

**SUBMISSION TO THE SENATE STANDING COMMITTEE ON
NATIONAL SECURITY AND DEFENCE**

**Canadian Sovereignty, the Military and
Infrastructure Development in the Inuit
Homeland**

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**Photo: Alert, Nunavut. April 26, 2010 *Operation Nunaliut 10*.
(L-R): Brig-Gen David Millar, Nunavut Premier Eva Aariak and Danish Rear Admiral
Henrik Kudsk participate in the ceremonies with the Canadian Rangers and Danish *Sirius*
Arctic patrols.**



Canadian Sovereignty, the Military and Infrastructure Development in the Inuit Homeland

“Canada has a choice when it comes to defending our sovereignty over the Arctic. We either use it or lose it. And make no mistake, this Government intends to use it. Because Canada’s Arctic is central to our national identity as a northern nation. It is part of our history. And it represents the tremendous potential of our future.” July 9, 2007 Prime Minister Steven Harper.

“I hope interest and investment in sovereignty will translate into other interest and investment in our communities.” Comments by Nunavut Premier Eva Aariak at Alert, NU during Operation Nunaliivut-10. April 26, 2010.

1. INTRODUCTION

In 1993, Canada enacted the Nunavut Land Claim Agreement (NLCA), an Agreement that marked and acknowledged Inuit rights to territories that represented approximately 20% of the land mass of Canada. This is our Inuit homeland, one that reaches from Hudson Bay to the tip of Ellesmere Island. The signing of the NCLA is just one of the many accomplishments that Inuit have celebrated this year marked as the ‘Year of the Inuit’ by Inuit Tapiriit Kanatami (ITK), the national organization representing Canadian Inuit.

2010 was significant to Inuit for another reason: It was the year that the Government of Canada offered an official apology for its relocation of people in the 1950's from Inukjuak, then known as Port Harrison, 1200 km north to Resolute Bay on Cornwallis Island and to Grise Fjord on Ellesmere Island, Canada's most northern Island (Polak, 2010).

Also, in August 2010 the Prime Minister announced the selection of Cambridge Bay, a community located at the western entrance of the now re-named "Canadian Northwest Passage", as the site of the Canadian High Arctic Research Station (CHARS).

All these events highlight the tremendous changes that have occurred throughout Nunavut in the past decade. Inuit understand that they have a long history of living successfully on Arctic lands and waters, of what is now known as Canada, one that far predates the sovereign concerns of today – indeed it is a history that extends far beyond the creation of what today is known as 'Canada'. As long, and cherished, as this history may be, Inuit also want to be part of the future – and the Canadian military will figure in that future for Nunavut as it has done in the past.

2. BACKGROUND

a. Inuit, the Military and Northern Political Development

Throughout the post WW-2 period, the Great Powers threatened each other across the vast Arctic region. It was a time when Inuit found themselves living at the center of a Cold War waged across the pole. It was during that time that Inuit were increasingly contacted by military expeditions, which were followed by the construction of some of the world's largest defensive installations, otherwise known as the Distant Early Warning (DEW) Line. While this 'line' may have been 'distant' to the vast majority of Canadians, it was not so distant to Inuit, many of whom rapidly changed their traditional settlement and life style patterns in response to these military defensive infrastructure developments.

More recently, the onset of climate change, with reduced summer ice floes, has sparked controversies, and renewed international attentions, over what Canadians have called the 'Northwest Passage'. [Mary Simon, President of ITK, has commented that: "To the best of my knowledge there is no Inuit language name for the Northwest Passage as a whole, and the people who live near it already have their own place names for the portion of it they use. For example, an area of the passage near its eastern entrance is known by the people who live there as "*Saniruti Imanga*" (which means 'the edge of the water')].

This "Passage" was sought by European explorers for centuries as a possible trade route. It was first navigated in its entirety by Norwegian Roald Amundsen in 1903–1906, but this was long after Inuit had established our trade routes throughout the region. Our cultures, languages and peoples were here long before the Vikings, before Columbus 'discovered' lands far to the south, before Britain's Sir Martin Frobisher (1535), Sir John Franklin (1845), the earliest whalers, Sir

Robert McClure (1851) and well before Captain Joseph-Elzéar Bernier arrived in 1904 to begin the process of assertion of Canadian sovereign claims in the High Arctic. We welcomed and supported Amundsen when his sloop the *Gjoa* was forced by ice to overwinter at what became known as Gjoa Haven, as he completed that first transit. His achievement was subsequently overtaken by the RCMP when Captain Henry Larsen became the second crew to traverse the Passage in the *St. Roch* in 1940.

