

# NEDS Roundtable

Ottawa Session, January 28, 2014

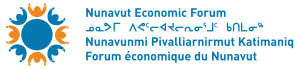
## Continuing to Build Nunavut's Economy

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### Executive Summary

The final session of the Nunavut Economic Forum (NEF) Roundtable series was held in January in Ottawa. The objective of this Roundtable session was to brief key federal representatives on the NEF and the Nunavut Economic Outlook (NEO).

The Roundtable was primarily focused on the history of the NEF and a presentation by Graeme Clinton, author of the 2013 NEO.

The NEF was founded in 1998 and membership included Nunavut Tunngavik Inc., the Government of Nunavut and the Government of Canada. The NEF shares information between members, leads research and data collection related to Nunavut's economy, coordinates economic planning, promotes and integrates program initiatives, and monitors and reports on progress.

Graeme Clinton, economist and author of the 2013 NEO presented highlights of this years and the history of the NEO's and the methodology used to develop them. The 2013 NEO builds on past Outlooks but incorporates of an in depth analysis of the Nunavut Economy. Instead of just focusing on GDP growth, the 2013 NEO examines societal growth as well.

This analysis shows a startling picture of the Nunavut economy. While strong growth has taken place over the past 15 years, the challenges facing Nunavummiut remain great. The GDP has grown with major exploration and fisheries development, however the majority of Nunavummiut have not been able to benefit from this development.

Major considerations for this lack of social development include education, housing shortages, and mobility issues.

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Single major projects have impact on nearby communities but this does not translate throughout the territory as a whole.

This trend may continue because of the emerging demographics in Nunavut. Nunavut has a young population but also an aging one which will place demands on the health and education system in Nunavut.

Overall, Nunavut will see significant growth because of major projects such as the Baffinland Iron Mine, Iqaluit International Airport Construction and the potential Meliadine Gold Mine. The challenge Nunavut faces is turning these projects into societal growth and overcoming the shortage of qualified unemployed people, regionalism and the housing issues associated with this and the capacity of Nunavut based businesses to capitalize on these projects.

One sector that was highlighted as a sustainable one was fisheries. Coordinated efforts between Governments and the Private Sector has seen a slow and steady growth in the fisheries.

This presentation prompted significant discussions amongst participants. Questions were asked about the methodology of the Outlook and some of the deeper analysis the Outlook provides. Discussion was invited by the chair about Federal expectations of Nunavut organizations. There appeared to be consensus that there is a requirement for aligning of efforts between all stakeholders and that clear and measurable goals should be identified.

The meeting adjourned with a commitment to share information and continue to work together to develop the next strategy. There was consensus that there is a strong need for a common long term vision, with efforts made on short term, measurable goals.

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## History of the NEF

Participants were welcomed by the President of the NEF who delivered the message that NEF was not present to ask for anything but rather wanted to tell the story of the NEF. Participants introduced themselves.

The formal portion of the meeting began with a presentation by former NEF Executive Director and President, Glenn Cousins supported by a Power Point Presentation,

The NEF was established in 1998 as a broad group of member organization brought together to identify and share information that supports strategic planning for Nunavut Economic development. The organization was formalized in 2004 through the support of three key organizations, Nunavut Tunngavik Inc. (NTI), the Government of Nunavut and the Government of Canada (then Indian and Northern Affairs Canada and now the Canadian Northern Economic Development Agency (CanNor)).

The 30 member organizations of the NEF include Inuit organizations and development corporation, territorial and federal governments, chambers of commerce, community representative organizations, sector development organizations and other agencies and NGOs with roles to play in economic development.

The NEF fulfills a number of different functions with specific focus on sharing information between members, leading research and data collection related to Nunavut's economy, coordinating economic planning, promoting and integrating program initiatives, monitor and report on progress.

The approach to date has focused on the monitoring of the implementation of a "made in Nunavut" ten year strategy

for economic development, known as NEDS1 which was a collaborative approach to development. The strategy identifies the role of the NEF and includes over 160 specific actions that various agencies, groups or governments agreed to undertake to help foster economic growth in Nunavut. NEDS1 had the objective to achieve a high and sustainable quality of life for Nunavummiut and actions were organized and focused under four themes: the land, our people community economies and territorial economy. The NEF recognizes that this is just one way the subject matter could have been organized. The goal remained to ensure growth is enabled and positive outcomes are a result with the focus on happier, healthier people.

