education attainment, language of work and social issues impacting on the availability and ability of Inuit to qualify for public sector employment.

Article 24

Article 24 states that government shall provide reasonable support and assistance to Inuit firms in order to enable them to compete for government contracts. INAC fulfills its obligation under Article 24 through the issuance of Contracting Notices by Treasury Board.

Senior policy analysts from Public Works and Government Services Canada (PWGSC), the Treasury Board Secretariat (TBS), and the Director General of IB met with NTI to discuss Article 24. The parties agreed that additional work is required to address the implementation of Article 24.

In October 2002, NTI tabled a draft Memorandum of Understanding (MOU) calling for the creation of a Steering Committee and Working Group to address the issue of Article 24. In response Canada proposed, in December 2002, that a letter co-signed by the Director General of INAC, TBS, and PWGSC be used as the vehicle to proceed with the work of the proposed Steering Committee and Working Group. The Working Group

would explore the basics of contracting and procurement, review existing economic development activities in Nunavut, and map out key business activities and procurement opportunities. Canada awaits a response from GN and NTI on this federal proposal.

5.2. New Developments Impacting Federal Approach to Implementation

5.2.1. Publication of the Implementation of Comprehensive Land Claim and Self-Government Agreements Handbook

In 2003, INAC published "*Implementation of Comprehensive Land Claim and Self-Government Agreements: A Handbook for the Use of Federal Officials*". Among other things, the purpose of the Handbook is to capture, under one cover, the most up-to-date lessons and information available on the key principles and phases of implementation of agreements signed under federal policies for self-government and comprehensive land claims. It guides federal implementation practitioners as they embark on the implementation challenge, whether at the front end of preparing and planning for the implementation of agreements, or at the post-effective-date stage of overseeing their actual implementation.

The Handbook serves as a useful source of general implementation information for IB practitioners. It will also be helpful to other stakeholders and interested parties interested in the processes and relationships emerging from negotiated land claim and self-government agreements.

5.2.2. 2003 Report of the Auditor General of Canada

In November 2003, the Report of the Auditor General of Canada was issued. Chapter 8 of the Report specifically addressed INAC

- Transferring Federal Responsibilities to the North. The Auditor General recommended improvements in the areas of annual reporting, dispute resolution, updating the land claims obligations database, and increasing INAC's coordination framework. In March 2004, INAC drafted a Follow-Up Action Plan in response to the Report. One of the priorities identified in the action plan is a workshop with all parties and stakeholders in the North on results-based reporting. It is anticipated that the workshop will take place within a year, and will focus on managing federal responsibilities set out under the agreements in a way that achieves results.

5.2.3. Canada-Aboriginal Peoples Roundtable

The Canada-Aboriginal Peoples Roundtable is scheduled to take place on April 19, 2004, in Ottawa. The Prime Minister of Canada, the Minister of INAC, the President of IITK, Jose Kusugak, and AFN National Chief Phil Fontaine are all expected to participate.

The goals of the Roundtable are to renew the relationship between the Government of Canada and Aboriginal leadership, and to discuss meaningful ways of making tangible progress on improving the health and well-being of Aboriginal peoples and communities. The roundtable process demonstrates a collective commitment to move forward in a new partnership that will achieve solutions to these issues.

5.2.4. Land Claims Agreement Coalition

In November 2003, Aboriginal leaders representing all of the Aboriginal peoples of Canada who have entered into land claims agreements since 1975 met together in Ottawa. "Redefining Relationships: Learning from a decade of Land Claims

Implementation" was a two-day conference attended by more than 350 people, including Aboriginal leaders, policy makers, and politicians.

INAC partially funded the conference, and many senior federal officials attended and participated in the discussions.

5.2.5. Shift in Political Climate

The 2003 Report of the Auditor General of Canada, the Canada-Aboriginal Roundtable, and the Redefining Relationships Conference are expected to produce a shift in the climate of implementation of self-government and comprehensive land claims agreements. The shift will likely result in a review of INAC implementation practices. INAC is committed to strengthening the relationship with GN and NTI, and to responding to issues that arise in the implementation of the agreement in a collaborative and solution-oriented fashion.

5.2.6. Conclusion

During the 2001-2004 reporting period, significant challenges to implementing the NLCA were encountered. However, Canada remained committed to working with its partners to successfully implement the obligations contained in the NLCA.

An important corner has been turned. The parties' challenge will be to find a way to respect differing points of view, resolve differences, solve problems and work together effectively to implement and assess the impact of the Nunavut Land Claims Agreement.





5.3. Environment Canada

5.3.1. General

Environment Canada (EC) opened its Nunavut office in Iqaluit in 1999, and currently maintains a staff of seven employees dealing with wildlife, environmental assessment, contaminated sites, pollution enforcement and weather stations. Field programs by EC-Canadian Wildlife Service (CWS) in Nunavut involved over 20 contractors, including at least five Inuit field assistants.

5.3.2. Article 5: Nunavut Wildlife Management Board

The objective of Article 5 is to create a system of harvesting rights, priorities and privileges, and wildlife management, including the establishment of the Nunavut Wildlife Management Board (NWMB).

Environment Canada continues to fulfill its obligations relating to the NWMB. The Department presented a summary of its wildlife research in Nunavut to the NWMB, including activities related to the new *Species At Risk* legislation, and key wildlife priorities in each region of Nunavut. EC staff participated in the NWMB's bi-annual wildlife priority-setting process.

5.3.3. Article 9: Inuit Impact Benefit Agreements

Article 9 defines obligations relating to conservation areas in Nunavut, including conservation and management of existing and new conservation areas, and Inuit Impact and Benefit Agreements (IIBAs).

In 2001, negotiations were initiated between Designated Inuit Organizations (Nunavut Tunngavik Incorporated, the three

Regional Inuit Associations, and the Clyde River Hunters and Trappers Organization) and CWS to develop an umbrella IIBA that would cover all of CWS' Conservation Areas in Nunavut. The previously-initiated Igaliqtuuq IIBA will be negotiated as part of the umbrella IIBA.

5.3.4. Article 11: Land Use Plans

Environment Canada provides reviews and information on land-use planning in Nunavut to the Nunavut Planning Commission. During the reporting period, land use plans for South Baffin and West Kitikmeot regions were reviewed, and further discussions were held regarding permits and interactions between various non-government organizations in Nunavut.

Environment Canada-Environmental Protection Branch (EPB) staff participated in the clean-up of contaminated sites in Nunavut, reviewing proposals for the clean-up of abandoned DEW Line Sites, participating in site investigations, and administering the Federal Contaminated Sites Accelerated Action Plan.

5.3.5. Marine Areas

In 2004, EC produced "*Key Marine Habitat Sites for Migratory Birds in Nunavut and the Northwest Territories*", an important document for future environmental assessment and land use planning for marine regions.

5.3.6. Article 12: Development Impact

The Department continued to review project proposals and provide advice to the Nunavut Impact Review Board (NIRB). EC-EPB staff also participated in the implementation of project certificates issued by the NIRB.

5.3.7. Article 13: Water Management

EC supports the water licensing process in Nunavut through the provision of advice to the Nunavut Water Board regarding applications, and by taking part in public hearings on water license applications.

5.3.8. Article 23: Inuit Employment

As part of EC's Inuit Employment Plan, one Inuit beneficiary is currently in an indeterminate position as a wildlife technician with the CWS office in Iqaluit. He completed his B.Sc. in Biology at University of Alberta early in 2004, having worked for CWS as a summer student throughout his post-secondary studies. In addition to this new, permanent employee, most EC field programs hire and train individuals from nearby communities to work as wildlife research assistants.

