PROCEEDINGS OF THE NATIONAL WORKSHOP ON PUBLIC CONFIDENCE IN ENERGY AND MINING DEVELOPMENT

Report to the 2016 Energy and Mines Ministers' Conference

August 2016

EXECUTIVE SUMMARY

The National Workshop on Public Confidence in Energy and Mining Development brought together approximately 100 representatives from industry, Indigenous organizations, non-governmental organizations, academia, and governments to discuss approaches to strengthen and maintain public confidence.

The workshop included a panel of leading researchers, who shared their overall perspectives on trends in public confidence in Canada, emphasizing that trust in governments and regulators is shaped by social and political contexts that are larger than resource development decisions. As well, a panel of Indigenous representatives spoke to their experience with resource development and shared perspectives from the communities with which they work. The Indigenous panel members emphasized the importance of meaningful and timely consultation, engagement and accommodation; building relationships and partnerships at all stages of project and policy development; and sharing benefits of resource development with communities.

Workshop participants discussed public confidence challenges and opportunities in four facilitated breakout sessions on the following themes:

(1) Resource Literacy and Communication
(2) Health, Safety and the Environment
(3) Community Engagement
(4) Indigenous Engagement

A full description of the main challenges and opportunities to strengthen public confidence in energy and mining development identified by workshop participants can be found in each breakout session summary. Some cross-cutting findings that emerged from these sessions include a need for:

- better information on regulatory processes and resource production, transportation and use systems
- science to support regulatory decision-making and improve environmental performance
- enhanced public engagement and participation in project reviews
- early, meaningful and sustained engagement throughout the project lifecycle
- support for community capacity-building improved co-ordination and collaboration among governments regarding public consultation

INTRODUCTION

This document summarizes the key findings from the National Workshop on Public Confidence in Energy and Mining Development, which took place on June 9th, 2016 in Winnipeg, Manitoba. The workshop brought together approximately 100 representatives from government, industry, Indigenous organizations, non-governmental organizations and academia to identify positive approaches to strengthening public confidence, which is seen as an increasingly critical factor in the competitiveness of Canada's resource economy. In support of the workshop, Dr. Monica Gattinger prepared a context paper, *Public Confidence in energy and mining development: Context, opportunities/challenges and issues for discussion*, on public confidence that was shared with all delegates in advance of the workshop.

The term public confidence generally refers to public support for and/or engagement in a natural resource projects. Public confidence is achieved when the public trusts that resource development aligns with the broader public interest, and that risks are being mitigated to ensure safety and security of people and the environment. Public trust in decision-makers at all levels of government (local, regional, municipal, provincial, territorial and federal) to act and serve in the public interest is paramount.

The workshop included two panel discussions and four facilitated breakout sessions on the following themes:
   (1) Resource Literacy and Communication
   (2) Health, Safety and the Environment
   (3) Community Engagement;
   (4) Indigenous Engagement

Participants discussed challenges and opportunities related to public confidence in these areas, and suggested areas where governments and stakeholders could work together to strengthen confidence in energy and mining development. These discussions will inform proposed actions that will be presented to Ministers at the 2016 Energy and Mines Ministers' Conference, August 21-23, in Winnipeg, Manitoba.

SUMMARY PANEL PRESENTATIONS

Panel Discussion: Lessons Learned on Public Confidence

Two panel presentations provided context and set the stage for breakout group discussions. The first panel, 'Lessons Learned on Public Confidence,' was moderated by **Professor Monica Gattinger**, Chair of the Positive Energy project and Director of the University of Ottawa's Institute for Science, Society and Policy. Panel presenters included:
- **Bruce Anderson**, i2 Ideas and Issues
- **Ian Thomson**, Shinglespit Consultants Inc.

- **Gaétan Caron**, School of Public Policy, University of Calgary
- **Jennifer Winter**, School of Public Policy, University of Calgary

During this session, panelists provided their perspectives on what public confidence means and its impact on mineral and energy development. Panelists emphasized that trust in governments and regulators is shaped by social and political contexts that are larger than individual resource developments. Panelists suggested that building public confidence requires dedicated and sustained effort over the long–term, and should include efforts to address broad policy issues, such as climate change, that fall outside of the regulatory processes governing resource development.

