

Band Member Update OCTOBER 2018

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NORTHWEST TERRITORIES TREATY NEGOTIATIONS

UPCOMING MEETING DATES:

October 24-25, 2018 – Yellowknife, NT

NOTES FROM MOST RECENT MEETING – VANCOUVER (September 19-20, 2018)

Treaty negotiations renewed in September in Vancouver after ADKFN Negotiators gave notice to cancel the July negotiations in Yellowknife, cause in their opinion, the Government of Northwest Territories (GNWT) had not been cooperative in providing the necessary information that the ADKFN negotiators required to form negotiation positions. ADKFN negotiators felt that the requests that remained outstanding, generally fell within two categories:

- 1. A profile of the land and resources within the Settlement Area, broken down into categories that include on existing tenures, royalty payments by tenures, shapefiles and of contaminated sites, and metrics on the forestry and oil and gas sectors; and
- 2. A profile of the Hamlet of Fort Liard, broken into categories that include: complete budgets and financial statements, certified Assessment Rolls, Mill Rates, and the 2014 Formula Funding Review Report prepared and released by the GNWT.

The ADKFN Negotiators raised in their July 25, 2018 letter to the Negotiators of Canada and GWNT that they were not willing to meet simply for the sake of meeting and that they felt the on-going delays to obtaining information raises concerns about GNWT's commitment to finalize a treaty settlement.

The GNWT responded with a letter August 16, 2018 and all parties agreed to hold a conference call prior to the September negotiations to resolve the differences. The conference call occurred and the GNWT renewed its commitment to share as much as of the information outstanding that it had access to and the three parties agreed to complete what is being called an Information Exchange Protocol (IEP). It is hoped that the IEP will provide clarity to the process of sharing information in a timely fashion in the future.

All three parties agreed to return to the negotiations table for September in Vancouver. The highlights of that meeting included:

- ADKFN Negotiators provided a PowerPoint presentation titled "*Land, Cash, and Royalties, September 2018*". The presentation included the following:
 - ADKFN's key findings concerning Land and Capital Quanta research, conducted by Urban Systems on behalf of ADKFN, concludes that the 2009 land and cash offer is dramatically lower today than when presented by Canada in 2009 as a result, ADKFN negotiators have requested an increase in capital transfer; also that Canada ensures that quantum of land originally offered in to ADKFN in NWT remains intact (6,474 sq. km of surface and subsurface) or that Canada addresses the difference through an alternative offer with increased cash,.

- ADKFN Negotiators believe the factors call for an adjustment in the capital transfer and these factors include (1) faulty foundation of tying the original offer to the Dehcho Process Treaty Negotiations, (2) Population changes and inflation, (3) gap in comparability to other treaty agreements, (4) GNWTs constraints concerning land, (5) dramatic decline in land values, (6) dramatic decline in royalty revenues since 2009, (7) substantial depletion of resources in ADKFN's territory since the early 2000s where ADKFN recognized little to no benefit outside of employment and minimal benefit agreements with industry, and (8) serious decline in long term potential for high value resource development compared to pre-2009.
- Discussion included examining Canada's offer to ADKFN in comparison to the Dehcho Process and how the offer doesn't account for the unique circumstances of ADKFN – cost of self-governance, needs capacity development, quality and development potential of ADKFNs land, regional investment opportunities, labor market conditions, future development prospects, and ADKFNs preferred land/cash balance.
- Presentation given based on research work by Urban Systems to the Comparative • Analysis with other Capital Transfers in Canada. The offer by Canada (and previously accepted by ADKFN leadership) would have resulted in the lowest per capita transfer in NWT. The average in NWT is \$70,071 per person while the offer to ADKFN is \$28,924 per person currently. Discussion concluded that Canada's offer in 2009 was probably based on the strong economic potential for ADKFN's lands at the time. However, while the previous leadership continuous mentioned that ADKFN sits on the richest lands in NWT and possibly in Canada, research seems to never be done to determine if this still existed, those statements are no longer true with the current world markets for oil, gas, and mining explorations. Further, based on the research conducted by Urban Systems, most royalties for ADKFN's lands have already been realized and occurred in the early 2000s. Production of Natural Gas in Northern Canada has decreased by more than 90% from 2003 to 2016 and currently there are only five (5) active wells with ADKFN's Settlement Area. Further, there are no current active mining licenses in ADKFN's Traditional Territory and the business plans of the leading diamond mining producers in NWT do not include exploration in the next thirty (30) years in the Dehcho region and it is reasonable to assume that other minerals have similar exploration plans. Forestry has seen an extreme decline that fed that the Canfor Polar Board and Tackama Plywood Mills both closed by 2008 in British Columbia. These mills remain shuttered.
- Conversation included that the Land Quantum needs to be a balanced selection that being it needs to be representative of the nature of the land, the geography, resource characteristics and taxation opportunities within ADKFN's territory. The current negotiation team has felt that the past discussions have failed to succeed in these discussions.
- Finally, ADKFN offered conclusions to resolve the issues; both Canada and GNWT took away the presentation for review and consideration at future meetings. But it

should be noted that since ADKFN's negotiators have opened the exploration of a "better deal" for ADKFN members it may result in a lengthening of settling negotiations because it is reasonable to assume that both Canada and GNWT will need to get new negotiation mandates from Cabinet and it is reasonable to expect that this wont occur prior to the 2019 Federal Elections.