Inuit subsequently greeted the Canadian and US military when they arrived during the 1950's to construct the DEW-Line system. And we are here at a time when it has been necessary to clean up the abandoned sites and return the land to its normal state – except now it is the Inuit who have progressed to be contracted to do much of the site reclamation work.

Indeed, much has changed over the years. However, what has remained the same through all this history is the attachment of Inuit to these lands and our enduring presence in the north. Now that our rights and roles have been recognized by Canada, through legislative vehicles such as the NCLA, we are determined to be a constructive part of Canada. The 33,000 Inuit who occupy the now-Canadian Arctic and High Arctic represent a vital part of what Canadians recognize as their 'northern heritage'. Inuit are the most important component of a true Canadian presence in the north. In short, Inuit are, and have been, the 'front lines' of Canadian sovereign interests in the Arctic since long before Confederation. Moreover, we consider that many Canadians continue to perhaps overlook and under-appreciate the fundamental role that the Canadian military has had in transforming the north, including Nunavut. It is no coincidence that many communities in Nunavut are co-located with the North Warning Stations, the modernized versions of the Distant Early Warning Line.

b. The Canadian Rangers

Inuit and other Northern peoples are regular and positive contributors to Canada's national defence. For sixty years, the Rangers have served as the "eyes and ears" of the Canadian Forces (CF) in Northern communities. They also serve as an essential bridge between Inuit communities and outside military forces that train and operate in the Arctic. Inuit serving in the Rangers are encouraged to use their indigenous knowledge, and the military has not attempted to "militarize" them by applying training practices that may be appropriate with the Regular Force and Primary Reserves. As Professor Whitney Lackenbauer has observed, the Rangers are a flexible, inexpensive and culturally inclusive means of "showing the flag" and asserting Canadian sovereignty in remote regions (Lackenbauer, 2005). The relationship between Inuit and the Canadian Forces that has been forged over the past half century, which encourages local leadership and capacity-building, is of paramount importance. All efforts to expand and enhance the Rangers must place the preservation of this positive relationship as a primary priority.

The Rangers have expanded over the last few years, and will soon number more than 5000 from coast to coast to coast. Promised investments in new equipment, uniforms, and a

replacement rifle are welcomed. At the same time, pressures to make the Rangers more like the Primary Reserves (as suggested by a Parliamentary committee last year) should be resisted.

The Rangers are a unique element of the Canadian Forces Reserves, and their value comes from their informal structure. Rangers are not intended to play a combat role in peacetime, and are not trained for this. Instead, they are the guides and subject matter experts who facilitate effective operations of southern troops deployed to the Arctic. This does not require intensive combat training. Instead, the military should reinforce the existing roles, missions and tasks of the Rangers, which have been refined appropriately over the past half century. The Rangers are not broken and do not require “fixing.” They will continue to support operations as guides and trainers for the Arctic Response Company Groups and other units, conduct surveillance, and provide visible evidence of Canadian sovereignty. These contributions by Inuit to the Canadian Forces are more appropriate than ever, especially given the heightened interest in sovereignty, security and safety in the Arctic.

Future plans for the Rangers must recognize the important roles that these Reservists play in their home communities – from search and rescue, to emergency response, to helping with local events. The Rangers have also evolved as an organization that allows Inuit elders and individuals with extensive experience on the land to share their traditional knowledge and skills with younger Inuit.

Facilitating this exchange of information through training on the land and waters is important, not only for Inuit communities but for future military operations in the North. Ranger and Junior Canadian Ranger activities support strong, vibrant, confident Inuit communities -- the bedrock of Canadian sovereignty.

In short, since the Second World War, the history of military-Inuit relations have been mixed, reflecting cycles of heightened southern political interest followed by apathy where promises have not been kept. Inuit are encouraged by the interest that the current government has shown in the Arctic and the positive plans that it has unveiled to make this a stable, secure, and prosperous region. To build on positive relations with Inuit, it is essential that current and future investments be sustained and sustainable

The prospect of significant resource development in the Kitikmeot and other Arctic regions points to a future where more Inuit will benefit from regular wage employment. This will create new challenges for the Rangers, requiring more careful planning to allow Inuit to participate in training exercises and sovereignty operations. Maintaining a flexible approach without the same conditions and expectations of southern-based military units will be the key to ensuring that Inuit continue to have the chance to serve in the CF at a far higher rate than southern Canadians. Perhaps the CF operations carried out by the Canadian Rangers represent yet another cultural expression of the Inuit, one in which Arctic diplomacy becomes but an extension of operational northern forces who recognize the vital necessity for cooperation with, and the active participation by, Inuit in such a remote and unforgiving environment.

