Observations on the Redacted Summaries of the Meetings of the GNWT—NWT and Nunavut Chamber of Mines COVID-19 Recovery Working Group

Background

- The existence of the working group was disclosed publicly in the House on <u>March 4, 2021</u> during the Committee of the Whole Review of the 21-22 Main Estimates for Industry, Tourism and Investment (ITI). The contribution to the NWT and Nunavut Chamber of Mines was being increased from \$20,000 to \$55,000 in 2021-22:
 - "we meet with the chamber every two weeks in a working group. We are working on our competitiveness. We are looking at actions. They are contributing to the critical metals action plan. There is a lot of good work. It's intensive, and as Minister said, it's not core funding. It's project-by-project basis. It's ongoing." [Hansard, Deputy Minister, Pamela Strand]
- Frame Lake MLA filed an Access to Information request with the Department of ITI on March 8, 2021 (#ITI-20-21-G-060) requesting "notes and summaries of the bi-weekly working group meetings held with the Department of Industry, Tourism and Investment officials (including the Deputy Minister) and the NWT and Nunavut Chamber of Mines from March 1, 2020 to present". ITI responded on April 7, 2021 with a 100 page package of heavily redacted meeting summaries covering June 5, 2020 to April 14, 2021. This package was tabled in the House on June 2, 2021.
- A further Access to Information request was filed on July 30, 2021 (#ITI-21-22-G-65) for subsequent meeting summaries. ITI responded on August 25, 2021 with summaries for meetings held on April 28, May 12, May 26, June 9, June 23 and July 7, 2021 with numerous redactions.
- A further Access to Information request was filed on September 16, 2021 (#ITI-21-22-G-085) for subsequent meeting summaries. One additional meeting summary was provided for August 25. Note that this summary is only two pages and is much briefer than any previous summary. ITI stated that all the meeting summaries provided to date had their redactions reconsidered due to the amendments to the Access to Information and Protections of Privacy Act coming into force on July 30, 2021. About 80 additional disclosures were made, almost all of which were originally withheld as a result of s. 14(1)(b) of the old legislation

that stated: "The head of a public body may refuse to disclose information to an applicant where the disclosure could reasonably be expected to reveal consultations or deliberations involving officers or employees of a public body". These new disclosures are shown in the meeting summaries as highlighted sections in pale yellow (see an example below).

Review of Working Group Project Charter

- The Updated charter was reviewed.
- Funding Chamber of Mines requested \$150,000 for coordinating the efforts of Industry.
- Delegates should be integrated into the charter.

What's in the Notes and Summaries

- No other NGO has such frequent and high-level access to senior GNWT officials.
 This in unprecedented and privileged access for an economic sector that is also
 regulated by the same Department. ITI is also supposed to be securing a fair
 share of royalties and benefits for public and Indigenous governments from the
 same sector.
- Although the purpose of the Working Group was to develop an Action Plan for economic recovery of the mining sector, many other matters were the subject of discussion including a workshop on the *Mackenzie Valley Resource Management Act*, a Mackenzie Valley Dialogue Workshop, the Geoscience Forum, the Fraser Institute ranking of jurisdictions, the Chamber of Mines-City of Yellowknife Memorandum of Understanding, and more.
- Particularly in the earlier meeting notes and summaries, there is mention of royalties being deferred or royalties under review (for example, see page 5, 10 and 68 from the previously tabled document). It is not clear what level of consultation has taken place with the mining industry regarding revisions to or changes to royalties or other fees. GNWT is legally required to consult with Indigenous governments when it consults outside of government on mining royalties.
- The northern mining industry requested gas and carbon tax relief but was refused by GNWT (see page 5). ITI commits to find out why and share the rejection letter with the working group (page 19 and 23). It is not clear whether confidential

Cabinet decision-making information has been shared. There has been a lot of discussion of a North of 60 mineral exploration tax credit (page 96 and 97 as part of an investment study, meeting with the Federal Finance Minister page 100).