- Other Discussions included with the PowerPoint presentation involved the request for all loans to be forgiven Canada has committed to non-loan contribution funding to support future land claim negotiations, but while it has stated that they are prepared to forgive previous loans, it is not clear how this is going to happen.
- GNWT noted at the meeting that there are close to 2,000 kms of land with thirdparty interests in ADKFNs traditional territory and are excluded from selection based on the agreed to Agreement in Principle (AiP) in 2012. ADKNs current negotiators maintain that the AiP is not a legally binding document and other First Nations have negotiated those interests into the final agreement, including FAs signed in the NWT. Further GNWT is still maintaining the position that ADKFN should offset the lands lost in NWT with selection of lands in BC and Yukon. Previous negotiators of ADKFN agreed to consider, the current position of ADKFN's negotiators - that lands can't be set back in Yukon and BC in lieu of lands in NWT because ADKFN is not able to get confirmation from those jurisdictions that this can occur based on the status/progress of negotiations in BC and Yukon.

Negotiations Funding

- ADKFN expressed its frustration with Canada in garnering adequate negotiations funding support. Canada's negotiators at previous meetings stated to prepare the First Nation's request based on evidence base and project work which ADKFN did. The response from Canada was a third of the dollars requested.
- Chief Hope expressed his disappointment to Canada's negotiators and gave notice that ADKFN would not be running a deficit budget to support negotiations (taking from its investment reserves) and that if needed would cease negotiations when the funds that currently been committed by Canada have been expensed. Canada's Negotiator agreed to take ADKFNs concerns to her "bosses" and expressed the need to ADKFN to send a letter to the Minister expressing their disappointment.

Tax Arrears

- Remains on the table for discussion.
- GNWT Negotiators have expressed that this is not normally something that is resolved through a treaty.
- Chief and Council encourages all members to plan with the GNWT to make payment on owed property taxes even though past leadership stated they weren't responsible for property taxes.

Governance of the Municipality

- Still remains a negotiated item.
- ADKFN is still trying to form a position for what is best for the members and the Nation.
- The problem in forming this position is getting a clear picture of what the financial cost initially and on-going both for operating and maintaining the infrastructure of the municipality.
- ADKFN's funding request to Canada to complete a current infrastructure deficit and operational analysis was rejected and without this research it is difficult to form a position of the long-term impact of the municipality operations under the First Nation.

Fiscal Financing

- ADKFN provided their position regarding fiscal financing and that they wanted to get a fiscal financing working group struck with Canada and GNWT as soon as possible. It was identified that there are number of issues that the working group could be working on: (1) government, land management (ADKFN has indicated that it wants an integrated system for land management), management of harvesting and enforcement.
- GNWT feels that until the mode of government for the Hamlet is determined (public vs exclusive model of government) that it is difficult to lay the terms of the fiscal financing.
- Canada expressed the need to understand the desires of what social programs that ADKFN wants to start the fiscal financing framework. Canada indicated that ADKFN goes with an exclusive model of government that it would have no tax sharing option, if this was to occur then ADKFN would have a side tax agreement.
- Discussion for ADKFN going forward will be to consider Canada's Collaborative funding model that it has at other negotiation tables.

Specific Claims

- ADKFN shared with Canada a list of Specific Claims that are consistent with possible claims by ADKFN. Canada's position has been consistent that a specific claim is for the non-fulfillment of Treaty 11. Canada has maintained the position that in lieu of specific claims that it would negotiate where possible with First Nations comprehensive claims instead.
- The current negotiators have significant concerns that the past leadership may have agreed to language within the AiP that significantly impacts ADKFN financially in the pursuit of specific claims up to and including the signing of the treaty/self-government agreement.

Agreement Phasing - Consideration of Changing

• Deliberations are continuing to eliminate the phased approach or changing what is in each phase. Negotiation discussions have considered moving up the "social envelope" from Phase 2 to Phase 1 of Implementation – specifically community wellness, health, education, justice and social program support

Other related activities being worked on or completed:

- First Nation Overlap Overlap discussions are occurring with other First Nations that are impacted by this agreement Chief and Legal have been in meetings with those Nations
- Table Management Plan on-going updating
- Canada's Strength of Claim for the Kaska
- Consultation by Canada drafting of language
- International Legal Obligations
- 2018-2019 Work Plan completed
- New Election Code in development
- Pre-Implementation Plan in development through the Implementation Working Group
- Contaminated Sites
- Impact Benefit Agreements language in agreement being developed
- Wildlife Management
- Land Use Plan Phase 1 completed. AKDN proposed to complete all five (5) phases in a comprehensive approach as part of its funding application to Canada and this was rejected at this point. Therefore, ADKFN is having to go back to the phase development – currently working in Phase 2 with Phase 3 funding application being prepared.
 - Regionally discussions have commenced with the Dehcho Land Use Planning Committee. Both ADKFN and DLUPC have agreed to have regular meetings (plus ADKFN will be attending their future meetings) with consideration that the two Nation's land use plans must be consistent and communicate with each other.
 - Canada has stated that any Land Use Plan developed for ADKFN's territory, must be reflective of the entire area. If ADKFN wants a stand-alone agreement, Canada needs a new mandate. ADKFN advised Canada that it is considering options related to having a sub-regional plan. On-going work in this area is subject to further funding from Canada. ADKFN's view is that ADKFN's Land Use Plan should be compatible with its Land Use Plan that will need to be developed for British Columbia and the Yukon.
- Economic Measures (Procurement)
- Taxation
- Transfer of Historical Files from Reiter Law Office ADKFN has had to pursue through Alberta Law Society a mediator to have all historical files from Reiter Law

Office. Some of the files were eventually released to ADKFN through Donovan & Co, however many of the files were corrupt, these corrupt files were finally recovered through a third source, and there remains question as to whether all the files were forwarded. Settling of this item remains outstanding. To this point it has cost ADKFN \$15,000 to settle this matter. During the process it was uncovered that Robert Reiter, former legal counsel for ADKFN was not registered for the Bar with Law Society of NWT and therefore it is questionable as to whether he should have been practicing law in Northwest Territories.