The Department is engaged in several initiatives to develop employment and training opportunities for Inuit. EC staff participated on the regional management committee of the Environmental Capacity Development Initiative, which supports Inuit communities, people and economies in building capacity in environmental stewardship. EC staff also took part in the Nunavut Science Outreach committee, an interagency group of government and university scientists who encourage youth to take an interest in science.

EC worked with communities to gather local ecological knowledge for migratory bird management, and is presently investigating changes in sea ice and the occurrence of certain species of seabird, in partnership with the communities of Resolute Bay and Pond Inlet. In these and similar initiatives, EC hires local contractors and pays honoraria to interviewees.

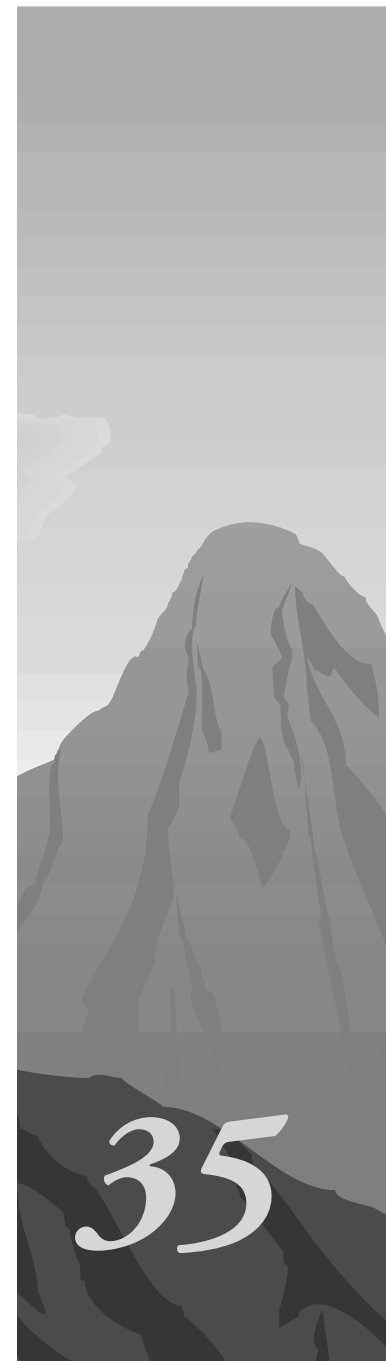
5.4. Fisheries and Oceans Canada

5.4.1. Licensing Sector

Activities of the Licensing Sector during the period ranged from the administration of licensing duties to participation in departmental and interdepartmental programs, on both regional and national levels. The Licensing Sector's primary responsibility has been the production and delivery of commercial, scientific and experimental fishing licenses, Marine Mammal Transportation licenses, Domestic Fishing Licenses, Commercial Trade Records and the issuance of Convention on International Trade in Endangered Species (CITIES) permits. New and emerging Fisheries in Nunavut directly influence licensing of each of these responsibilities.

Emerging fisheries (such as crab, mollusks, seaweed, sea urchins and clams) fall under the mandate of the Licensing Sector of the Eastern Arctic Area office. The Sector worked closely with the Department of Fisheries and Oceans' (DFO's) co-management partners to ensure the sustainable development of Nunavut's emerging fisheries in accordance to the principles of fisheries management. Sanctioned areas covered under each license type include inland waters, waters within the Nunavut Settlement Area (waters of the 12 mile limit) and waters offshore.

Recent initiatives by the Area Licensing Administrator include the fishery observer program, new experimental licenses for emerging fisheries, the Qikiqtarjuaq food safety protocol for bi-valve molluscan shellfish, initiatives for the off-shore shrimp industry, monitoring of offshore ground fishery and shrimp fishery, vessel replacement for the offshore fishery, and vessel tracking management in which offshore vessels are tracked digitally by





satellite. The Area Licensing Administrator updates and compiles statistical data for regional and national reporting systems, and is a member of the Fishery Ocean Observer Program, Vessel Tracking Management, Northern Shrimp Advisory Council, and Atlantic Fisheries Review Panel.

5.4.2. Conservation and Protection

The Conservation and Protection Sector worked closely with communities to promote wise use and harvest of marine mammals, fish and habitat, and to keep communities informed on issues as they arose, through conservation education presentations for school children, public gatherings, and individual adults.

The staff of Conservation and Protection for Nunavut is comprised of an Area Chief, two Field Supervisors in Iqaluit and Rankin Inlet, and two Fishery Officers, again in Iqaluit and in Rankin Inlet. Three Fishery Officers from Ontario worked in Rankin Inlet area during the 2004 season to assist existing staff and gain northern experience.

The monitoring of hunts in communities under Community Base Management for Narwhal and Beluga was a priority for Conservation and Protection. Patrols took place in Mittimatalik (Pond Inlet) to monitor the floe edge narwhal hunt, and in Repulse Bay for the open water hunt. Conservation and Protection staff monitored Iqaluit beluga as well; few belugas, however, ventured into Frobisher Bay. Plans are in place to conduct further monitoring in two additional communities that have fall hunts. DFO will continue to work closely with the NWMB, RWOs and local HTOs to prepare for the Bowhead whale hunt approved for 2005 or 2006.

Domestic and sport fisheries for char on the Sylvia Grinnell River were also monitored. This was the third year of a closure for netting and snagging, and joint patrols were conducted in cooperation with Nunavut Government enforcement officers.

Other activities of Conservation and Protection included distribution of Narwhal tags, issuance of fishing licenses, gathering and compiling harvest data, monitoring harvesting, and attending meetings with co-management partners under the Nunavut Land Claims Agreement and other groups.

5.4.3. Fishery Legislation

The DFO legal division in Ottawa is reviewing the draft of the new Nunavut Fishery Regulations. It is uncertain at this time when the Legislation will be ready for further discussion and consultation. DFO plans to participate in the consultation process to seek community feedback on the proposed regulations.

5.4.4. Fisheries Management

Community-based management systems for whales were modified and expanded during the period, and are now well established in seven Nunavut communities. These are an effective alternative to a quota-based system. Fisheries Management staff are actively assisting HTOs with drafting rules and working with other partners, including the NWMB, NTI, Regional Wildlife Organizations (RWOs) and Hunter Trapper Organizations (HTOs). In an ongoing effort to involve the communities, DFO staff members visited and successfully held public consultation meetings in all affected communities.

A Fisheries Management Plan for the char fishery is currently being drafted in partnership with Pangnirtung. The process has

strengthened the partnership between DFO and the community, an outcome the Department hopes to replicate in other community char fisheries in Nunavut.

Traditional knowledge is an integral aspect of managing Nunavut's resources. DFO worked closely with the Amarak HTO and the NWMB to develop a stock assessment and management plan for the Sylvia Grinnell River, resulting in the closure of the river to some forms of fishing in August 2002. The collection of traditional knowledge from hunters in Repulse Bay and Hall Beach also informed the development of a management plan for Northern Hudson Bay narwhal.