It focused on Nunavut's key economic sectors including: resource development, commercial fisheries, tourism, cultural industries and the traditional economy. The development of human capital is a key component woven throughout the strategy.

The NEDS1 process also guided the NEF in the production of a number of other documents. These have included:

**Qanijjuq: The Guide for Investment Planning.** This document helped government industry and NGOs with longer term planning for focused, strategic investments in targeted development areas. This was used to help synchronize the investments from Strategic Investments in Northern Economic Development (SINED) and various GN initiatives to achieve maximum results.

**Nunavut Economic Outlooks:** The overall progress achieved through the implementation of NEDS has been effectively measured through the Nunavut Economic Outlooks which started in 2001 prior to the launch of the first strategy. The Outlooks however go further than just the conventional economic measures but provide insight into societal progress.

It is not something that can be captured in a meaningful way in a short time period. Linking any progress with specific actions or inactions must be meaningful and can only be conducted over time. To date the NEF has released six NEOs.

The federal agencies and departments in attendance asked about how NEDS1 was used to coordinate the investment money. It was explained that the initial investment of \$30M from the Government of Canada was guided by the NEDS1 which didn't identify specific projects per se, but rather encouraged champions of each investment area. Once the first round of SINED was sunseting in 2009, the NEF used that as an opportunity to promote the renewal of SINED. An additional \$30M was received but some of it was marked for pan-territorial initiatives. Qanijjuq2 highlighted the positive outcomes of SINED1 and advocated for the renewal. Generally, the investment plan helped guide investments of \$55M directly to Nunavut over 10 years.

A discussion was held on what was learned from NEDS1 that could be improved for the development of NEDS2. It was understood that the challenge has been how to measure the implementation of and the specific impact of the strategy. The efforts to link up the Nunavut Economic Outlooks and the strategy have begun and should be built upon for NEDS2. Through the regular publication of NEOs it has been realized that the overall objective of the strategy should be focused on attaining a high and sustainable quality of life, not just improving Nunavut's GDP.





## **The Federal Government's Perspective on Economic Development in Nunavut**

As the federal agency with an overall focus on achieving economic growth in the three territories, and as a key member and funder of NEF projects, CanNor was given an opportunity to speak about their input to economic development in Nunavut. When NEDS1 was being developed, it was challenging to get the federal government to the table to discuss the strategy, let alone one that looked 10 years into the future. The partnership NEF has developed with CanNor has been a key step in ensuring that the limited federal investments in Northern economic development are focused in a way to ensure significant impacts.

CanNor was formed in 2009, shortly after the federal government's Northern Strategy was announced. The creation of CanNor was a key deliverable under the Economic and Social Development pillar of the Northern Strategy. It remains the only federal entity that is headquartered North of 60 and has been mandated to advance economic development in the territories and serve as the federal hub for these efforts. This mandate is fulfilled through the delivery of a suite of economic development programs, by developing policy and conducting research and by aligning the efforts of partners and stakeholders, particularly in relation to major resource developments.

CanNor, through its SINED program has focused its investment in not only areas of the traditional and cultural economy but in key areas such as tourism, natural resources and fisheries. The cyclical nature of these areas can create vulnerabilities but through the key partnerships CanNor has developed with Territorial and Inuit Organizations, regional development has



progressed. The goal is to have developed and diversified economies that support prosperity for all Northerners.

From CanNor's perspective, economic development in Nunavut faces challenges that need to be mitigated in order to maximize the impact of the investment being made to promote economic growth. These challenges include:

- Gaps in the available Inuit workforce;
- Public sector employment far exceeds private sector and self employment
- Increased entrepreneurship can help generate wealth but needs to be better fostered;
- Limited expertise, skills, access to capital and support and advice all hinder potential entrepreneurs from starting businesses;
- Gaps in community, economic, energy, telecommunication and transportation infrastructure;
- Isolated communities with insufficient housing;
- High costs of living
- A stable yet sometimes misunderstood regulatory environment

Recognizing these challenges and opportunities, CanNor created a five-year strategic framework that focused on three key priorities from 2013 – 2018. These are:

- An engaged and skilled Northern workforce;
- Enabling infrastructure; and
- Community capacity.