SIDE TABLES (WORKING GROUPS)

Lands Side Table

- Next Meeting: November 8, 2018 (Edmonton, AB)
- Committee Members: Jodi Carlow (Consultant) & Frank Kotchea (Local Expert)

Implementation Side Table

- Next Meeting: November 6-7, 2018 (Edmonton, AB)
- Committee Members: Jodi Carlow (Consultant), TBD (Staff), TBD (Local Expert)

BC TREATY NEGOTIATIONS

UPCOMING MEETING DATES:

December (DATE TBD) - Vancouver

NOTES FROM MOST RECENT MEETING – VANCOUVER (September 19/2018 - GBC) NOTES FOR MOST RECENT MEETING – VANCOUVER (September 21/2018 – BCTC)

ADKFN's Current Relationship and Connection to British Columbia Report

ADKFN filed with the Government of British Columbia (GBC) Negotiators a Report titled Acho Dene Koe First Nation's Current Relationship and Connection to British Columbia. The GBC Negotiators thanked ADKFN for the comprehensive work in building the relationship and asked if ADKFN could prepare demographic information of ADKFN's members in BC (resident and seasonal) – i.e. membership numbers – where/how many/and type of residency. Once the Associate of Communications is hired, this person will be responsible for compiling that information for December's meeting.

Economic Interests and Consultation Discussions

Discussion include potential economic opportunities in BC (forestry, oil and gas) and consideration of an area-based form of engagement since the Government of British Columbia (GBC) has an evolving policy.

GBC to provide information on the forestry context/TSR. GBC to provide information on the oil and gas opportunities in northern BC (including the Chevron line).

It was agreed to have both parties work on means that would permit ADKFN to access these industries opportunities in BC. The GBC expressed its desire to engage with ADKFN on

Boreal Caribou and other endangered species defined within ADKFN's Traditional Territory in BC. The management of that relationship will be between GBC and ADKFN's contract Lands and Resources (Landmark Resources).

GBC Ethnographic Report

Discussion occurred on the GBC Ethnographic Report that was shared with ADKFN's Negotiators prior to the meeting. ADKFN shared where they thought there were gaps in the report. GBC Negotiators stressed the importance of the report, the fact that it has been filed now in BC, it creates the Duty to Consult with ADKFN by not only the government but also the industry in BC.

<u>Work Plan</u>

ADKFN was tasked with preparing a Work Plan for approval by both the BCTC and GBC. Included in this plan will be: forestry discussions, consultation protocol, endangered species consultation, mapping/land use planning, and on-going discussions/meetings.

<u>Funding</u>

Outside of the existing funding received by the BCTC; the GBC committed to provide ADKFN with an additional \$20,000 for engagement negotiations and \$20,000 to complete the mapping project. The funding was for work completed up to the end of March 31, 2019.

ADKFN met with BCTC representatives and renewed commitment was made by BCTC to fund beyond the existing funding agreement with ADKFN. BCTC expressed the need for ADKFN to get a treaty table with the GBC. ADKFN indicated that they are exploring those discussions. BCTC indicated that while exploratory discussions are funded, they are limited. In stage 2 and 3, funding is cumulative; in stage 4 it is annual and can be on-going for a long time (some First Nations have been there for decades). Note: ADKFN is in Stage 2 of the BCTC Process.

The aim, from BCTC's perspective, should be to have a tripartite process including Canada. BCTC suggested the next major objective would be for ADKFN to work towards developing a Framework Agreement with Canada, GBC and ADKFN.

BCTC no longer provides loan-based funding; it is contribution funding.

<u>Trilateral Engagement</u>

Discussion with GBC included what the framework would look like for a trilateral engagement including Canada. GBC expressed its position and concerns with the GNWT desire for ADKFN to select lands in BC. ADKFN Negotiators that they have the same reservations and wanted to park the discussions until and if trilateral negotiations were to occur.

Health Services

Discussion about the accessing of BC Health Services by ADKFN members with residency in NWT. GBC Negotiators agreed to take away and discuss with individuals within the Ministry of Health in BC.

YUKON TREATY NEGOTIATIONS

UPCOMING MEETING DATES:

December (DATE TBD) - Whitehorse

NOTES FROM MOST RECENT MEETING – WHITEHORSE (August 8, 2018)

Funding Request for Negotiations

Primary objective for ADKFN in the meeting was to set out a funding request to the Yukon Territory Government (YTG). ADKFN negotiators laid out that the Nation requires \$150,000 for exploratory discussions, \$250,000 for strength of claim analysis, \$250,000 for land use planning in Yukon, \$100,000 to support ADKFN Lands and Resources related to Yukon activities and \$25,000 for political engagement locally and internal work. YTG indicated that it would review our funding request and provide a response at the next meeting.

Communication Protocol

It was agreed by both parties to establish a Communication Protocol. YTG shared a draft, ADKFN to review and provide comments for the next meeting.

YTG shared with ADKFN all documents of discussion from 1986 to current.

Transboundary Updates Shared

Discussion about the Kaska Dene Council (KDC) Litigation was shared between the two parties.

The central issue was KDC's role with respect to the Kaska Nation and whether they have a right to advance claims of aboriginal rights for the Kaska. At trial, it came out that KDC has incurred \$21 million in debt from Canada and KDC argued that they have detrimentally relied on LFN's assurances to be able to negotiate. Liard First Nation (LFN) strongly opposed KDC's rights and took the position that they appropriate bodies are the individual bands. YTG speculates that the court's decision will likely to be appealed, possibly up to the Supreme Court of Canada. YTG believes that these issues are coming up in the federal Rights and Recognition, and what that means in terms of the aggregation of rights. Who is the proper rights holder – the Indian Band or the Tribal Association?