5.4.5. Habitat Protection

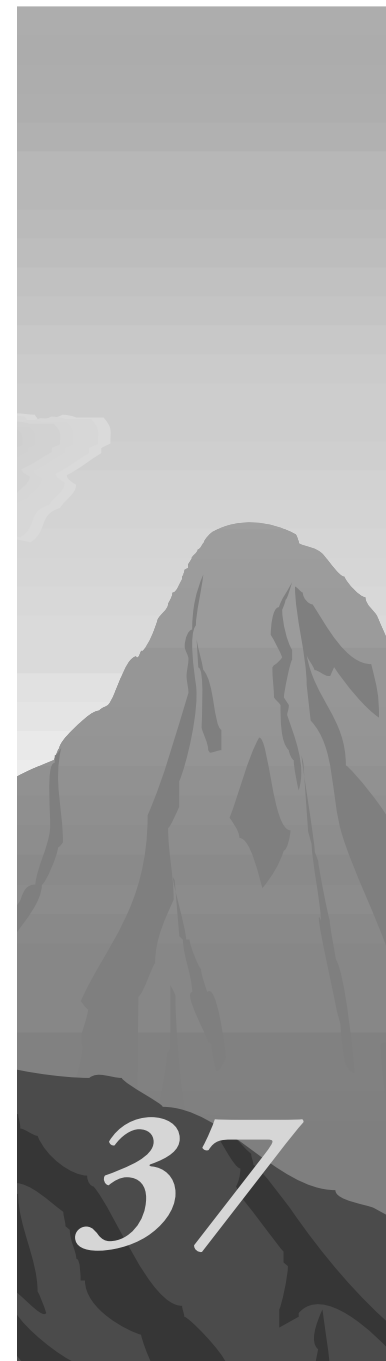
Habitat Management ensures that mining exploration, mining, and mine decommissioning (closure) in Nunavut are conducted within habitat protection guidelines. DFO worked with stakeholders, including representatives of industry, territorial and federal governments, IPGs and DIOs, to fulfill this habitat protection mandate.

DFO is participating in several environmental assessments in Nunavut. These include:

- Decommissioning and reclamation of the Nanisivik and Polaris mine sites, conducted in cooperation with NWMB and NIRB. These included studies of metal concentrations in sediments and fish, undertaken in 2003;
- The NIRB technical review and public hearings for the Doris North Gold Project. DFO assisted the NIRB in

determining whether the project should receive approval and, if approved, under what terms and conditions.

- The Bathurst Inlet Port and Road Project Part 5 review under the NLCA. DFO attended public consultation meetings in Yellowknife and Cambridge Bay to offer input to the NIRB on developing a scope of assessment;
- The Tahera Diamond Project, which should receive its project certificate from the NIRB within the next few months;
- Meadowbank Gold project, which is expected to submit a draft environmental impact study in the coming months. Meadowbank is currently being reviewed under Part 5 of Article 12 of the NLCA;
- A review of the High Lake project (lead/zinc and gold mine), scheduled to begin when a project description is submitted to the NIRB. Upon receipt, it can be determined whether the project should be reviewed under Part 5 or Part 6 of Article 12 of the NLCA;
- Numerous scientific research, community infrastructure and development projects reviewed during the period in collaboration with the NIRB, NWB and the GN Departments of Community Government & Transportation and Public Works & Services. Projects included breakwater and marine supply facility construction, bridge construction and repair, sewage lagoon creation, research and exploratory mining camp use, exploratory drilling, DEW line site clean-ups, and water licence applications and renewals.





5.4.6. Inuit Employment

DFO worked with other federal departments to create an Umbrella Inuit Employment Plan that shows an Inuit employment level within the Department of approximately 31 percent as of March 2004. DFO will continue its efforts to achieve the goal of representative Inuit employment, both within the Department and through participation with the Nunavut Federal Council

5.4.7. Oceans Management

Much work was done early in the period to establish and foster relationships with DFO partners and stakeholders in Nunavut. This included the development of an oceans management strategy for the Kivalliq region, as well as an issues scan in the Qikiqtaaluk region. A working group was formed with DFO partners to develop integrated management plans for Western Hudson Bay; DFO staff also worked with the World Wildlife Fund on Bowhead Whale Habitat Stewardship funding in Iqaliquuuq.

Staff developed annual plans to implement Species at Risk programs in the Eastern Arctic. They also began the mapping of critical habitat of Bowhead whales and an ecosystem overview of Beluga whales in Cumberland Sound, in cooperation with the community's recovery planning process.

A Departmental review of oceans management work in Canada's north during the 2003-2004 fiscal year resulted in a decision to focus on one Arctic project. Work in the Western Arctic was determined to be of high priority, and more advanced than efforts elsewhere; integrated management planning work in the central and eastern Arctic was therefore suspended. Resuming work in these regions remains a longer-term departmental objective, once sufficient resources have been identified.

5.4.8. Partnerships

DFO, in collaboration with the NWMB, NRI, Environment Nunavut, and EC, shared research centre resources through the Resource Centre Coalition's searchable database. DFO continues to enjoy excellent working relationships with IPGs, RWOs, HTOs and the NWMB, and to implement leadership initiatives with our partners.

5.4.9. Research

The Nunavut Implementation Fund contributed to 33 research projects during the period. Data collection and research is carried out by DFO personnel in the Nunavut Settlement Area and analyzed in the Department's research facility, the Freshwater Institute, in Winnipeg. Several of these projects are co-funded by NWMB, Nunavut Department of the Environment, and INAC.

DFO continues to involve communities in project development and approval, and to use community resources where available. Projects funded by Nunavut Implementation Funding have included include Baffin Bay Narwhal and Beluga Movement, Turbot Age Verification, Identification of Eastern Arctic Narwhal, Narwhal Genetics, Assessment of Cambridge Bay Commercial Fishery, Nuclear DNA Analysis in Turbot, Walrus Capture/Recapture, South Eastern Baffin Beluga Movement and Dive Behaviour, Cumberland Sound Charr Winter Fishery Assessment, Walrus Tagging, Marine Mammal Diseases, Benthic Stock Assessment in Nunavut Communities, Nelson River Beluga Biopsy/Dive Study and Sylvia Grinnell Arctic Charr Stock Assessment. Results of previous studies and ongoing research were presented in nine communities in March 2004.

5.5. Department of Canadian Heritage (PCH)

The Department of Canadian Heritage (PCH) became increasingly involved in Nunavut through a variety of policy, program and special initiatives during the reporting period.

At the 2001 Parks Canada Round Table on Aboriginal Tourism, the Minister of Canadian Heritage announced that a national event would be held on Aboriginal arts and culture. The Aboriginal Advisory Group set up to advise PCH on the planning of the event recommended that PCH commit to hosting a series of three National Gatherings celebrating Aboriginal arts and culture. National Gatherings were held beginning in June 2003 on the themes of Aboriginal Artistic Expression, Aboriginal Cultures and Tourism and Indigenous Traditional Knowledge. The National Gatherings engage Aboriginal communities and Inuit beneficiaries across Canada in dialogues that result in a deeper understanding of each of these areas.

During the 2003-04 fiscal year, PCH undertook program renewal consultations for all social and cultural programs delivered through the Department. Each of the 13 programs related to Inuktitut language, Aboriginal youth, women and political development, political organization core funding and Northern broadcasting was reviewed. Each program underwent recipient and program audits with management responses; the review included one national consultation, including Inuit representation. The renewal consultations will continue into 2004-05, and will be instrumental in addressing delivery, design and policy challenges, particularly relating to Inuktitut language in Nunavut and government responses.

