

November 13, 2009

The Honourable Chuck Strahl, P.C., M.P.
Minister of Indian Affairs and Northern Development and
Federal Interlocutor for Métis and Non-Status Indians
Indian and Northern Affairs Canada
10 Wellington Street
Gatineau, QC
K1A 0H4

Dear Minister:

In October, the Canadian Chamber of Commerce concluded its 80th Annual General Meeting (AGM) in Victoria. A major highlight of our AGM is the Policy Session. It is during the Policy Session that resolutions submitted by local chambers of commerce and boards of trade from across Canada are debated and voted on by accredited delegates. Once approved, these resolutions become policy of the Canadian Chamber for the following three years. In 2009, our delegates issued a clear and decisive national policy mandate that we intend to pursue vigorously with the federal government over the coming months.

The following resolutions, which pertain to your portfolio, were adopted by our delegates.

First Nations Land Claims

Uncertainty over the ownership of lands subject to First Nations land claims is a national problem stifling economic development and threatening public safety. The Canadian Chamber recommends that the federal government work with the provinces, territories and First Nations communities to resolve all outstanding land claims by 2020; expedite the process by developing a consistent and transparent approach to the evaluation of compensation for claims that is reflective of local/regional realities, and where an offer of compensation does not lead to final settlement within twelve months, bring the matter forward immediately to the courts.

Aboriginal Labour Force Strategy: Tapping into an Underutilized Pool of Labour Supply

Even with the economic crisis, Canada continues to face a skills shortage that will only escalate with our aging population. Canada must position itself to fill this skills gap by tapping into underutilized pools of labour, such

as the Aboriginal community which represents the largest untapped labour force in the country. The Canadian Chamber recommends the federal government, the business community, provinces, territories, Aboriginal communities and Aboriginal service providers coordinate their efforts to improve Aboriginal economic and labour market outcomes; strengthen electronic linkages to better connect Aboriginal clients to services and employers; and adopt flexible funding approaches that encourage successful economic development partnerships with Aboriginal communities.

Reforming the Resource Development Regulatory Regime in the NWT

Changes are required to the regulatory regime governing resource development in the Northwest Territories to reverse its declining economic contribution to Canada's overall mineral exploration and to accelerate the nation's economic recovery. The Canadian Chamber recommends the federal government address 13 key priorities it has identified, e.g., completing land use plans; clarifying consultation requirements; ensuring board capacity on the Mackenzie Valley Land and Water Board, the Mackenzie Valley Environmental Impact Review Board, the Sahtu Land and Water Board, the Gwich'in Land and Water Board, and the Wek'èezhii Land and Water Board; commissioning a second NWT environmental audit; introducing surface rights legislation related to land access; and coordinating federal responsibilities through a made-in-the-North equivalent of the Major Projects Office.

The Mackenzie Gas Project

Proceeding with the Mackenzie Gas Project would accelerate Canada's economic recovery, affirm our sovereignty in the North and provide social and infrastructure benefits to the people of the Northwest Territories. The Canadian Chamber recommends the federal government ensures the Mackenzie Gas Project is not placed at a competitive disadvantage relative to other large scale North American energy projects through such measures as directly investing in the Project; providing tax breaks and loan guarantees; committing economic stimulus funds to adjacent infrastructure projects to lower costs; and maximize First Nations and Inuit involvement in the project.

Strategic Investments in NWT Hydro Development

Power generation using fossil fuels in the Northwest Territories' (NWT) is the largest contributor to greenhouse gas emissions in this highly-sensitive region of the country. To reduce NWT's dependence upon fossil fuels, the Canadian Chamber recommends the federal government invest in strategic hydro developments in the region; and fund a north-south grid that would facilitate the export of clean northern hydroelectric power to southern markets.

Completion of an All-Weather North-South Trans Canada Highway

Canada's development has relied upon east-west transportation linkages. It is time to create an all-weather highway connecting Canada's North and South. Construction of this highway would create thousands of jobs and has the potential to inject \$58.9 billion into Canada's economy.

The full texts of these resolutions are attached and I would be pleased to discuss them with you.

Sincerely,

Perrin Beatty
President and Chief Executive Officer

Attachments

c.c. Michael Wernick, Deputy Minister, Indian and Northern Affairs

Ministre des Affaires indiennes et
du Nord canadien et interlocuteur fédéral
auprès des Métis et des Indiens non inscrits



Minister of Indian Affairs and
Northern Development and Federal Interlocutor
for Métis and Non-Status Indians

Ottawa, Canada K1A 0H4

JAN 19 2010

Mr. Perrin Beatty
President and Chief Executive Officer
The Canadian Chamber of Commerce
360 Albert Street, Suite 420
OTTAWA ON K1R 7X7

Dear Mr. Beatty: Perrin,

Thank you for your letter of November 13, 2009, and the accompanying resolutions adopted by the Chamber during its policy session in October 2009. I am addressing these in the order in which they appear in your letter.