ADKFN clarified that the term "transboundary" isn't an accurate reflection of ADKFN's views of its traditional territory. ADKFN views its territory as a whole; not in segments. The term transboundary reflects a process that was imposed on ADKFN through the process of carving up Canada into territories and provinces. YTG acknowledged that there are issues internal to the government and that the Premier of Yukon has been careful to recognize the

"transboundary" term is in a government context, and this term doesn't necessarily reflect the views of the First Nation.

Negotiating Interests of ADKFN

ADKFN informed YTG that it has been considering a process to move things forward on in the short to mid- and long-term. In the short-term, that could look like clarifying the process going work; in the mid-term preparing a strength of claim and land use plan to inform our discussions, entering into exploratory discussions and negotiating agreements. In the long-term, entering into agreements, either as stand-alone agreements or agreements that feed into a bigger process. The objective here is to set ADKFN and YTG up to be able to engage effectively and in an informed way. YTG has asked whether ADKFN wants to have a similar agreement as to that it is negotiating in NWT? At this point our negotiators have not made a commitment to either a bilateral or a trilateral negotiation.

Interim Land Withdrawal - LFN and KDC

YTG provided a very brief update that the Interim Land Withdrawal has been extended to 2023, and states that this reflects need for on-going work and consultation. ADKFN Negotiators expressed our concerns that YTG didn't consult with ADKFN on this topic. ADKFN was prepared for one (1) year renewals but not five (5) years. However, ADKFN doesn't want to see these issues dragged through the courts and therefore wouldn't be filing any litigation against the YTG for lack of consultation.

KASKA LITIGATION

No new information

PARAMOUNT LITIGATION

ADKFN, through Rae and Company (Rae & Co), filed for a judicial review in the court of Northwest Territories - that the GNWT has failed to uphold two benefit agreements – one originally signed with Apache and the other with Chevron. Both agreements are now held with Paramount Resources related to Pointed Mountain.

The Chief and Council, through Rae & Co, has turned to the courts to get the territorial government to enforce benefits agreements for two oil and gas developments on our traditional lands. The previous leadership allowed for the relationship to exist without enforcement for several years.

In our request for a judicial review, we are alleging that the GNWT is refusing to release annual reports outlining how well Paramount Resources Ltd. is complying with benefits plans related to the projects. Under a 1999 agreement, Apache now Paramount agreed to pay \$100,000 annually into an ADKFN community development fund, in connection with an oil and gas project south of Fort Liard. The same year, Chevron Canada agreed to make a similar payment of \$110,000 per year for another oil and gas development near Fort Liard. In 2004, Paramount bought that project. However, in both cases, Paramount is refusing to honor the benefits agreements. At this point, the GNWT says while it may be responsible for benefits plans, benefits agreements are private contracts between the First Nation and Paramount.

ADKFN is asking a judge to force the territorial government to release the reports and enforce the benefits agreements.

PERSONNEL LITIGATION

ADKFN, through McLennan Ross, sought to recover a sum assumed owed to the First Nation by a previous employee. However, ADKFN is forced to forgo action to recover the amount owed due to the likelihood of success is questionable and that that settlement costs could be more in legal fees than the actual settlement. The failure of success in litigation is due in part to the dubious management of personnel by ADKFN's past leadership - with the possibility of wrongful dismissal and the possibility of renumeration that still maybe owed to the employee by ADKFN.

DISPUTE WITH JAYHAWK RESOURCES

No new news. ADKFN is being represented by Donovan & Co regarding the dispute with Jayhawk Resources. Jayhawk claims they should be compensated for a 2009 Consultation and Participation Agreement that was signed by former leadership. The agreement basically asserts that Jayhawk would get 10% interest in existing and future leases of the lands for which ADKFN is negotiating as part of its land claim. Jayhawk is claiming they met their obligations and therefore is entitled to 10% of their interests.

LIARD VALLEY DEVELOPMENT CORPORATION - REINSTATEMENT

In the matter of settling outstanding property taxes in Fort Liard, it was uncovered that many of the properties that should be transferred from the Liard Valley Development Corporation to ADKFN under the former leadership never occurred properly and the Development Corporations Branch because annual returns were failed to be filed. The Chief and Council, through Wallbridge Law Office, have since gone through the process to register the Development Corporation again so that the properties can be properly transferred; then the Development Corporation will be properly legally dissolved. This is expected to occur prior to December. Unfortunately due to the improper handling of the Development Corporation, ADKFN has incurred, to date, about \$10,000 in legal costs with Wallbridge Law Office to manage these affairs.

<u>UPDATE – INTERGOVERNMENTAL COUNCIL OF NORTHWEST</u> TERRITORIES

As a signatory to Devolution in Northwest Territories, ADKFN has a representative on the Intergovernmental Council (IGC) of Northwest Territories. Annually the IGC hosts a meeting in Yellowknife to establish outcomes for the upcoming year. ADKFN had representation at that meeting.

The outcomes established for 2018/2019 include the following recommendations of the IGC:

- that the GNWT recognize the current capacity strain on Indigenous governments due to the legislative drafting processes and discuss options to address the capacity concerns.
- that some of the legislative initiatives will likely need work to complete beyond the term of this Legislative Assembly.
- that the IGC Secretariat, with GNWT departments, carry out a full and realistic assessment of the status of the current legislative timelines as it relates to Indigenous government involvement.
- that the IGC develop, prior to the Territorial election, recommendations for a legislative agenda related to lands and resource management.
- that all Parties continue to work in the spirit of collaboration and avoid predetermined positions, to the extent possible.
- that the GNWT provide draft legislative text for review of the IGCS prior to presentation in the legislative assembly.
- that the IGC Secretariat carry out a lesson learned exercise for existing legislative drafting processes with the goal of developing an IGC Legislative Drafting Protocol for review by IGC.
- that the Task Force for the Mineral Resources Act keep working until a suitable solution is found around the free entry system
- that an Economic Symposium is held in Inuvik in October 2018 and funded by the IGC
- that GNWT officials continue to share new drafts of the Arctic Policy Framework with the Intergovernmental Council Secretariat when they become available and pass on their comments. Work will commence shortly on the NWT chapter and it would helpful for each partner to share any key projects and policy priorities they wish to put forward for inclusion in the Framework.
- that the GNWT begin the process to establish a forum with the Premier and appropriate ministers to deal with social envelop issues between the GNWT and Indigenous governments
- that the Strategic Plan be finalized