3. THE CANADIAN MILITARY, INFRASTRUCTURE AND NEEDS OF THE NORTH

Inuit have been, and continue to be, interested in military plans to expand infrastructure in the Arctic, such as improved runways and docking facilities. These developments may have significant spinoff economic benefits for northern communities. However, before Canada implements such plans, military or civilian, Inuit must have an opportunity to discuss the implications – both positive and negative – for communities.

For instance, the KIA welcomes the Prime Minister's announcement that a Canadian High Arctic Research Station (CHARS) will be built in Cambridge Bay. We anticipate that this facility will allow Canada to continue to support world-class Arctic research, which is one of the priority areas articulated in the Northern Strategy and the recent statement on Canada's Arctic Foreign Policy. Inuit also anticipate that scientists, some of whom will research matters of interest to Canada's military, will use this station. Inuit of the region look forward to working with all such researchers on projects of interest and benefit to both Canada and Inuit communities.

Equally as important, northern infrastructure projects may provide a platform to help fulfill the aspirations of Inuit of Nunavut: In short, such northern infrastructure development may prove to be another means to achieve progressively greater controls over Inuit lands through the devolution of roles and responsibilities historically vested in the south. The development of military infrastructure projects can lead to an enhanced appreciation of, and springboard for, these aspirations. To be certain, as a sovereign nation, Canada needs to maintain and enhance its northern, military operational capabilities. Indeed, we suggest that this is a long-term, possibly uniquely Canadian, 'whole-of-government' project. Inuit want to be a functional part of this process and we are ready to actively participate.

4. THE CANADIAN MILITARY AS A CORNERSTONE FOR INUIT DEVELOPMENT

Over the past decade, the Canadian military has been a very important client and partner to Inuit businesses. Department of Defence (DND) projects in Nunavut have provided key opportunities for northerners to prove their worth, both as employees and business people. Such projects have been catalysts in building capacity within Inuit businesses.

The Inuit work force has also benefited and become more "shovel ready" through these experiences, resulting in more and better employment opportunities. For Inuit, an active military presence in the High Arctic is very desirable provided that the strong partnerships that have been forged over specific projects and initiatives can continue into the future.

The following two projects demonstrate the benefits that can be realized when Inuit and the Canadian military work together:

a. DEW-Line Clean-up

The Distant Early Warning radar stations were a significant symbol of Canadian northern sovereignty during their construction and operational phases. The stations had a profound influence on those Inuit who lived near them, and were for many, their first experience with the military. The unfortunate legacy of contamination left at the DEW-Line sites nonetheless became an opportunity for Inuit to participate in the restoration of their lands.

In Nunavut, Inuit participation in the clean-up of the DEW-Line sites was negotiated by Nunavut Tunngavik Incorporated (NTI), the land claims organization that represents the Inuit of Nunavut. Negotiations between NTI and DND led to the signing of an Economic Benefits Agreement in 2001. Among the most important features of the Final Agreement were provisions for Minimum Inuit Employment Content and Minimum Inuit Content for Contracting, which set out percentage targets to be met. The Agreement also required that remediation contractors also develop and implement Inuit Participation Plans which would, among other things, outline strategies for recruiting, training and employing Inuit.

The arrangements negotiated under the Agreement led to a number of substantial direct and indirect benefits for Inuit, including:

- Increased employment;
- Training opportunities, including on-the-job training and apprenticeship programs, that have helped to enhance the skill and experience level of the local work force; and
- Enhanced capacity of Inuit companies to become more competitive in acquiring contracts in site reclamation and related sectors (e.g., mining, logistics and construction).

The DEW-Line clean-up experience also provided less tangible, but equally vital benefits. Negotiating an agreement with DND provided Inuit with important lessons that have been carried forward into contemporary negotiations with other interested parties, such as mining companies.

b. North Warning System Operation and Maintenance

The Pan Arctic Inuit Logistics (PAIL) Corporation's partnership with ATCO Structures and Logistics, through the Nasittuq Corporation joint venture, is another example of Inuit successfully collaborating with the Canadian military for mutual benefit. PAIL is an umbrella group of regional Inuit Development Corporations that represent the four Inuit land claim settlement areas. The Nasittuq Corporation has operated and maintained the North Warning System since 1995, and through PAIL's equity position in the corporation, benefits have returned to Inuit communities and provided opportunities for social and commercial investments. The joint-venture has also made employment and training opportunities available to Inuit, as well as contracting opportunities for Inuit businesses.