As with everything CanNor does, partnerships are key to the success of their programs and services and through partnerships serves as the center of expertise on economic development for the North. CanNor promotes Northern interests both within and outside the federal government and brings a Northern lens to policies and strategies while advancing a coordinated and planned approach to economic development. This is consistent with what the NEF also believes.

### **CanNor: Policy Areas of Focus & Contributions**

CanNor focuses its policy development on the following areas that will have the greatest impact for economic development:

- Connectivity;
- Labour market and skills development;
- Infrastructure;
- Economic diversification;
- Northern advocacy;
- Tourism;
- Food security;

- Fisheries;
- Youth.

They deliver four key programs that help achieve the policy goals set out in these areas:

- SINED - \$18.2M
- Aboriginal Economic Development - \$11.8M
- Northern Adult Basic Education Program - \$6.6M
- Community Infrastructure Improvement Fund - \$3.2M

**Northern Projects Management Office (NPMO)**

The NPMO serves as the single window for industry to navigate through complex northern processes – whether its exploration or mine decommissioning – helping companies move more efficiently and avoid regulatory delays. The advancement of major projects in Nunavut ensures economic benefits of these projects are delivered to Northerners in a quick and efficient manner. The NPMO provides pathfinding and issue resolution for industry, coordinates the federal participation in the regulatory process and tracking timelines and advancing community readiness

**Partnership with NEF**

The overview of CanNor provided by the department echoed the NEF President’s comments that the goals and objectives of the NEF are very clearly aligned with those of CanNor. The partnership with the federal government was integral to the successes of NEDS1. Just like NEDS1 and the investment plans that flowed from it, the group hoped that NEDS2 would be equally as successful at ensuring efforts are streamlined.

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The NEF recognized in their statements that funding agencies such as CanNor receive mass amounts of information. By providing correct and proper information, investments from CanNor and the federal family can be focused, targeted and very meaningful.



## **2013 Nunavut Economic Outlook (NEO)**

Graeme Clinton, the author of the latest NEO as well as the five preceding reports, presented a summary of the latest Outlook and encouraged participants to read the full report which is available online. The outlook presents a significant amount of detailed information and is presented to encourage discussion about the issues, and not necessarily to build consensus.

As previously stated, the NEOs have been a key part of the NEDS1. With the 2008 report, when it was about to go to print, the recession hit. In 2007 it was in many ways a crazy time for the Nunavut economy as there was lots of interest from the Exploration Sector and in many ways Nunavut was being overrun by mining and exploration companies. The 2008 NEO was titled "Our Future to Choose" because there was so much activity taking place.

When the recession hit there was a worry that they would have to rewrite the entire outlook but upon further examination the substance of the 2008 NEO didn't change much.

The 2010 NEO was much more difficult to write because in so many ways it looked a lot like the 2008 report. It had to be asked, why no matter what is happening with the global economy, does the Nunavut outlook generally remain the same. Nunavut's economy appears to always show fantastic promise with growth in the economy but the progress of Nunavummiut remains the same. Nunavut's economy shows potential growth, but real growth remains elusive.

The 2010 NEO led to the realization that the approach of how to measure growth of the Nunavut economy needs to be reexamined. It is too easy to say that we just need a bigger economy: one more mine, more fishing and that will

solve many problems. The challenge of real growth is more complicated than that.

Since the release of the 2010 NEO, the NEF through contributions from Graeme Clinton has been investigating a different approach to the study of Nunavut's growth and development. Specifically, it has been focused on asking how do you measure a growing economy while properly measuring the development of Nunavummiut?

In order to do this, the focus was put on the progress of people. Not just from a traditional economic analysis but looking at the happiness or wellness of people. The first NEO in 2001 utilized the old framework for development in that it tracked investment in wealth generating capital.

But in the past three to five years this model was showing some cracks. It did not contain a feedback loop that examined if an imbalance was occurring. The Nunavut economy had experienced great growth in GDP but traditional models do not show how society is faring and whether or not actual societal growth is lagging. The requirement to address this shortcoming led to adjustments in the overall approach. In modern economics there is more emphasis on human components and different methods for measuring societal growth than simple GDP. GDP is good for measuring economic growth but less appropriate for societal growth.