<u>UPDATE – NORTHWEST TERRITORIES ECONOMIC SYMPOSIUM</u>

Chief Hope and Frank Kotchea represented ADKFN at the NWT Economic Symposium in Inuvik in October. The Symposium Agenda included discussions on the following items:

- **Fiscal Sustainability** The GNWT receives some 72% (\$1.26 billion of total revenues of \$1.75 billion) from the federal government in 2018-19. This source of revenue comes at a political and economic 'cost' to the territory by certain conditions that can and periodically do constrain the GNWT's expenditure priorities, options and decisions, including debt financing. The ability to generate enough own source revenue to pay for essential public programs and services in every region, and to invest in strategic economic generating infrastructure, has been, and continues to be compromised, putting into question the GNWT's long-term fiscal sustainability
- Limited Resource Projects Revenue Streams and Opportunities The resource revenue streams from existing active projects is diminishing as the resource reserves run out or become unprofitable to extract.

- Potential Implications for Indigenous Governments and Organizations The implications for First Nations (IGOs) and their respective development corporations are challenges from gaps in something approximating an *'ideal stream'* of resource development projects at varying stages of the regulatory review and development cycles to minimize the disruption and fluctuation in the volume of economic activity and consequential variation in public government revenue generation levels, as well as resource revenue sharing, benefit agreements and contracting opportunities. These potential implications underscore the high degree of economic dependence of many IGOs on government (GNWT and Canada) for funding and creation of economic opportunities, especially those who are not located within the economic 'sphere' created by the existing resource development projects.
- **Demographics Patterns and Trends** There are two significant demographic drivers that have and continue to shape the communities and regions, and that impact the demand for GNWT public services: Growing concentration in the regional centers; and, decreasing fertility (birth) rates, and the corresponding aging of the population, as well as a declining working age cohort. The significance of these two drivers warrants further explanation to inform the discussion at the NWT Economic Symposium.
- The Economic Problem to Solve *NWT comparative advantage natural resources:* Historically the NWT has not optimized the opportunities it has had to build revenue streams from its natural resource (natural capital) endowment through the necessary quantum of investment and duration to position for realizing longer-term benefits to ensure not only an economic security threshold but ultimately to maximize opportunities and shared northern prosperity. This is evident by the continued absence of a genuine shared commitment by the GNWT and IGOs in a deliberate, comprehensive and sustainable economic development direction and agenda at the territorial and regional level.
- **Investment risk, and higher Northern capital and operating costs:** The comparative cost of mining in Northern Canada was reviewed Capital costs are double for gold mines; Capital costs are 2.5 times higher for base metal mines; and, 15% to 20% higher for diamond mines; Operating costs were 30% to 60% higher in the Northern mines.
- **Recognition of and Support for the traditional economy:** The economic dominance of the non-renewable sectors has not precluded or diminished GNWT's continued support for and investment in other sectors of the renewable and traditional economies that includes harvesting, outfitting, tourism, local retail and services, the cultural sector (arts and crafts, film & media, music), fisheries, forestry, small scale agriculture, renewable energy, among other emerging opportunities that operate at various scales from individuals to small businesses, some requiring minimal capital investment in every community and region.

- Effort in economic development planning but limited tangible results: Together the GNWT and Indigenous governments and organizations have successfully produced numerous economic strategies, hosted many economic development conferences and regional workshops over the decades. What has been less successful are actual delivery of tangible and sustained results, in part through inadequate execution and commitment to the necessary substantive, consistent and sustained political support.
- Longer resource development cycle: The resource development cycle, which historically occurred within an approximate 7-year process from exploration, feasibility decision, regulatory review and approval, construction and start of production. The mining industry information notes that this cycle is now in the 15 to 20-year horizon. This is because of several factors, including but not limited to: regulatory complexity; expansive consultation requirements, with Indigenous interest and the public; and, increasingly highly organized and effective opposition to development by a wide range of special interest groups including the reliance on protracted legal challenges.
- **Territorial competiveness campaigns:** There have been various campaigns (with varying degrees of scope and tangible success) to promote territorial competiveness in attracting and retaining investment capital, advancing regulatory clarity, certainty and efficiency, while ensuring that environmental standards are not compromised and that the financial assurances (i.e., security) thresholds are maintained. Realistic financial assurances in effect '*put a price on risk*' based on the principle that the higher the potential risk, the higher the amount of financial assurance.
- **Organizational trust deficits:** There exist varying degrees of a '*trust deficit*' between the GNWT and IGOs, as well as between the IGOs. This is contributing to the historic and current approach of largely competition and focusing on dividing up the relatively small economic pie rather than collaborating and developing ways to build a bigger pie to share. The NWT has for too long been overly reliant on external interests and capital to shape its economic future by having 'others' assume the investment risks and consequently benefit from and retain the majority of benefits.

DEVOLUTION COMMITTEES OF NORTHWEST TERRITORIES

As a signatory to Devolution in Northwest Territories, ADKFN has a representative on several territorial committees. The following is a report of the happenings of those committees from ADKFN representatives.