In partnership with Industry Canada/PCH Trade Routes, the Department of Foreign Affairs and International Trade, and Canada Council for the Arts, PCH undertook an extensive series of workshops, presentations, one-on-one client meetings and trade missions on the theme of promoting art and culture in Nunavut at the Nunavut Trade Show in May 2003. Inuit beneficiaries, NTI, Government of Nunavut officials and professional arts and heritage service organizations had the opportunity to discuss policy gaps, funding programs and delivery issues relating to arts and cultural development. Key topics and programs included books and magazines, film, video and new media, artist grant funding, festivals and presenting, culture online, museums and heritage development, and global trade, exporting and international business development.

The Government of Nunavut released its Final Report relating to a proposed Nunavut Heritage Centre in 2003 and met with the Deputy Minister and Assistant Deputy Minister of PCH to discuss a 50 percent capital partnership for the facility (approx. \$25 million). PCH officials noted significant gaps in analysis vis-à-vis the role, responsibility and mandate of Nunavut Tunngavik Incorporated and the Inuit Heritage Trust respecting Article 33, 34 and heritage issues in Nunavut. The Deputy Minister advised the GN to identify partnership opportunities with NTI/IHT on the project, and particularly to determine how Inuit land claim archives and archaeological/cultural specimens would be co-managed. NTI/IHT has taken a leadership role in engaging the Government of Nunavut on this important initiative.



5.6. Human Resources and Skills Development Canada/Social Development Canada (Formerly HRDC)

Human Resources Development Canada (HRDC) became two departments in December 2003: Human Resources and Skills Development Canada (HRSDC) and Social Development Canada (SDC).

HRSDC was one of the departments participating in the NTI/ Government of Canada Article 23 Working Group, which completed its work in May of 2003. The Working Group agreed on content for a Government of Canada Umbrella Inuit Employment Plan and Annexes for departments with more than three employees in the Territory.

The Plan and Annexes set overall Government of Canada employment targets for three and five years. HRSDC has established targets of 61 percent Inuit employment by 2005 and 70 percent Inuit employment by 2007. The HRSDC Annex also established an entry-level, pre-employment position, designed to provide opportunities for individuals to explore career options within the Department.

HRSDC's Inuit employment rate is 58 percent as of March 2004. All employees working with SDC are Inuit. Both Departments will continue to operate under the approved annex, which reviews pre-employment, recruitment and retention practices.

5.6.1. Pre-Employment

The Department created an entry level training position, and filled it with a one-year term employee in January 2004. The intern

has so far received training in the areas of Employment Insurance Front End and Income Security Programs.

5.6.2. Recruitment

Hiring practices have been modified to better accommodate northern realities. Every effort is now made to ensure that the materials advertising positions appear in the appropriate languages in all Nunavut communities. Orientation sessions are provided prior to interviews to ensure that candidates are as comfortable as possible with the process. All boards include community members fluent in the appropriate dialect so that candidates can respond to questions in Inuktitut if they prefer. Direct appointments are utilized when a candidate with the required skill sets and competencies is identified, a progressive measure wholly consistent with the merit principle.

5.6.3. Retention

Housing policies have been reevaluated to better address the needs of local hires. All staff who do not own homes and request housing are eligible for subsidized federal housing units. Flexible work arrangements have been encouraged to enable staff to participate in traditional activities on the land. Inuit staff are also encouraged to organize IQ (Inuit Qaujimagatuqangit) staff days, and to participate in activities organized by other departments whenever possible.

HRSDC also participated in the Training and Development Committee of the Nunavut Federal Council which has done a considerable amount of work to bring training opportunities to Nunavut.

5.7. Indian Affairs and Northern Development

5.7.1. Development of Implementation Legislation

Indian and Northern Affairs Canada (INAC) began the process of developing the remaining legislation required to implement Articles 11 and 12 of the Nunavut Land Claims Agreement, which pertain to land use planning and development impact assessment respectively.

The Nunavut Legislative Working Group (NLWG), composed of officials representing the Government of Canada (INAC, DOJ and EC), the Government of Nunavut, Nunavut Tunngavik Incorporated, the Nunavut Planning Commission (NPC) and the Nunavut Impact Review Board (NIRB), met many times during the reporting period.

The NLWG has taken a co-operative approach to addressing issues. Consensus has been reached on a number of operational and other complex issues, including the prevalence of land use plans vis-à-vis other legislation, the timing of conformity determinations in relation to the establishment of national parks, and the geographical application of the legislation to Nunavut rather than just the Nunavut Settlement Area. Other issues, such as the application of the *Canadian Environmental Assessment Act* in Nunavut and the role of the NPC on Inuit-Owned Lands, remain unresolved.

Legislative drafting instructions are now being developed. It is hoped that legislative drafting will begin in Spring 2005, once authorizations have been obtained.

The Government of Canada remains committed to ensuring that Inuit are consulted in the design and delivery of programs that affect them. Nationally, federal departments have begun work with Inuit Tapiriit Kanatami (of which NTI is a member) on a regular "best practices" forum. Through this forum, ITK and federal departments highlighted programs where Inuit have felt they were satisfactorily included in federal processes. Based on these models, the forum plans to develop guidelines which federal programs can use in the development of policies and programs to ensure these best practices are consistently employed.

5.7.2. Water Management

The Water Resources Section provided support to reviews and licensing processes spanning municipal, mineral exploration and mining activities. These included the closure of Lupin, Nanisivik and Polaris mines, as well as the Jericho, Doris North and Meadowbank mine reviews.

The Nunavut Regional Office (NRO) maintained an active regime of sampling at DEW line sites and areas slated for remediation, and baseline sampling in areas of potential mineral development. A strong and positive relationship has been maintained with the NWB.

In March of 2004, the Division renewed an agreement with the Kivalliq Inuit Association (KIA) to provide support for baseline water sampling and related training to any individual identified by the KIA for an additional two years.

5.7.3. Mineral Resources

Under Article 19.9.1 of the NLCA, the NRO is responsible for establishing a process with DIOs for notification of discovery of any deposits of carving stone on Crown lands. No carving stone was discovered during the review period.





Staff continued to visit active exploration and mining projects, and conducted research on mineral occurrences and deposits.

Activities in conjunction with other regional office sections included enforcement of the Canada Mining Regulations (with Land Administration); review of proposed land use plans (Environment & Contaminants lead) and environmental assessment for the proposed Jericho, Doris North and Meadowbank mines, as well as the Bathurst Inlet Road and Port project (E & C lead). The Mineral Resources staff worked in partnership with NTI and GN- Department of Economic Development & Transportation (ED&T) in promoting Nunavut's mineral potential at mining conferences and through publications.

5.7.4. Environmental Management

The NPC drafted a land use plan for the West Kitikmeot Region. The plan, however, required extensive revision, and it was not submitted for approval. Activity has also been underway on a number of other plans. There was no action required in terms of proposing amendments to land use plans (11.6 1 NLCA) during the review period.

Initial work has been completed on the identification and prioritization of waste sites for clean-up. Given recent commitments of the GOC to remediating contaminated sites, this is expected to become an area of increased activity.

No work was undertaken toward the negotiation of transboundary environmental impact agreements mandated by Article 12.11.2 of the NLCA. This topic requires further consideration and discussion with many stakeholders due to its complex nature.

5.7.5. Land Administration

The Land Administration section of the NRO is tasked with administering crown land, both surface and subsurface, throughout Nunavut.

Pursuant to Article 5, Part 8, Inuit were given the right of first refusal prior to processing land applications received for new sports or naturalist lodges in the Nunavut Settlement Area. In accordance with Article 7, crown lands were made available without fees for clients' outpost camps which were approved by local HTOs, and which also received a positive screening through the NIRB.