First Nations Land Claims

Specific claims, generally, are claims made by a First Nation against the federal government which relate to the administration of land and other First Nation assets, and to the fulfillment of Indian treaties. The Government of Canada is committed to resolving these outstanding historic grievances, preferably by means of negotiated settlements, in order to provide justice for First Nation claimants and certainty for government, industry and all Canadians. In 2007, the Prime Minister announced the *Justice At Last: Specific Claims Action Plan*, which launched a major reform of the specific claims process intended, among other things, to ensure impartiality and fairness, greater transparency, and faster processing of claims. A key aspect of the *Action Plan* was the establishment of the independent Specific Claims Tribunal. The *Specific Claims Tribunal Act*, which came into force on October 16, 2008, sets three-year time frames for the assessment and negotiation of specific claims. If the time frames are not met, a First Nation claimant may refer the claim to the Tribunal for a binding decision on validity and compensation.

Aboriginal Labour Force Strategy: Tapping into an Underutilized Pool of Labour Supply

The new Aboriginal Economic Development Framework has "Developing Aboriginal Human Capital" as one of its strategic pillars. This recognizes the vital importance of this activity and its relationship to strengthening Aboriginal entrepreneurship, enhancing the value of Aboriginal assets and forging new and effective partnerships. The new Framework focusses the role of government with clearer direction, greater

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co-ordination, more linkages and better collaboration. The Department is redesigning its existing programs to align with this new Framework. In so doing, it will ensure that the vital role being played by Human Resources and Skills Development Canada in supporting demand-driven labour market development to build Aboriginal human capital is complemented by the new suite of community economic development and other redesigned or renovated programs offered by Indian and Northern Affairs Canada.

Reforming the Resource Development Regulatory Regime in the NWT

As you referenced in your resolutions, I appointed Mr. Neil McCrank to review the northern regulatory regimes, and to make recommendations as to how to improve the certainty, predictability and timeliness of the regulatory system across our northern territories. The Department has been creating a way forward that will address many of these recommendations, as well as those expressed to us by the Government of the Northwest Territories. Clearly, resource development is essential to the economic prosperity of the North and I strongly support encouraging exploration by both large and, as your resolution mentions, smaller companies. Improving the regulatory regime, and thus the investment climate in the North, remains a priority for me. This past year we have continued to work on improving the regulatory climate in the North including: reviewing the *Yukon Environmental and Socio-economic Assessment Act*; extensive work on developing the Nunavut Planning and Project Assessment Act that I am looking forward to introducing to Parliament this year; support programs to monitor cumulative impacts of development projects on the environment in the Northwest Territories; funding for the completion of land use plans; completing the amendments to the Preliminary Screening Requirement Regulations; and ongoing funding for building capacity and training for Northwest Territories Boards.

The Mackenzie Gas Project

I agree with your assessment concerning the benefits of the Mackenzie Gas Project. Indeed, the project can serve as a catalyst for a strong northern economy and also open a new energy supply frontier to meet the energy needs of North America. I am forwarding a copy of this correspondence to the Honourable Jim Prentice, Minister of the Environment, for consideration as he is leading the Government of Canada's engagement on all northern pipeline matters, including any potential fiscal issues.

Strategic Investments in NWT Hydro Development

The federal government supports the development of the Northwest Territories' hydro potential. Through our Strategic Investments in Economic Development Program, the

federal government has already invested \$1.2 million over two years (2006-2007 through 2007-2008) to assist with the planning of the Taltson expansion and the transmission lines North of the Slave Geologic Province. Although the Canadian Northern Economic Development Agency and Indian and Northern Affairs Canada do not fund construction of major infrastructure projects, targeted funding is available through the Building Canada Plan and Green Infrastructure Fund.

Completion of an All-Weather North-South Trans Canada Highway

The Department is also supportive of the eventual construction of an all-weather road through the Mackenzie Valley, should feasibility studies determine it meets all environmental and regulatory requirements. Through Indian and Northern Affairs Canada's Strategic Investments in Economic Development Program, the federal government has approved \$1,195,000 in funding from 2006-2007 through 2009-2010, for the analysis, planning and development of Project Description Reports for a portion of the Mackenzie Valley Highway from Wrigley to Tuktoyaktuk. Feasibility study proposals for other portions of the road are also under consideration at this time.

The newly created Canadian Northern Economic Development Agency has a mandate to deliver federal economic development programs specifically tailored to the needs of the three territories and will continue to support employment, business and resource development opportunities identified as priorities by Northerners and other Canadians.

Again, thank you for providing me with the Chamber's resolutions. I find the voice of Canada's business community a useful tool in guiding the future direction of a very important part of Canada's future, the North.

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Strahl". The signature is fluid and cursive, with the first name "Chuck" written in a larger, more prominent script than the last name "Strahl".

Chuck Strahl

c.c.: The Honourable Jim Prentice, PC, QC, MP