Aboriginal Steering Committee (ASC)

The focus of the ASC for 2018-2019 have been the following initiatives:

• Transboundary Water Management Agreements between NWT and BC, NWT and Alberta, NWT and Saskatchewan. Since ADKFN is directly affected by the relationship with water usage to BC, the Transboundary Committee will have a local/cultural representative to the committee. Chief and Council will be appointing that representative before the end of October.

- Water Stewardship Strategy Implementation Workshop
- NWT Youth Water Stewardship and Mentorship Grant Program; and
- NWT Waters Act Amendments and Update

Arctic Policy Framework Committee

ADKFN has a representative to the APF Committee. The committee is in the process of preparing the framework that will guide business in NWT by the Government of Canada.

The Arctic and Northern Policy Framework represents a path forward to increase domestic and international partnerships and collaboration towards vibrant, prosperous, and sustainable communities in the Canadian and circumpolar Arctic. Regional priorities will be set together with Canada's northerners and their governments. Part of this path forward will be to continue reconciliation with Indigenous peoples, recognizing and implementing their rights as laid out in the federal document entitled *Principles respecting the Government of Canada's relationship with Indigenous peoples*, and supporting their cultures and languages.

The Government of Canada, in tandem with northerners, will use domestic and international policies and investments to help realize that potential. This will narrow gaps between northerners and people in southern Canada. Inequalities in transportation, energy, communications, employment in the wage economy, community infrastructure, health, education and innovation will be minimized. Achieving this vision will require supporting sustainable and diversified economic development and addressing environmental impacts from climate change.

The Arctic and Northern Policy Framework is guided by the following principles:

- Decisions about the North are to be made in partnership with and with the participation of the North, to reflect the rights, needs and perspectives of Northerners.
- The rights and jurisdictions of Canada's federal, territorial, provincial and Indigenous governments will be respected.
- Development in Canada's Arctic and northern regions should be sustainable and holistic, integrating social, cultural, economic and environmental considerations.
- Ongoing reconciliation with Indigenous peoples, using the work of the Truth and Reconciliation Commission as a starting point, is foundational to success.
- As climate change is a lived reality in Canada's Northern and Arctic regions, initiatives will consider its impact on the North and Arctic, including its impact on Indigenous northerners, who continue to rely on the land and wildlife for their culture, traditional economy, and food security.
- Arctic and northern policy and programming will reflect a commitment to diversity and equality, and to the employment of analytical tools such as Gender-Based Analysis Plus to assess potential impacts on diverse groups of people.
- The Arctic and Northern Policy Framework will respect a distinctions-based approach to ensure that the unique rights, interests and circumstances of Inuit and Arctic and Northern First Nations and Métis are acknowledged, affirmed, and implemented. The Government of Canada recognizes First Nations, the Métis

Nation, and Inuit as the Indigenous peoples of Canada, consisting of distinct, rightsbearing communities with their own histories, including with the Crown. The work of forming renewed relationships based on the recognition of rights, respect, cooperation, and partnership must reflect the unique interests, priorities and circumstances of each People.

- Every sector of society from the private sector to universities and colleges, the notfor-profit sector, community-based organizations and individual Canadians – has an important part to play in building a strong Canadian North and Arctic.
- [No region or government shall be adversely impacted in terms of funding/financial resources by changes resulting from the Framework.]

Mineral Resources Act

Mineral Resource Act discussions continue as part of the Devolution process. ADKFN is represented at the *Mineral Resource Act* meetings to ensure the development of resource management legislation and policies do not impede its Land Claim and management of its land and resources.

The September MRA meeting was postponed due to scheduling conflicts. A meeting date will be rescheduled for some time in early October, depending on participant availability.

Petroleum Resources Act (PRA) and the Oil and Gas Operations Act (OGOA)

Petroleum Resources Act and Oil and Gas Operations Act discussions continue as part of the Devolution process. ADKFN is represented at the Petroleum Resources Act and Oil and Gas Operations Act meetings to ensure the development of resource management legislation and policies do not impede its Land Claim and management of its land and resources.

Currently, the proposed amendments to the PRA and OGOA aim to achieve the following goals:

- Resolve existing administrative and technical issues to create a more consistent and predictable regulatory environment;
- Enhance transparency and public accountability throughout the PRA and the OGOA;
- Ensure the legislation reflects current risks, best practices and standards;
- Minimize operational challenges in the administration of oil and gas rights issuance and operations; and
- Increase NWT's competitiveness comparative to other jurisdictions and promote increased investment in NWT oil and gas exploration and production.

LANDS AND RESOURCES

The Lands and Resources Office of ADKFN continues to be managed through a consulting contract with Landmark Resources of Victoria, BC. Landmark has three personnel assigned to ADKFNs file (Manager, Coordinator, and Treaty Advisor). The following is a list of happenings in the past months:

EVENTS

The following workshops and meetings were attended by Landmark representatives in August and September (since the previous Band Member update):

- ADKFN attended the IGC Conference call on August 24, 2018.
- Lands and Resources (Landmark) attended internal conference calls with the ADKFN Negotiations Team as scheduled.
- ADKFN (through Landmark) had a telephone meeting with the Land and Resource Coordinator of the B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development regarding B.C.'s on-going engagement with ADKFN on caribou herd ranges.
- ADKFN attended the Boreal Caribou Range Plan Framework Workshop: A two-day Boreal Caribou Range Plan Framework Workshop held in Hay River, NWT on August 29 and 30, 2018 via conference call.
- Telephone meeting with a World Wildlife Foundation Wild Rivers representative on October 5 to discuss opportunities for ADKFN in monitoring programs around the Liard River.