Working closely with the NIRB to meet Canada's obligations under Article 12 of the NLCA, the NRO-Lands Administration forwarded 21 crown land disposition applications, 63 land use permit applications and 87 quarry permit applications to NIRB for review and screening. NRO-Lands Administration also participated in the NIRB Part 5 review of the Tahera Diamond Corporation final environmental impact statement.

In 2003/04 Lands Administration worked cooperatively with the NWB to review and approve the Polaris Mine closure and subsequent reclamation work. The Department also participated in the NWB review process for the abandonment and reclamation plan for the Nanisivik mine.

As specified in Article 19, the NRO-Land Administration began receiving legal survey plans of selected parcels of Inuit Owned Land for review. INAC requires approval of all such surveys. INAC has received and signed off approximately 450 survey plans, with the remaining plans to be forwarded for review and approval.

Article 19.8.17 and 19.8.18 further specify that the Mining Recorder is responsible for resolving disputes in accordance with the provisions of the Canada Mining Regulations in existence at the date of ratification of the Agreement. To date, no disputes have been registered with the Mining Recorder.

Under Article 21.7.2, the Mining Recorder's Office pays quarterly lease rental payments to NTI on grandfathered subsurface rights, and continues to administer these third party rights acquired prior to the date of ratification of the Agreement. Any recorded claims in existence at the date of ratification of the Agreement can be taken to lease under the Canada Mining Regulations. With the completion of a legal survey of the claim, the Crown is able to determine the amount of subsurface Inuit Owned Land contained in the lease, and then forward any rental payments collected to NTI once the lease of the claim is issued. In 2003/04 there were approximately 60 leases of this type administered by the Mining Recorder's Office.

5.7.6. Corporate Services

Inuit Employment Plan (Article 23.4.1-2)

The Regional Executive Committee approved the NRO Inuit Employment Plan in May 2002. It was then incorporated and consolidated into the Nunavut Federal Council's umbrella federal Inuit Employment Plan, and was approved by the GOC-NTI Working Group in May 2003.

The NRO Inuit Employment Plan sets out specific goals and commitments for promoting the NRO as an employer of choice. It identifies impediments, barriers and policies affecting Inuit employment; sets out measure for fostering an environment that supports Inuit culture; and provides Inuit employees with training

and development opportunities. The overall goal is to increase the Inuit representation over the next five years.

Progress to date has established a strong foundation to enable a steady increase in levels of Inuit representation within NRO. For example, an Inuk employee has just completed technical training and has been appointed Pay and Benefits Advisor. NRO has also made a commitment to hire 5-6 Inuit summer students each year, and managers are committed to providing them with learning and training opportunities.

Article 24.3.1-5 - Government Contracts

The NRO is an active member of the federal Article 24 working group. Inuit firms are invited and given the opportunity to bid on all NRO contracts. For example, for the last three years, NRO has awarded the major contaminated site clean-up contract in Nunavut (a value of over \$20 million to date) to an Inuit-owned corporation.

5.8. Natural Resources Canada – Legal Surveys Division

5.8.1. Article 19.8.8: Inuit Owned Lands

Article 19.8.8 states that the boundaries of Inuit Owned Lands parcels as described in the Descriptive Map Plans may be surveyed. This required the survey and demarcation of approximately 1155 Inuit Owned Lands parcels, 12 Jointly Owned Lands parcels, and all Crown Land areas excluded from these parcels.





5.8.2. Survey Projects

All parcels for the Nunavut Land Claims program have been surveyed to isolated boundary standards. Survey plans were prepared and, upon ratification by the parties, were recorded in the Canada Lands Surveys Records (CLSR) and delivered to the Registrar of Land Titles.

5.8.3. Plan Ratification Process

Plans are recorded in the CLSR and Land Titles Office where appropriate.

The large volume of plans being processed through the various ratification stages and final recording to Land Titles Office is creating a major challenge for regional entities and government departments, and some plans remain at the final review stage for ratification and registration; but all parcels have been surveyed.

5.8.4. Inuit Involvement

The Legal Surveys Division required Inuit involvement in its survey contracts. This resulted in the provision of services, employment and training for individuals and businesses from the community where the project was located, as well as for registered Inuit businesses across Nunavut.

5.9. Parks Canada Agency

5.9.1. Article 8.2: Establishment of National Parks

The Nunavut Field Unit of Parks Canada manages three national Parks in Nunavut: Auyuittuq, Quttinirpaaq and Simirlik. The

field unit office is located in Iqaluit and the parks are operated from small offices in Pangnirtung and Qikiqtarjuaq (Auyuittuq), Ellesmere Island and Iqaluit (Quttinirpaaq) and Pond Inlet (Simirlik).

Joint Parks Management Committees (JPMC) are in operation for each of the Auyuittuq, Quttinirpaaq and Sirmilik National Parks. The JPMCs initially held meetings three times per year, including a large meeting of all three committees (at the request of the Chairs). As agreed in the IIBA, regular meetings decreased to two per year in 2003/04. The JPMCs also held various conference calls annually. Park planning teams worked closely with the JPMCs for Auyuittuq and Quttinirpaaq in the development of management plans for those parks. Familiarization trips and several workshops were held for all groups. A first draft of the plans is expected in spring 2004 (Quttinirpaaq) and fall 2004 (Auyuittuq), followed by public consultation. Completion is expected in 2005.

The Kivalliq Inuit Association, the Government of Nunavut and Parks Canada reached agreement on an IIBA for Ukkusiksalik National Park. An official signing ceremony attended by the Prime Minister, the Premier of Nunavut and other dignitaries, was held in Iqaluit in August 2003.

Parks Canada is working to establish another new national park at Bathurst Island. A feasibility study has been undertaken, and the next step will be consultations with QIA to prepare for negotiations of an IIBA.

Discussions are ongoing between NTI and Parks Canada on a process for negotiating an IIBA for National Historic Sites. Initial background information has been exchanged.

Parks Canada has also published numerous parks information brochures, orientation packages, displays and videos, and has revised the Parks Canada website to support Inuktitut versions of all materials.

5.10. Public Works and Government Services Canada

Public Works and Government Services Canada (PWGSC) continues to notify NTI and eight other Inuit organizations of all government contracts and bidding opportunities in the NSA. The Western Region office had its own Aboriginal Advisor who was responsible for liaising with claimant groups such as NTI, and coordinating training activities.

To support the objectives of Article 24, PWGSC offered training on MERX, the Government Electronic Tendering System. The Contracts Canada Division delivered a series of seminars and provided supplier information kits to Inuit firms identified by NTI. Seminars included “How to do Business with the Federal Government (Basic)”, “Selling Services”, and “Writing an Effective Proposal”. PWGSC continues to be available to set up information seminars for Inuit firms in Nunavut upon request.





6. Implementation Bodies

6.1. *Arbitration Board*

The Nunavut Arbitration Board (NAB) was created under Article 38 of the Nunavut Land Claims Agreement (NLCA). The role of the nine-member board is to resolve disputes among the parties arising from any matter related to the interpretation, application or implementation of the Agreement.

There were no requests for arbitration during the period covered by this report. Funding constraints have not permitted a training meeting for the Board; but through telephone and e-mail communication between the geographically dispersed members, a level of readiness has been maintained.

6.2. *Nunavut Impact Review Board*

The Nunavut Impact Review Board (NIRB) is an environmental impact assessment agency established under Article 12 of the NLCA to determine whether development projects proposed for the NSA should proceed and, if so, under what terms and conditions. The primary objectives of the NIRB are to protect and promote the existing and future well being of the residents and communities of the NSA, and to protect the ecosystem integrity of the settlement area, while taking into account the welfare of residents of Canada outside the settlement area.