In a developing region such as Nunavut, true development is occurring when its citizens are increasing their choices, capacities and freedoms. There is a need to understand what's happening to people and not just the economy because it is recognized that there is a greater purpose to economic growth. It's a means to achieving something greater in a society. This had led to new indexes that attempt to capture this societal

growth. OECD has “Better Life Index.” UK has a “Happiness Index”. European Parliament has “Beyond GDP”. While these on their own aren't right for measuring Nunavut's economy, they have elements that would help to measure Nunavut's progress towards the goals of financial wellbeing, human capabilities, social inclusion, and sustainability.

### **Nunavut Demographics**

Nunavut is young and aging. The median age is 24 compared to 42 for Canada as a whole and at the same time people are living longer. This is very different from southern Canada. Nunavut has a very large population of young people where Children outnumber adults. There are many 15 to 19 year olds having children and this factor impacts Nunavut significantly in terms of educational levels, workforce participation, and poverty, and it impacts people for their entire lives.

Nunavut's population is expected to grow by as much as 14,000 over the next 20 years, or as little as 10,000. There is an assumption that fertility rates will come down, but this has been said over the past 12 years but the opposite has happened. Population growth will be strong no matter what happens to fertility rates and migration. The demographic profile will not change over the next 20 years. There will still be lots of children and lots of pressure to increase teachers and educational facilities. But at the same time Nunavut will also see a much larger population over the age of 60.

In 20 years from now, there will be more people between 0 and 15 than 15 to 30.

The fastest growing population in Nunavut over next 20 years will be those over the age of 60 and this has tremendous implications. This will impact how health care will be managed



and housing requirements. The only change may be with outmigration, as older people will not necessarily have access to services in Nunavut.

There were questions about the assumption that the population of Inuit in the territory will be overtaken by non-Inuit. The projections actually show the opposite to that. There is an increase in number of Inuit that are moving south. There appears to be 5000 more Inuit living in southern Canada than before but that is not changing Nunavut's demographics of remaining about 85% Inuit. There has been an increase in migration over the past five years but data does not show who these people are.

It has often been assumed that mining will have an affect on the demographics of Nunavut but in fact there has been no significant in-migration as a part of the Meadowbank project according to proponent mainly due to the fly-in-fly-out system of meeting qualified worker requirements from outside the territory. Mary River is unique in that they are not sure what community will be most affected, but the same system will be in effect with the majority of workers hired from outside As a result population impact will be small on Nunavut. At the Meliadine mine there will be an impact and population growth in nearby Rankin Inlet but the company expects it will mostly be Inuit migration, therefore not changing Nunavut's overall population demographics.

The group discussed the potential impacts of a “fly in, fly out” workforce on the strategy and whether or not this will be incorporated into NEDS2 or measured in the next NEO. In the NWT, there is a big push to make transient workers residents. In Nunavut, there seems to be no desire to do the same and an interest in keeping this model as it minimizes the impacts on communities and infrastructure requirements.

### List of Potential Mining Projects

- Meadowbank Mine (currently producing)
- Mary River in development but much smaller than expected
- Meliadine
- Izok Corridor
- Kiggavik
- Back River
- Hackett River Silver/Zinc
- Hope Bay

### Sector Outlooks

#### *Mining*

Mining projects in Nunavut each individually have a large impact on the economy, and even small changes in the mining schedule completely alters the economic outlook. The projects are volatile in the sense they depend on the world commodity prices so much. For example, the full development of Mary River is 100% dependent on the price of iron being higher. The current (smaller) project is designed to show that the larger project is viable. Early company projections suggest the larger project will proceed.

Gold mining projects are much less certain. As gold approaches \$1200/ounce lots of projects are in jeopardy. Most gold can be produced at less than \$1000/ounce but it is still expensive. The drop in the price of gold jeopardized the longer term life of Meadowbank which Baker Lake admits they were unprepared for that result. Under the current scenario the mine will only be open for another five years. Meliadine will not open if gold is at \$1000/ounce, it is possible at \$1200/ounce and for sure \$1500/ounce.