REFERRALS/CONSULTATION

- Referral responses were drafted in response to Paramount Resources permit extensions and license amendments for existing well sites located near Fort Liard. The draft responses were submitted to ADKFN for signature but were determined to need advice from the legal team prior to submission.
- A referral response to the Mackenzie Valley Land and Water Board (MVLWB) regarding an amendment to the Rules of Procedure document was submitted via the Online Review System (ORS).
- A referral has been received from the Government of the Northwest Territories (GNWT) department of Environment and Natural Resources (ENR) regarding the draft Guidelines for Aquatic Effects Monitoring Program. A response to this referral will be submitted via the MVLWB ORS website prior to the deadline of October 1, 2018.
- A referral response to the GNWT regarding NWT Archaeological Permit Application 2018-020 (AIA for Celibeta Winter Road Project) was submitted via email.
- A referral has been received from Paramount Resources Ltd. regarding their Pointed Mountain Spill Contingency Plan. A response to this referral will be submitted prior to the deadline of October 4, 2018.

FUNDING APPLICATIONS

- Climate Action Fund: ADKFN applied to the Climate Action Fund for the completion of a study regarding climate change indicators, including the presence of salmon and other non-native species, in the Liard River. If accepted, this study will provide temporary employment opportunities to several ADKFN community members.
- Cumulative Impacts Monitoring Program (CIMP) Funding 2019-2020:
- 2018-19 NWT Youth Water Stewardship and Mentorship Grant Program: ENR has announced a new pilot grant program for 2018/2019 to support youth leadership in NWT water stewardship. Currently reviewing the requirements and will be in contact with ADKFN to discuss the possible opportunities for this funding.

• Working on a funding proposal to the BC Government for a Named Place study to further information gathered regarding named places in ADKFN territory in northern BC.

RESEARCH APPLICATIONS AND ARCAHEOLOGICAL PERMITS

- A research application was received by ADKFN regarding a groundwater monitoring program near Fort Liard. This proposed program will be undertaken collaboratively by ENR and the University of Calgary, which has applied for a Land Use Permit related to the program. The application was reviewed and submitted to the appropriate party on behalf of ADKFN.
- A research application was received by ADKFN regarding an invasive species survey for the proposed Prairie Creek all season access road (Canadian Zinc). This survey was proposed to occur between August 9–31, 2018. A response was submitted to Aurora Research Institute in early August on behalf of ADKFN.
- A research permit application was received by ADKFN regarding a small mammal trapping program for the Cantung Mine (near Nahanni Butte). This program is designed to help meet the requirements under the quantitative Human Health and Ecological Risk Assessment (HH/ERA) and site-specific risk assessment process. The application was reviewed, and a response was submitted to Tetra Tech Canada in August on behalf of ADKFN.

LAND USE PLANNING

• Landmark continues the ongoing work of developing an ADKFN's Land Use Plan (LUP) in coordination with Urban Systems and ADKFN leadership, and with direction from ADKFN's legal team. The plan will set out economic, ecological, and cultural priorities and policies for ADKFNs land management and for the land selection component of treaty negotiations. To ensure the independent ADKFN LUP aligns with the overall intent and implementation of the Dehcho LUP, a meeting was held in Vancouver on August 22, 2018. The meeting was an opportunity to introduce the team members and to develop a plan moving forward for collaboration. Going forward ADKFN LUP Committee Member leads will be attending Dehcho Land Use Planning Committee meetings.

Local Land Use Planning Committee Meetings – Fort Liard

Included with October Band Member Committee Meeting will be an update on the Land Use Plan and an invite for persons to re-engage and part of the ADK LUP process and updates for upcoming opportunities for input

TRANSITION INTERNALLY OF RESPONSIBILITIES FROM LANDS AND RESOURCES TO COMMUNICATIONS

In the past year, consultants have primarily been responsible for representing ADKFN at consultation meetings with various levels of government. As ADKFN builds capacity, the

intent is to transfer these responsibilities from Lands and Resources to Communications as technical aptitude permits.

As part of this process, Landmark undertook during this period to review all the meetings, conference calls and workshops it has attends as consultants on behalf of ADKFN. Going forward the intent is for the consultants to serve as mentors and provide instruction and direction to the Associate of Communications through the Acting Manager as the person transitions into his new role as ADKFN's representative.

POST-SECONDARY EDUCATION ASSISTANCE

- We are pleased to announce that we are supporting twelve (12) individuals with post-secondary education funding through one of our benefit agreements. We have reached our budget, for post-education support funding, we contributed a total of \$46,960.75 to help ADKFN aspire to better themselves.
- Applications will be taken in our new fiscal year once again. Individuals wanting more information are asked to contact the office.

SHORT-TERM LOCAL EMPLOYMENT

- ADKFN has been able to support local band members with short-term contract work during the course. To date we have provided a total of \$31,866.30 towards our economy in Fort Liard.
- Watch for local postings, our Facebook page, and the website for ADKFN at www.adkfirstnation.ca

ADKFN GOVERNMENT EMPLOYMENT

We are continuing to build capacity for the First Nation as we move towards selfgovernment. Positions are being posted throughout the year and will be continuing to occur as funding is received from Canada, Government of Northwest Territories, or Industry relationships. Watch for local postings, our Facebook page, and the website for ADKFN at www.adkfirstnation.ca

Associate of Communications: We are currently in the process of completing interviews for this position. We hope to have an individual in this position within the next 2 months if not sooner if possible.

Coordinator of Career Development and Training: We are currently seeking applications to find a suitable candidate for this position.

COMMUNITY WELLNESS

• We continue to fulfill the requests of the membership by the workshops and activities that we are offering.

- We urge individuals to come to the band office with suggestions and activities that you would like to do.
- Please note our calendar of events are available each month on our ADKFN Web Page, Face book Page, at the band office and at the Northern Store.
- Michelle Browning is the assistant to Jacqueline for this program, she is available to answer questions that individuals may have.