Proponents submit proposals for development projects to the NIRB, which then reviews the ecosystemic and socio-economic impact of the development, and indicates to INAC;

- Whether the project can be processed by regulatory agencies;
- Whether it requires an in-depth public review;
- Whether the proposal is insufficiently developed and should be returned for clarification; or,
- If the potential adverse impacts are unacceptable and the project should be modified or abandoned.

6.2.1. **Reviews**

A total of 414 projects were screened during the period covered by this report. Many of these projects were large scale, and required more than one examination by the Board. Unique to the NIRB is the requirement that all screening decisions be made by the members of the Board, which necessitates a considerable amount of work.

The Board does not have in-house technical expertise in all areas of its mandate, and retains the services of external consultants for general or specialized environmental expertise, legal council and interpreters/translators as needed.

6.2.2. **Operations**

A number of significant corporate changes were undertaken during the period. These included the development of a new logo, the implementation of a peer-to-peer network system, the creation of an FTP site, the purchase of new equipment to facilitate on-line communications, and the leasing of a new company vehicle. The NIRB moved into a new larger office space in Cambridge Bay in January 2004.

The NIRB currently employs seven full-time staff people, in addition to one summer student and two technical advisors. Eleven in-person Board meetings were held during the period, as well as numerous teleconference meetings. Professional development was an ongoing priority, and Board and staff members participated in a number of training events and initiatives during the period.

6.3. Nunavut Implementation Training Committee

6.3.1. Mandate

The Nunavut Implementation Training Committee (NITC) promotes training to enhance Inuit participation in the Nunavut workforce by providing funds and expertise to DIOs and IPGs; by offering the Nunavut Beneficiaries Scholarship; and by supporting the federal and territorial governments in the development of Inuit employment and pre-employment training plans.

The NITC was established pursuant to Article 37.5 of the NLCA, and is responsible for the administration and sound use of the Implementation Training Trust. Funds from the Trust are used to support the development, delivery, and management of training in organizational leadership and workplace skills in order to help individuals fully participate in the fulfillment of their organization's implementation responsibilities under the NLCA.

Working in partnership with its client organizations and in cooperation with governments and training institutes such as Nunavut Arctic College, the NITC assists client organizations

to identify organizational leadership and staff training needs, identify training options, and put in place training management and monitoring systems.

6.3.2. Training Funding

NITC continued to provide training funding and support to Designated Inuit Organizations (DIOs) and Institutions of Public Government (IPGs) for Board Development, Staff Development, Trainee Management, Resource Management, Advisory Services, and the Nunavut Beneficiaries Scholarship.

This period saw a dramatic increase from 10 percent to 55 percent of NITC's annual budget flowing directly to beneficiaries and organizations through NITC's various funding programs. In the last year of the reporting period, over 380 beneficiaries received scholarships to attend university, college or Nunavut Sivuniksavut.

6.3.3. Operations

After extensive consultations with DIOs and IPGs across Nunavut, and in response to NTT's "*Taking Stock*" internal assessment, NITC revised many operating procedures in order to improve access to its programs and services. The result was a simplified application process for Hunter and Trapper Organizations (HTOs), and reduced turnaround time for the processing of funding applications. This streamlined process enabled four wildlife organizations to hold workshops in 2003/04.

NITC improved its external communications with the design and launch of a new web site to provide beneficiaries with on-line





access to timely information about NITC's programs, services, staff and Board. NITC has also published independent annual reports since 2003.

A strategic planning process was undertaken in fall 2002, incorporating input from both an independent review of the organization and from the comprehensive evaluation of the NLCA. The process led to the development of 22 corporate goals for NITC, including the restoration of the Implementation Training Trust to its 1993 spending power, developing data collection systems to monitor outcomes, and strengthening NITC's capacity to provide technical expertise to government and clients in the areas of training policy, planning, management, delivery and evaluation.

NITC also completed its second independent evaluation of corporate programs, services and operations, in compliance with the requirements of Article 37.5.2(h).

6.4. Nunavut Planning Commission

6.4.1. Mandate

The Nunavut Planning Commission (NPC) is mandated to establish land use planning policies, goals and objectives, and to develop land use plans that guide and direct resource use and development in the Nunavut Settlement Area (NSA). It is also responsible for developing, in cooperation with government, a general monitoring plan, and collating and analyzing information on the health of the ecosystemic and socio-economic environment of the settlement area.

6.4.2. Land Use Plans

Overall land use planning in Nunavut has been impeded by insufficient operating funds for the Commission. NPC has thus attempted to focus its resources on the most critical issues, including conformity determinations and land use planning in the West Kitikmeot and South Baffin regions.

During the period, NPC completed and tested prototype conformity determination software which will be adapted for all planning regions with approved plans. The software ensures that conformity determinations have consistency, and that NPC decisions are transparent to the proponent and the public. Conformity determinations were conducted for project proposals in North Baffin, Kivalliq and West Kitikmeot regions during the reporting period.

NPC has continued to formalize land use planning policies, processes and methodology in relation to plan development. A process for reviewing land use plans and conducting community consultations was developed.

NPC is in the process of formally training all regional planning staff in land use occupancy mapping and data collection. A national expert was hired to work with regional planners and GIS staff to create a data collection manual and to conduct training workshops with the aim of improving baseline data for land use planning.

To this point, NPC has been unable to engage in work regarding Article 11.4.1 regarding broad planning policies, goals and objectives in conjunction with government, due to staff turnover in the Government of Nunavut. It is hoped that work in this area can recommence in 2004/05.

6.4.3. Information Systems

The mandate of the NPC requires the development of a sophisticated but easily accessible one-window project registration system for companies. PLANNER (Public Land Use Application Network Notification Environmental Reporter) has been in use since 2001. The system has received positive feedback from industry and other stakeholders, and NPC worked towards implementing it as a one-window approach to receiving applications.

Both PLANNER and the conformity software are currently on hold, pending a new MOU being circulated for the signatures of NTI, INAC, RIAs, NWB, and NIRB. An updated version of PLANNER will be released once the MOU has been signed.

6.4.4. Funding Constraints

Limited funding hampered NPC's efforts to continue work on the Nunavut General Monitoring Program, and to provide workshops required to facilitate the Nunavut-wide Clean-up and Archeological Site database.

6.5. Nunavut Water Board

6.5.1. Mandate

Pursuant to Section 13.21 of the NLCA, the Nunavut Water Board (NWB) has responsibilities and powers over the regulation, use and management of water in the NSA.

6.5.2. NWB Activities

The NWB held 10 public hearings for large mining and municipal projects during the period. A total of 87 water licenses were issued,

renewed or amended during the period, and the Board undertook 35 additional technical reviews.

6.5.3. Operations

In July 2003, the Minister of INAC appointed four previous members and three new members to the NWB; one seat has remained vacant. The Chair was re-appointed in November 2003 for an additional three-year term. Board members met 14 times in person, and held 22 teleconference meetings during the period. All decisions of the Board are made by formal motion, either by teleconference, face-to face meeting, or in writing by fax and/or electronic mail.

The NWB employs an Executive Director, a Senior Technical Advisor, a Board Secretary/Translator, a Licensing Administrator, an Office Manager, and a Project Clerk. Several employees took maternity and/or parental leave during the period, which resulted in unanticipated costs for contract replacement staff. The Board also hired a summer student to assist with administrative duties in Gjoa Haven.