A lot of this activity will take place without Nunavut's control. Nunavut does not control the price of gold. The systems that need to be in place to help adapt are the same as those that need to be in place for the normal change.

#### *Fisheries*

Nunavut provides a perfect example of how to grow something from nothing to a substantial industry. It is a great model for showing the relationship between investment and growth in the industry. It's a viable industry with slow and steady growth and all of this growth to date has taken place over the life of the first NEDS.

### *Construction*

Construction is largely dependent on the public sector. The Nunavut construction industry cannot handle the projects envisioned in the mining sector because of the sheer size of these projects. The requirement for materials to be imported from southern Canada makes Nunavut codependent with southern Canada with southern Canada benefiting from Nunavut infrastructure projects.

Development projects have a huge impact on the GDP of Nunavut. A single project could have 10-15% affect on Nunavut's GDP. Closing the Meadowbank Mine will have an impact on Nunavut GDP as well, but the real impact of this closure is in Baker Lake.

Big projects such as Iqaluit airport and the Canadian High Arctic Research Station will have an impact on Nunavut's GDP. Full Mary River construction will have a 15% to 20% impact on Nunavut's GDP but the real impacts of this will be felt by the people of Pond Inlet. But this project will not impact Gjoa Haven, or other communities far away from the mine.

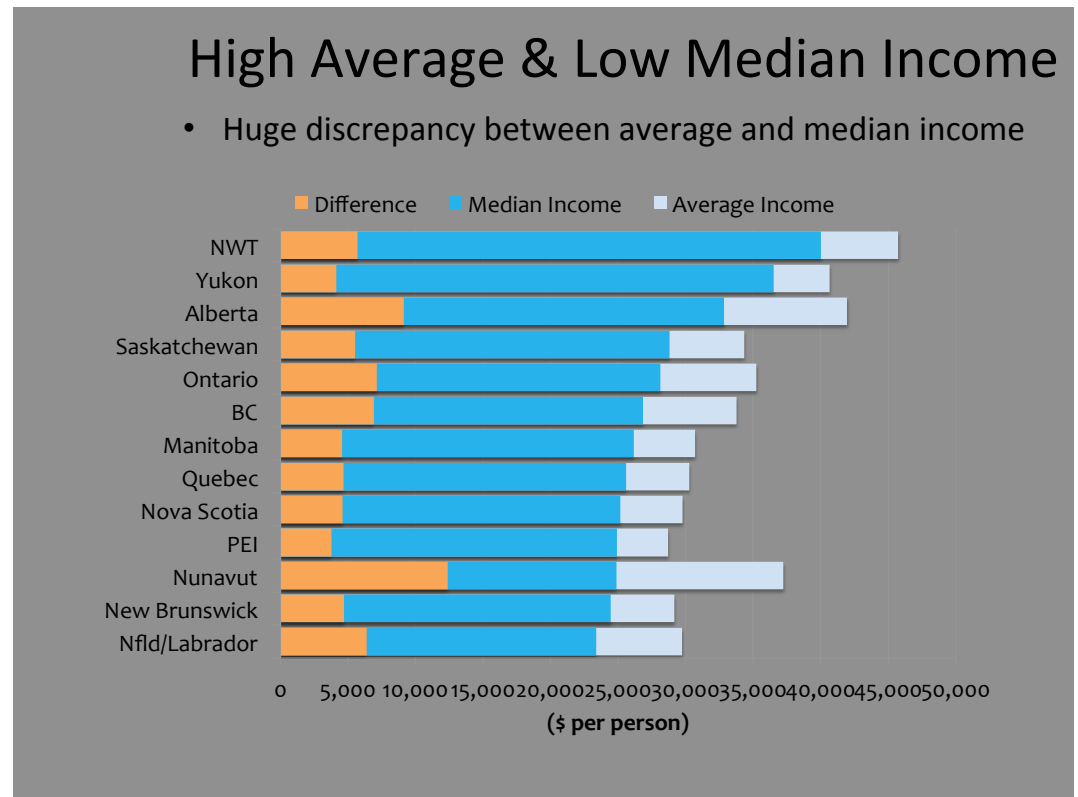
### *Tourism*

Since the last outlook, the tourism industry in concert with governments and Inuit Associations has unveiled its new strategy that focuses on achievable small and measurable steps. Prior to that, the Tourism industry was in disarray and there were conflicts in personalities within the sector. The new strategy brings these together and segments the market into areas where the most impact is likely to occur. In this way the strategy is focusing on the specific needs of the segmented market.