CULTURAL AND LANGUAGE SERVICES

- Kathie Hardisty continues to promote the Dene language with programs within the community.
- She is still looking for old photographs, and Elders who are willing to sit down and share history and stories to be recorded.

COMMUNITY AND RECREATION SERVICES (THE GATHERING PLACE)

- The Gathering Place has been busy preparing activities for the month of October. Robert Loe and Holly Fantasque continue to run the programs.
- We are excited to turn the Gathering Place into a Haunted Place for Halloween this year, we hope to see many ghosts, fairies and goblins, super heroes and more dare to enter on October 31, 2018.
- The operating hours of Monday to Friday seem to be working, we continue to use the Gathering Place for many workshops and events as we can.

COMMUNITY JUSTICE

Statistics for this period:

- Number of Diversions 09
- Number of Referrals from RCMP/Crown/Court 09
- Number of Completed Diversions 05
- Number of Diversions awaiting competition 02
- Number of Diversions sent back to court 01
- Number of Diversions transferred to another district o1
- Number of appointed Community Members to the local community Justice Committee o5

We are actively seeking community members to be a part of our program. We urge individuals to provide a letter of intent stating why you wish to become part of this team, and also provide a criminal record check. If you are interested in becoming a member, please contact Jacqueline at the Band Office.

All of our Community Justice Members have been appointed by the Minister of Justice and remain in good standing.

CONTEST WINNERS

- Congratulations to Ariana for winning the poetry contest.
- Congratulations to Steven Klondike for winning the art contest.
- Both individuals won a Samsung Tablet. Way to go!

STRATEGIC PLAN TO BE COMPLETED

ADKFN has selected and entered into a consulting contract with CMR CONSULTING INC., of Calgary, Alberta to complete its first Strategic Plan. This will be a significant endeavor for ADKFN as it will provide opportunity for the membership to express their desires in programs and services for the next five (5) years (2019-2024) as the First Nation transitions to self-government and the signing of their historic treaty and land claim with the Governments of Canada and the Northwest Territories.

The Strategic Plan for 2019-2024 will set the broad direction for the organization going forward over the next five years. ADKFN intends to use the Strategic Plan for 2019-2024 to help guide strategic thinking on a broad range of issues/activities and to help the organization focus its resources.

CMR CONSULTING INC., will be facilitating the planning process, actively engaging community members, supporting and complementing organizations in the community, staff and leadership to help create a realistic and achievable strategic plan that is suitable for both sharing with the membership/public, as well, being a guiding document for Council and management in preparing their annual plans and budgets. In completing the Strategic Plan, ADKFN is striving to have:

- A guiding document for developing administrative processes, governance structures and human capacity for the term of the strategic plan period,
- Improving ADKFN's members standard of living and community well-being
- Creating strong self-governance,
- Enhancing economic develop and the local economic, and
- Improving finance and administration.

The intent is to have the Strategic Plan completed and ratified by Chief and Council by the end of April 2019 with the ability to use it for defining business planning and budgeting beginning with the 2019-2020 fiscal year.

CMR CONSULTING INC. is based in Calgary, Alberta, it is a boutique firm who has performed big results for Indigenous organizations across Canada. It was founded in 2006 and over the last eleven (11) years has delivered strategies and execution competencies that align with the vision, values, and cultural perspectives of an organization.

CMR CONSULTING INC. has worked with the Fort McKay Group of Companies (Ft. McMurray, AB), Fort Nelson First Nation (Fort Nelson, BC), Aboriginal Friendship Centre of Calgary (Calgary, AB), Indigenous Knowledge and Wisdom Centre (Edmonton, AB), Ledcor in the development Indigenous Guiding Principles (Vancouver, BC), Painted Pony Energy – Aboriginal Guiding Principles and Engagement Strategy (Calgary, AB),

TransCanada – developed Aboriginal and Stakeholder plans (Calgary, AB), and BHP Billiton (Melbourne, AU) to name a few.

CMR CONSULTING INC.'s approach and methodology to complete the Strategic Plan for ADKFN will involve a proven five (5) step methodology – (1) Determining Outcomes, (2) Information Gathering and Analysis, (3) Strategic Design (which will include community work with facilitated workshops, focus groups, sharing circles as required, mailouts, open houses with community feasts, and where appropriate, messaging boards, inter-active on-line platforms for broad discussions, m door-to-door discussions, and surveys), (4) Implementation, and (5) Review and Evaluation to measure and monitor progress .

In releasing this INFORMATION RELEASE, ADKFN wishes to provide notice of the relationship with CMR CONSULTING INC. and to inform that the consultant(s) are acting on behalf of ADKFN in gathering information to complete the strategic plan on behalf of the First Nation. We therefore encourage

- Elders
- ADKFN partners, organizations and businesses;
- Non-ADKFN organizations, businesses, industry partners
- Community members/citizens of membership;
- Community citizens of non-membership;
- Members living outside of traditional territory; and
- Youth

to share your stories, your experiences, your desires for programming and services, and your expectations for a better serving First Nation. The result of strategic planning is to look forward into the future and envision the type of community you want to live in - or if outside of the community a Nation that betters your living.

The goal of Chief and Council is to strategically work towards a Nation that is safe and a healthy community, with infrastructure and facilities to serve our growing population – that our culture will once again be thriving, and the Slavey language will be enjoying a revival. That industrial and commercial developments will provide financial security to our Nation which will allow us to provide top-tier programs and services to our community. Members will be thriving academically, and unemployment will be at an all-time low. Members will be strongly represented in management positions in our Government and Member-owned businesses will play a vital role in our local economy. That the ADKFN Government (Chief and Council) will be responsive and transparent to our Members. That the Nation will deliver programs and (when possible) enforce laws fairly to enhance the safety and livability of our community. That lands and housing will be available for our children and Members moving from elsewhere to return to live in our community.