Training and outreach activities were ongoing, as set out in the Board's training plan. Staff made presentations on water licensing requirements at the Geoscience Forum in Yellowknife in November 2001, and at the Nunavut Mining Symposium in Cambridge Bay in March 2002. Board members took part in an IPG training and orientation session in Cambridge Bay in late summer 2002. This initiative was partly funded by the NITC.



6.6. Nunavut Wildlife Management Board

6.6.1. Mandate

The Nunavut Wildlife Management Board (NWMB) is the principal instrument of wildlife management and the main regulator of access to wildlife in the NSA, pursuant to Article 5 of the NLCA. The NWMB is a non-profit corporation, an Institution of Public Government, and a co-management body.

6.6.2. Wildlife Management

During the 2001-2004 period, the NWMB continued to maintain a model wildlife management system that has the confidence of the public, Inuit and Government.

NWMB is responsible for establishing, maintaining, modifying or removing quotas or other restrictions on wildlife harvesting in the NSA, as part of its mandate to protect wildlife and wildlife habitats in the NSA. During the period, NWMB allocated quotas and/or experimental licenses for shrimp, turbot, bowhead, arctic char, polar bears, muskox, groundfish, crab, cod, skate, narwhal, walrus and caribou. The NWMB was also involved in species monitoring, community consultations and working groups aimed at protecting species at risk.

Fisheries development remained a priority issue. NWMB staff participated in many fisheries forums and working groups; provided advice to DFO regarding fish, shellfish and other marine species allocations; and equitably allocated Nunavut's share of quotas among eligible fishers and hunters. A community-based management system was developed for narwhal and beluga, overseen by NWMB.

The NWMB has continued to promote the proper inclusion of traditional knowledge in the assessment, classification and management of species under the proposed *Species at Risk Act*. Work towards a longer-term strategy for documenting traditional knowledge is pending the completion of current funding negotiations, at which time the Board will be better able to make long-term plans.

The NWMB is planning to release the final report of the Nunavut Wildlife Harvest Study in the summer of 2004. Data collection was completed in 2001, and data analysis completed in 2003. Preliminary reports of the five years of data for each community were distributed to communities for comment, and a community tour to discuss the reports was completed. A *Total Allowable Harvest - Basic Needs Level Surplus* management regime will come into effect after completion of the study. The NWMB has begun internal staff discussions and external stakeholder consultations regarding the implementation of this new system.

6.6.3. Research Funding

The NWMB evaluates Government and non-government research funding proposals, and provides funding to researchers from the Nunavut Wildlife Research Trust and the NWMB Studies Fund. Wildlife priorities identified in workshops during 2001 guide the NWMB research funding policies. A total of \$1.43 million in research funding was provided to government departments, and \$130,330 was granted for community-based research during the period. Over \$946,000 in research funding has been allocated for 2004/05. The NWMB participates in the ongoing monitoring of various research projects underway in Nunavut, and makes research data and results available to the public through the NWMB Research Centre and website.

6.6.4. Cooperation with Other Organizations

The NWMB continued to work in cooperation with administrative agencies and Aboriginal peoples from other land claim areas concerning shared wildlife populations such as polar bears, caribou and beluga. These included Makivik, the Department of Fisheries and Oceans (DFO), Canadian Wildlife Service (CWS), Saskatchewan Dene, Manitoba Dene and various other wildlife management boards.

The NWMB also worked in cooperation with HTOs, RWOs, NTI, government departments and other IPGs concerning land and resource management issues affecting Nunavut. This included the provision of advice to NIRB on land use permit applications, participation in the Nunavut Wildlife Symposium and the Hudson Bay Oceans Program and regular contact with the executive directors of the other IPGs in Nunavut.

6.7. Nunavut Surface Rights Tribunal

6.7.1. Mandate

The Nunavut Surface Rights Tribunal (NSRT) was established under the NLCA as an arbitrator of disputes over access to land, compensation payable to the surface title holder for access and the use of sand and gravel, and wildlife compensation claims. This quasi-judicial body is independent of any party, including government, industry or Inuit organizations. Its goal is to provide the fairest possible mechanism for the resolution of disputes within the context of the NLCA and legislation.

6.7.2. Operations

The 2001-2004 period was one of transition for the Tribunal. Board members grieved the loss of Emil Immaroitok of Igloolik,

who passed away after a long and courageous fight against cancer. Several other Board members resigned due to time constraints and potential employment conflicts.

NSRT was without a Chief Administrative Officer (CAO) for many months; a casual employee was hired to undertake daily administrative tasks. The CAO position was eventually filled in December 2002.

NSRT has concentrated its efforts in finalizing the tasks required to maintain the Tribunal, as well as setting out plans for the remainder of the planning period.

To date NSRT has not yet received any applications.



Appendix 1: Membership of Implementing Bodies

Membership as of March 31, 2004

ARBITRATION BOARD

(Appointed April 7, 2000)

David McCann, Interim

Chairperson

Violet Ford

Helen Larocque

David McCann

Letha MacLachlan

Ludy Pudluk

Robert Stanbury

Andre Tautu

NUNAVUT IMPACT

REVIEW BOARD

Albert Ehaloak

Elizabeth Copland

Peter Akkikungnaq

Peter Paneak

Mary Avalak

Pauloosie Paniloo

Makivik Corporation Nominees

Putulik Papigatuk

Donald Watt

NUNAVUT

IMPLEMENTATION

TRAINING COMMITTEE

Peter Kritaqlilik(Chair)

Paul Quassa

Hugh Nateela

Irene Tanuyak

Anna Qaunaq

Mary Panegyuk-Coady

Mary Jane Adamson

SURFACE RIGHTS

TRIBUNAL

Tom Sammurtok, Chairperson

Miriam Nilaulaq Aglukkaq

Rachel Mark

Peter Katorka

NUNAVUT PLANNING

COMMISSION

Bob Lyall, Chairperson

Peter Kritaqlilik

Attima Hadlari

Meeke Kilabuk

William Noah

Suzie Napayok

Makivik Corporation Nominees

Putulik Papigatuk

Donald Watt

NUNAVUT WATER

BOARD

Thomas Kudloo, Chairperson

Charlie Inuaraq

Geoff Qilak Kusugak

George Porter

Robert Hanson

Thomas Kabloona

Guy Kakkianion

Bill Lyall

Lootie Toomasie

Makivik Corporation Nominees

Putulik Papigatuk

Donald Watt

NUNAVUT WILDLIFE

MANAGEMENT BOARD

Ben Kovic, Chairperson

Robert Moschenko

Kevin Joseph McCormick

Harry Flaherty

Nick Amautinuar

David Alagalak

Joannie Ikkidluak

Paul Pemik

Makivik Corporation Nominees

Johnny Peters

Paulusie Novalinga

Appendix 2: Schedule of Payments

CAPITAL TRANSFER PAYMENTS

Nunavut Trust: Capital transfer payments

On March 1, 2002, Nunavut Trust made a lump sum payment of \$20,504,533.02 to Canada in repayment of the outstanding balance of negotiation loans.