5. THE FUTURE

“In exercising our sovereignty...we are not only fulfilling our duty to the people who called this northern frontier home, and to the generations that will follow; we are also being faithful to all who came before us....” Prime Minister Stephen Harper, August 28, 2008, Inuvik, Northwest Territories

“The Canada First Defence Strategy will give the Canadian Forces the tools it needs to provide an increased presence in the Arctic. Through this strategy, Canada is investing in new patrol ships that will be capable of sustained operation in first-year ice to ensure we can closely monitor our waters as they gradually open up and maritime activity increases. In order to support these and other Government of Canada vessels operating in the North, Canada is investing in a berthing and refuelling facility in Nanisivik.” Statement on Canada’s Arctic Foreign Policy. DFAIT. 2010.

Prime Minister Harper has not only called attention to the potential of the North for Canada but he has also touched the imagination of Inuit who are willing and prepared to meet the challenges of northern development and to work as meaningful partners in that development.

For instance, in the Kitikmeot Region of Nunavut, the Kitikmeot Inuit Association has pioneered the successful development of the Kitikmeot Corporation group of companies which have been, and are currently, involved in significant construction and operations opportunities. Inuit are prepared to participate in the highly prospective, non-renewable resource developments in diamond, gold and silver mines in the Kitikmeot Region. We suggest that Inuit are well-positioned to continue to benefit from, and to potentially to take major interests in, these material economic opportunities in construction and mining. These early-stage projects have the potential to become major contributors not just to the economic and fiscal development of Nunavut, but to Canada as a whole.

Inuit consider that the lack of basic infrastructure along with long-standing limitations to access of investment capital in the north, are the two most significant barriers to northern development. Canada could play a major role in re-directing government capital flows, including major military infrastructure projects, to the north. These projects should be considered as *national* investments that have the potential to produce material returns that would not be limited only to Nunavut. Several of these proposed and existing major mining development projects have the potential, if properly managed, to bring together northern development interests, the southern investment community and northerners also concerned about protecting their environment, to help Nunavut to enter into an age of fiscal self-sustainability. Is this possible? We think so.

While all major projects in Nunavut are subject to negotiations of Inuit Impact Benefit Agreements (IIBA), new institutions like the NRC have the additional potential to greatly expand the economic reach and financial co-participation of Inuit in these developments. Inuit are

increasingly aware that, if we are to succeed in economic advancement, we must be attentive to supporting a range of economic development tools at our disposal, tools such as our economic development corporations, the IIBA process and new institutions like the NRC.

For example, in addition to successful Inuit-owned enterprises such as the Kitikmeot Corporation, the Kitikmeot Inuit Association, with additional assistance and financial support from NTI, the Government of Nunavut, the INAC-Major Resources and Energy Development Program (MRED) and more recently, in 2010 to include CanNor, has pioneered the concept of the Nunavut Resources Corporation (NRC). The NRC, chaired by KIA President Charlie Evalik and with an Advisory Committee open to participation by the RIA and NTI leadership, has attracted the attention and participation of Hon. Peter Loughheed (Calgary) as Senior Legal Advisor to the Board, and Board Members Mr. David Elliot of Haywood Securities (Vancouver) and Mr. Scott Northey (Toronto), a well-respected banker who has extensively participated in parallel private investments with P-3 Canada.

We believe that enhanced development of Inuit-Owned institutions such as the Kitikmeot Corporation and the Nunavut Resources Corporation (NRC) represent a 'New Wave' of the future: One in which Inuit take control of managing their own lands and in summoning southern investments for developments on Inuit-Owned and Crown Lands of Nunavut. We believe that the first step to be taken on the road to further developing these Corporations is to work co-operatively with northern resource developers and to co-invest in northern infrastructure projects that will serve to move the projects forward, with a view to accelerating the development of northern infrastructure. This could also help to spur increased parallel investments in Arctic resource development.

The NRC represents an initiative whereby Inuit are reaching out, at a business-level, to attract major southern capital investment to the north. Clearly, we cannot rely, especially for such major resource development projects, only on Government funding – we have to devise methods to 'leverage' the current institutional and government funding to achieve Inuit participation in, and rewards from, these investments. Yes, this will involve certain risks, but we have abundantly demonstrated that Inuit are capable of making good business decisions and that we can attract the type of senior business advice that can help to guide us along the path to fiscal and financial independence.