While Conference tourism can be significant, the challenge will continue to be trying to get people out of Iqaluit so that the

economic benefits will be more wide-reaching. In 2011 there were more people in Nunavut working in tourism than mining and construction combined. Many of these were seasonal jobs but are a part of the economic diversification that is required. Seasonal jobs have an enormous impact on the growth of the community.

### Understanding Nunavut's Development



This topic can be depressing when you focus on the numbers presented but there are areas where there is improvement. For example, there is a rising middle class in Nunavut. But, a full half of the population of Nunavut is not succeeding.

There are situations where the economy is doing well but does not help the wellbeing of people automatically. There are many

people in Nunavut doing well. The economy is growing and more people are working than before and average incomes are higher than southern Canada. Nevertheless, at the same time there is a significant rise in unemployed people. There are enough jobs today to employ many if not most unemployed Nunavummiut. The challenge is getting the people into these jobs.

***Challenges to Nunavut's Development Challenge.***

Economic growth and opportunities are having an impact on regionalism within Nunavut. There is a lack of qualified unemployed people in Nunavut. Nunavut is fortunate in that there are low skilled jobs in mining. If some of the predicted projects happen at the same time there are impacts because there is a limited labour pool. Contracting and employment levels could actually decrease if there are projects occurring at the same time. There is a limited capacity in Nunavut to maximize impact. The Iqaluit Airport project strives for an Inuit employment target of 15%. This will lead to an increase in the number of temporary workers in Iqaluit and there will be impacts.

There was a discussion about Inuit participation in the economy and why the levels of Inuit participation in the workforce are not reflective of the population.

While education levels were one reason discussed but the group agreed in order to increase Inuit participation there is a requirement for some major changes including aiming employment programs beyond unskilled jobs.

***Participation Challenges***

Since Nunavut is short of qualified unemployed people important measures for financial wellbeing will be based on improved outcomes for Nunavut success in other areas such as education and housing.