(Section 29.1.2)

2001-2002	\$ 84,825,841 *(net of loan repayment)
2002-2003	\$ 89,682,231
2003-2004	\$ 89,682,231

RESOURCE ROYALTIES

Nunavut Trust

Resource royalties from 2001 to 2004	\$ 1,324,516
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IMPLEMENTATION FUNDING

Government of Nunavut

To fulfil its responsibilities under the Agreement and Implementation Contract:

2001	\$ 1,492,477
2002	\$ 2,402,050
2003	\$ 850,100

Nunavut Arbitration Board

To fulfil its responsibilities under the Agreement and Implementation Contract (Section 38.1.7)

2001	\$ 27,457.00
2002	\$ 15,625.00
2003	\$ ---

Nunavut Impact Review Board

To fulfil its responsibilities under the Agreement and Implementation Contract

(Section 12.2.31 of Agreement and Contract and public review Section 5.14 of the Implementation Contract)

2001	\$ 1,664,059 \$ 424,812 public review
2002	\$ 1,709,658 \$ 145,405 public review
2003	\$ 1,906,906 \$ 977,890 public review

Nunavut Planning Commission

To fulfil its responsibilities under the Agreement and Implementation Contract

(Section 11.4.3)

2001	\$ 2,627,376
2002	\$ 2,741,339
2003	\$ 3,110,197





Surface Rights Tribunal

To fulfil its responsibilities under the Agreement and Implementation Contract
(Section 21.8.1)

2001	\$ 200,670
2002	\$ 179,734
2003	\$ 188,079

Nunavut Water Board

To fulfil its responsibilities under the Agreement and Implementation Contract (Section 13.3.17 of Agreement and Contract and public hearings 5.14 of the Contract)

2001	\$ 1,568,104 \$ 368,729
2002	\$ 1,568,388 \$ 1,257,088
2003	\$ 1,774,834 \$ 629,136 for public hearings

Nunavut Wildlife Management Board

To fulfil its responsibilities under the Agreement and Implementation Contract
(Section 5.2.19)

2001	\$ 4,739,908
2002	\$ 4,691,279
2003	\$ 4,679,411

CAPITAL TRANSFERS TO NUNAVUT TRUST

(Net of Loan Repayment)

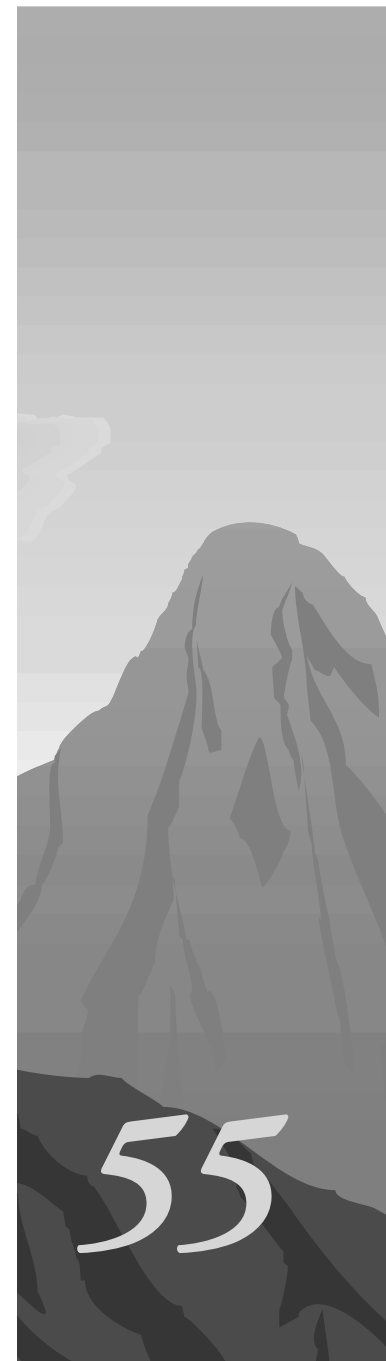
May 25, 1993	\$ 79,307,736
May 25, 1994	50,895,504
May 25, 1995	67,860,673
May 25, 1996	84,825,841
May 25, 1997	84,825,841
May 25, 1998	84,825,841
May 25, 1999	84,825,841
May 25, 2000	84,825,841
May 25, 2001	84,825,841
May 25, 2002	89,682,231
May 25, 2003	89,682,231
TOTAL	\$ 886,383,421

RESOURCE ROYALTY PAYMENTS TO NUNAVUT TRUST

1993	\$ 1,260
1994	53,060
1995	1,089,077
1996	1,018,000
1997	1,034,210
1998	1,180,663
1999	1,316,644
2000	1,289,717
2001	1,123,388
2002	183,528
2003	17,600
TOTAL	\$ 8,307,148

IMPLEMENTATION PAYMENTS TO NTI, GN and IMPLEMENTING BODIES

1993-1994	\$ 26,295,640
1994-1995	6,320,187
1995-1996	12,434,589
1996-1997	13,306,032
1997-1998	13,670,874
1998-1999	13,988,681
1999-2000	15,097,405
2000-2001	14,754,467
2001-2002	13,113,591
2002-2003	14,712,568
2003-2004	14,118,556
TOTAL	\$ 157,812,590



Appendix 3: Amendments

The following is a cumulative of all amendments to the Nunavut Land Claims Agreement and to the Implementation Contract, which received Governor in Council approval following all-party recommendations.

(Effective April 26, 1995)

NUNAVUT LAND CLAIMS AGREEMENT	IMPLEMENTATION CONTRACT
<ul style="list-style-type: none"> • 5.4.2: extension to January 1, 1996 from July 9, 1994 for the start of the Nunavut Wildlife Harvest Study; and • 5.6.25: extension for the Nunavut Wildlife Management Board to establish the basic needs levels for beluga, narwhal and walrus within 24 months, rather than 12 months, from the establishment of the Nunavut Wildlife Management Board. 	<ul style="list-style-type: none"> • 5.2: extending funding provided to the transition teams to year three of implementation; • Schedule 1 Page 5-6: extending the time-frame for the Nunavut Wildlife Management Board to develop the methodology and design of the wildlife harvest study (to October 1, 1995), to identify the Designated Inuit Organization required to collect data (to January 1, 1996), and to prepare a multi-year budget for the study (to July 1, 1995); • Schedule 1 Page 5-13: extending the time-frame for establishing Hunters and Trappers Organizations and Regional Wildlife Organizations from the first anniversary of the Agreement (July 9, 1994) to the second anniversary (July 9, 1995); • Schedule 1 Page 19-13: deleting the Department of Energy, Mines and Petroleum Resources as a responsible agency respecting the rights to carving stone; and • Schedule 2 Part 2: transferring funding from the Nunavut Water Board and Nunavut Impact Review Board Transition Teams to the Territorial government to provide additional funding for the training of municipal land administrators.

(Effective September 17, 1996)

NUNAVUT LAND CLAIMS AGREEMENT	IMPLEMENTATION CONTRACT
<ul style="list-style-type: none">• 5.6.25: extension of the deadline for the establishment of the basic needs levels for beluga, narwhal and walrus to March 31, 1997;• 8.2.2: extension to negotiate and conclude an IIBA for Auyuittuq National Park by July 9, 1997;• 8.2.3: extension to negotiate and conclude an IIBA for Ellesmere Island National Park by July 9, 1997; and• 35.5.7: extension to the deadline for the Appeals Committee to hear and determine appeals to July 9, 1996.	<ul style="list-style-type: none">• Page 8-2 of Schedule 1: replacing the entry under the heading “Timing” to July 9, 1997;• Page 8-3 of Schedule 1: replacing the entry under the heading, “Timing” to July 9, 1997;• Page 24-1 of Schedule 1: replacing the first entry under the heading, “Referenced Clauses” by 24.2.1; and• Page 35-6 of Schedule 1: replacing the entry under, “Timing” for the second activity by July 9, 1996.