- There was some discussion of the use of surety bonds for reclamation "to free up scarce cash for investment in the North" (page 68 from the previously <u>tabled</u> <u>document</u>).
- ITI officials have been reviewing draft correspondence from the Chamber of Mines going to co-management bodies established under the *Mackenzie Valley Resource Management Act* which seems inappropriate (for example, see page 9, pages 13 and 14, page 18 and page 23). ITI officials discuss, with the Chamber of Mines, having input into GNWT responses to MVLWB correspondence (page 60). Discussions have taken place about streamlining or reducing regulatory requirements for small explorations companies "to improve investment" (page 77). The Chamber of Mines is pressing GNWT Cabinet to provide policy direction to the Mackenzie Valley Land and Water Board with "ENR and Lands to address the grassroots problem as highlighted in the NWT Environmental Audit faced by industry" (page 94).
- Working Group members including the mining industry appear to have input and the ability to review draft Ministerial correspondence (for example, see page 20).
- Ministerial correspondence with federal Ministers is being shared within the Working Group when regular MLAs and the public do not get to see such letters (for example, see page 9 and 20).
- Opening land access or stopping further land withdrawals or conservation areas has been one of the areas that the Working Group has adopted (see pages 10, 19, 22, 26, 32, 52, 89). Land withdrawals are largely in place to support fair negotiations of Indigenous land rights. ITI appears to be working to remove these withdrawals which is not consistent with Cabinet's stated Mandate to settle and implement land rights or complete a network of conservation areas. There is a statement on page 84 from ITI on conservation areas, land access and critical minerals that "allowing money from philanthropic organizations from the south is something we will be watching, so it doesn't influence land use planning with more protected areas".
- Political advice and strategy for meeting with federal and other officials seems to be a regular point of discussion (for example, page 30 for meeting with the

Standing Committee on Finance, page 34 meeting with GNWT Deputy Ministers, page 37 meeting with the new ITI Minister, pages 45-46 meeting with federal Minister O'Reagan, page 57 meeting with the Official Leader of the Opposition, pages 69 meeting with Deputy Prime Minister Freeland).

- The Chamber of Mines has had direct input into the development of the Statement of Work for a publicly funded and procured studies (see pages 47-48, 51 and 54). The Chamber appears to have the opportunity and ability to change the work being done (pages 86 and 105). A draft of the study has already been shared with the Chamber (page 81). Norzinc has applied for public funds for its road to the Prairie Creek property from the National Transportation Corridor Fund but got turned down (page 84).
- It appears that the details of a Mineral Tenure Relief Package were discussed with the Chamber of Mines at a Working Group meeting on November 4, 2020. This discussion included considerations in the decisions made by the Financial Management Board and Cabinet and a commitment by ITI to provide further details on the decision (see pages 49-50).
- A Mineral Development Fund, some sort of public investment or subsidy is being proposed and discussed (see page 34, 38, 46).
- There is much discussion about "Critical Minerals". ITI and the Chamber of Mines have pushed for diamonds and arsenic to be considered "critical minerals" (see pages 54-55 for a general discussion, page 65 for arsenic from previous tabled document, pages 69, 74, 76 and 81 for diamonds). The federal critical minerals list does not include diamonds or arsenic https://www.nrcan.gc.ca/sites/nrcan/files/mineralsmetals/pdf/Critical_Minerals_List_2021-EN.pdf but it is unclear whether GNWT will develop its own list, how and whether subsidies or concessions will be offered. On page 80, GNWT indicates it has already shared a draft of proposed actions on critical minerals with the Chamber. ITI indicates on page 90: "we won't engage on it much when it is released". A draft list of NWT critical minerals has already been given to the Chamber of Mines but not yet made public (page 93).
- The Chamber of Mines appears to be funded to participate in this working group and requested \$150,000 (see page 5).
- The Chamber of Mines is trying to influence the NWT educational school curriculum through something called Mining North Works (page 79).

- The Chamber of Mines met with the ITI Minister and another Minister regarding its judicial review of the MVLWB decision to not issue more than one extension to a land use permit, even before the application had been submitted (page 87 and 88).
- The Chamber of Mines refers to a Private Member's Bill the Resource Royalty Information Disclosure Statute Amendment Act as "bureaucratic nonsense" (page 94). Further discussion of this Bill takes place at a couple of further meetings (page 98 and 101-102). The Chamber states "for the Territories, a consensus government, if we are to do this, let's have everything transparent. It would be good in the long run, helping governance" (page 101) yet opposed the Bill at a public hearing on September 15, 2021 https://www.ntassembly.ca/sites/assembly/files/web_ede_74-19-21_agenda_package_public_hearing_bill_29_0.pdf.
- DeBeers and Diavik are funding an initiative called "Reimagining Closure" and have a steering committee that includes two GNWT representatives (page 102-104). There is already a website set up at https://lifeafterdiamondmining.com/. The process is being facilitated by a consultant, ERM https://www.erm.com/.

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