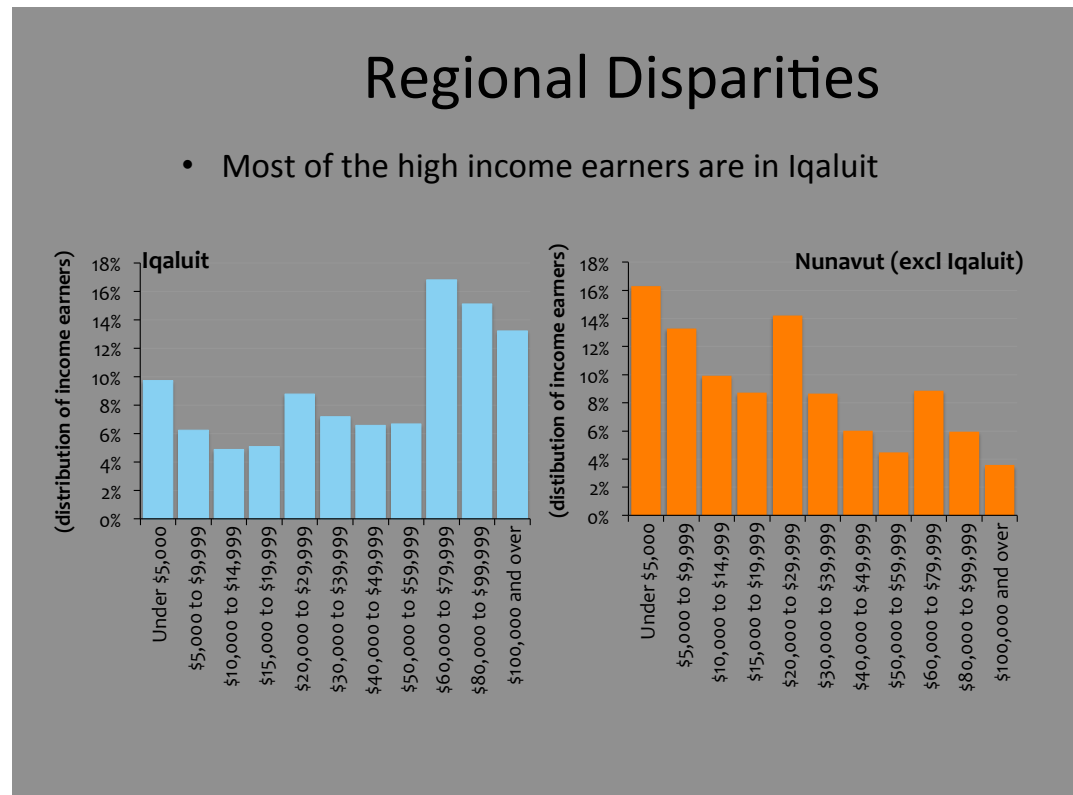


In Nunavut if you don't have a high school education, getting a job will be challenging. Considering Nunavut has low graduation rates, this is a real challenge. Beyond Nunavut, university education has the highest levels of employment in Canada. Nowhere else in Canada does education matter more, and nowhere else in Canada do uneducated people succeed less.

Many Nunavummiut are hesitant to relocate to another community for jobs because that would mean giving up their current public housing unit and going on a waiting list somewhere else. It is therefore risky for families to move. The dependence on public housing coupled with shortage of units impedes the mobility of many Nunavummiut It is difficult to make enough money entering into a lower paying job to offset the benefits of subsidized housing or welfare support.

**Regional Disparities**

- Most of the high income earners are in Iqaluit





There are almost 5,000 Nunavummiut in the top deciles of income earners (\$80,000 +). Half are living in Iqaluit. But at the same time, there are a lot of people in the bottom deciles.

Iqaluit has a disproportionate amount of income earners. A large percentage of people are making good money and doing well financially, however, outside of Iqaluit this is completely opposite.

In order to be equal with the rest of Canada, Nunavut's average income should be \$44,000. From an economist's perspective, Nunavut does not face a problem with high prices but rather an income problem with people not making enough money. Why can't people afford to feed their family? It's a measure of income gap, education, wage disparity and other issues, not a pricing issue.

### **Conference Board of Canada Reports**

A question was raised as to why the analysis in the NEO does not compare to that of the Conference Board of Canada reports. It was explained that the Conference Board of Canada takes a more traditional approach to measuring economic well-being and is interested in getting the GDP number right. They make predictions on size of industry, timelines and have a traditional approach to examining the human side of equation. The NEO does not focus on specific GDP results alone, but rather looks at how projects impact communities and people. This economic outlook incorporates the full definition of economics.

### **Facts and Statistic That Impact Nunavut's Economic Growth**

The challenges Nunavut faces are so inter-connected that solutions for economic development need to also help address some of the factors that are preventing growth. Some of these statistics in the 2013 NEO include:

- Almost 17% of the population of Nunavut will go a whole day without eating.
- 1.5 out of 10 have been a victim of violent crime.
- 57% of Nunavummiut live in public housing
- Most pay minimum rent because they can't afford more than minimum
- Only 4% of tenants pay \$1000 month
- Cost per house is \$23,000/year
- 13% of GN Budget goes to public housing- compared with 2 or 3% in other jurisdictions
- The Nunavut public housing waiting list has 1460 people on it. In order to meet the need, 175 public houses per year must be built for the next 20 years. This will not be met.





### Suggestions for NEDS2 - Growth versus Development

Modern development economics show that there isn't one main approach to dealing with these issues but many smaller approaches that make many small changes.

Nunavut's challenges are complex. We shouldn't think that there is a potential single great master plan out there that will turn growth into prosperity for all Nunavummiut. The solution will be one that incorporates many smaller initiatives.

Development is a process. A characteristic of the way people work. By integrating the whole methodology and embedding this into the way you analyze success.

The 2008 NEO happened right on the verge of the recession. The slowdown in the economy might have had some benefits and allow people to prepare for development when it happened again. However, If you look at Baker Lake's response to the announcement that the mine would be closing early, the community did not adapt well to this. The local labour force has been tapped out at 225. It's been steady. In preparing for a project, there hasn't been preparation in most communities.