The Canadian military can play a vital role in that fiscal and corporate development process for Inuit. For example, the use of large commercial air strips is not limited only to private developers and the commercial airline industry. They can act as alternate, emergency landing and maintenance facilities for other commercial *and* military operations. This is a clear case whereby Canadian sovereignty interests overlap with the aspirations of Inuit to develop and control their lands. The High Arctic Communications Connectivity and Broadband Infrastructure Project recently jointly proposed by the NRC and Newmont Mining Corporation to P-3 Canada has wide ramifications for enhanced regional communications, including for the communities of the Kitikmeot Region and, eventually, for the CHARS Station.

There is a pressing need for roads to connect developing northern mines to ports and docks located at tidewater. These roads and ports can, and will, be built. The Canadian military have also announced plans to construct and operate similar types of port and dock facilities as part of the Northern Strategy. With the proper co-ordinated support and encouragement of Canada, new development initiatives such as the Nunavut Resources Corporation could partner with Canada and bring significant private sector investment leverage to projects in the north that would be constructed, operated and owned by Inuit. This joint construction of needed infrastructure would benefit all parties, not the least of which could be meetings the military's need for northern bases of operations to further strengthen Canada's sovereignty claims. Each successive development has parallel, spin-off economic development opportunities for local communities to use their Inuit Corporations.

Additionally, these government funds could be further matched by southern investment capital that is partnered with Inuit-owned construction, operations and investment capabilities. Indeed, recent Tax Rulings by the Canada Revenue Agency have recognized Inuit institutions such as the KIA as being responsible for and performing the functions of a government as the result of the powers and responsibilities that it derives under the NCLA. This Ruling could provide southern investors with a decisive incentive to partner with, and invest in, Inuit-owned and operated Corporations, such as the Kitikmeot Corporation and the NRC.

It may be useful for the Senate Committee to refer to a submission completed by the KIA almost exactly one year ago. In December 2009, the Kitikmeot Inuit Association submitted formal recommendations to the House of Commons Standing Committee on Aboriginal Affairs and Northern Development in a report entitled "*Advancing the Economic Prosperity of Nunavut - The Development of a Nunavut Resources Corporation to Promote Inuit Ownership and Equity Participation in Resource Developments in Nunavut.*"

That 2009 report concluded with several key recommendations:

1. It is recommended that the potential of the Nunavut Resources Corporation to enhance Northern economic and resource development activities be recognized by the Committee and that it make specific recommendations to Government to support this initiative in principle.
2. It is recommended that the Committee consider and recommend to Governments that innovative financial support mechanisms be defined to allow the Nunavut Resources Corporation to achieve its initial aims to participate and achieve an equity interest in certain major resource developments in Nunavut.
3. It is recommended that the Committee acknowledge, indeed emphasize, the importance of Inuit people to achieve more direct control of, and participation in, future major resource developments in Nunavut through equity participation in those projects.

We highlight your attention to this submission as it makes many points of relevance to the Committee of the House of Commons and, we believe, to the Senate Committee.

6. CONCLUSION

Inuit have the will and ability to work co-operatively with governments and industry to achieve greater economic and fiscal independence in Nunavut. This has the potential to make Nunavut a viable, contributing financial partner within the Canadian Federation. The Canadian military has been, and will continue to be, a vital component not only of Canada's national defence but as an important economic development vehicle for, and partner with, Inuit.

Inuit consider that the lack of basic infrastructure along with long-standing limitations to access to investment capital in the north, are the two most significant barriers to northern development.

Canada could play a major role in further accelerating major military infrastructure projects to the north. These should be considered as *national* investments, not just in securing sovereign claims, but also to secure material economic returns that are not limited only to Nunavut. Several proposed and existing mining development projects in Nunavut have the potential, if properly managed, to help Nunavut enter into an age of fiscal self-sustainability.

Inuit are increasingly aware that, if we are to succeed in the economic advancement of Nunavut, we must be attentive to supporting a range of economic developments with the tools at our disposal - tools such as our economic development corporations, the IIBA process and new institutions like the NRC. By working together, as equal partners with the Canadian military, private development corporations and the southern investment community, we can succeed together for all of Canada.

We thank you for your interest in these potential opportunities and we look forward to taking our place with Canadians to making our interlinked futures brighter, together.

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