An interesting inquiry was raised – what if Nunavut were viewed as a stand-alone country, and not a part of Canada to what country would it compare? This question was based on the fact that Nunavut is often referred to as “third-world country.”

Mr. Clinton explained that he would not compare Nunavut to third world conditions because it's really different. Nunavut is poor compared to Canada, not the world. It compares to a developing region and integrating economy. There is a

school system, health care, and opportunities. The interaction between the federal and territorial /governments needs to recognize the state that Nunavut is in now and it needs to recognize that more support will continue to be required as further development takes place. There will continue to be help required with to manage the territory.

A comment was made about connecting line between economic growth and social and economic well-being. The analogy offered was a comparison to Alaska where they had a land claim settlement that gave a lot of land and a lot of money. The well being of Alaskan natives hasn't changed much between the 1970s and now because communities have not been empowered. There is a need to move programming to results based programming and not processed based programming. Small successes are possible. But it seems overwhelming to consider how to introduce all the checks and balances that are necessary when moving to results-based programming. CanNor admitted to struggling with community readiness as they often want to look at the big project when perhaps a smaller approach might be needed.



### Key Expectations for NEDS2 – The Federal Perspective

The group was asked to express some of the key expectations between now and 2024 that went beyond just requesting increased amounts in the Territorial Formula Finance as well as programs or services. Recognizing that there are expectations on territorial groups, governments, NGOs and everyone to bring Nunavut out of a state of poverty into one of well-being, the group was given direct feedback from the Ottawa-based departments on how to do that.

It was acknowledged that NEDS1, having survived 10 years, is a strategy that was well thought out and well-planned. The fact it survived changes of government are a testament to the partnerships that were formed around the strategy. At this point in time, there is much more interest in the north than there was when NEDS1 was developed and there is the possibility of building on this interest.

A key deliverable that came out of NEDS1 were the specific strategies that were designed to grow each sector. From these various strategies, focus on growth, well-being and skills development was able to occur. This can be built upon moving forward.

The fishery sector identified a need for strategic plans on the part of industry to achieve better quotas and get better support. Because of the strategy, they focused on ownership instead of royalties. The growth of the industry came about because industry identified the requirements and worked with DFO who met the requirements. There is a need to work more closely together on broader strategic issues. However because often in Nunavut we are dealing with the immediate

crisis, there is no chance to do this. This is why the work of the NEF has been important. It brings federal colleagues together. Federal departments reiterated that they see themselves within NEDS1 and definitely continuing to play a role in NEDS2. Certain departments have strengths and focuses in certain sectors that will be beneficial. While the group agreed that having a 10 year strategy, while not typical in government circles, has been successful because many of these initiatives takes a while to measure, there was discussion that some specific, shorter term strategies can be incorporated. This might include action items achievable over five years that connect with longer ten year period achievements.

Government participants suggested that capacity building can be linked to government programs. Parks Canada was used as an example, where increasing visitation to the areas can be done through the development of more local guides. Further, once the government at the territorial level, ensures basic literacy skills are achieved, more partnerships with industry will be fostered.

Out-migration was raised by one federal official, who inquired if some communities will eventually be closed as a result of it and if we should focus on that for NEDS2. This issue was raised at the Leadership Forum and it was agreed there would be a lot of inter-jurisdictional issues should this take place. However it likely will not as it would be seen as a forced relocation.

## Conclusion

The Roundtable provided participants with an excellent overview of the process and results achieved by the NEF to date. The challenges faced by Nunavummiut are significant, however, there are signs that the excellent growth in the Nunavut economy can translate to societal improvements with an effective strategy.

The NEF reiterated its desire to engage key Federal Partners in working collaboratively to achieve an integrated Nunavut Economic Strategy for the next ten year period.

Going forward the NEDS2 process will focus on producing a strategy that is all-inclusive and guided by improving the social economy for all Nunavummiut.

There are limited resources available for improving all the social challenges associated with economic development. However with collaboration and a similar mindset to the end result, all the groups involved in the NEF and the federal agencies can achieve positive progress towards building on Nunavut's economy.

## Next Steps

This report completes the Roundtable process that is the lead up to the Simmiut 4 Conference, where the direction of the next Nunavut Economic Development Strategy will be formed. This, and the other Roundtable reports will be integral to forming part of those discussions.

# A

## Appendix

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