See appendix 'A' for a summary of the panel presentations.

Panel Discussion: Indigenous Perspectives

The afternoon panel on Indigenous Perspectives was moderated by **Michael Fox**, President of Fox High Impact Consulting and co-chair of the Prospectors and Developers Association of Canada's Aboriginal Affairs Committee. Panelists included:
- **Sheldon Wuttunee**, CEO of Saskatchewan First Nations Natural Resource Centre of Excellence Inc.
- **David Shade**, Program Manager, Indian Resource Council of Canada
- **Christian Sinclair,** Christian Sinclair Consulting

This session followed a question and answer format, with the moderator posing two questions to each panelist in the areas of governance, revenue and resource sharing, project agreements, and capacity building. Panelists emphasized the importance of meaningful and timely consultation, engagement and accommodation; building relationships and partnerships; and sharing benefits.

See appendix 'B' for a summary of the panel session.

SUMMARY OF BREAKOUT SESSIONS

Session A: Resource Literacy and Communication

Facilitator: Steven Pacifico, Energy Exchange

Session Objective: To identify and prioritize resource literacy opportunities in order to strengthen public confidence in energy and mining development.

The session began with a presentation by **Steven Pacifico** and discussion on the definition of resource literacy, its importance and limitations.

Resource literacy defined: A platform for fluency and comprehension that allows individuals to consider energy and mining issues with critical analysis, inference and synthesis; to articulate impacts, implications, and opportunities with accuracy and coherence; and to use and manage information as the basis for informed decisions and creative solutions development. Developing a common language that all can understand is critical.

Some key areas of learning that should be focused on include: understanding trade-offs; moving past stereotypes for resource industries; taking a systems perspective; connecting resource use back to people's lives and values; acknowledging different resource cultures across Canada; highlighting innovations; and balancing social, environmental and economic messaging.

What resource literacy cannot accomplish: Literacy cannot replace good leadership, some will never care, it will be impossible to achieve consensus, hard core opponents or proponents will not be swayed, and increased literacy does not always build trust.

Key Challenges:

- **Data quality and source:** There is a need for high quality, timely, and trusted energy and mining data. There are currently many sources of information, but they are not necessarily comparable and can be biased.

- **No connection to values or culture:** The current discourse on resource use focuses too heavily on technical questions and forgets to connect with values, culture and intergenerational differences.

- **Polarization:** Many sources of resource information compete with each other and present polarized views. Opponents and proponents of development drown out the middle-ground voice, creating an impression of a lack of diversity of voices. A key challenge for the resource literacy community is engaging moderates, as well as those who say they don't know or care. There is a lack of resources to target this population.

- **Disconnect between values and behaviours:** Many Canadians are disconnected from and lack an understanding of Canada's resource systems, including how resources are connected to and provide value in their everyday lives.

- **Lack of tailored messaging and engagement techniques:** Many resource literacy initiatives do not adequately consider the needs/preferences of their audience. Often the message is overly technical and difficult to engage with. We also forget to differentiate between micro (ex: community assets such as water and land) versus macro issues (ex: climate change), and sometimes neglect to provide opportunities or channels to discuss what stakeholders are concerned about. Resource conversations have changed in Canada and therefore change management approaches should also be used in communications.

- **Short-term thinking:** Literacy efforts have traditionally focused on immediate issues, rather than a long-term approach that builds understanding over time.

Key opportunities and innovations:
Four opportunities related to resource literacy emerged from the workshop. All would benefit from national co-ordination on data, sharing of resources, best practices, and lessons learned. However, there will need to be strong regional and local strategies to ensure that local community concerns and interests are addressed.

- **Tailor messaging and engagement to audience:** Resource literacy initiatives should be designed for specific audiences, with simple messages that convey a human story. These messages should connect resources back to people's lives and values, with a priority to help local communities and local leaders to understand and discuss resource issues. Different engagement and communication approaches and tools should be tested with different audiences.

- **Improve data:** Develop a source of high quality, timely, and independent energy and mining data that balances economic, environmental and social indicators. This data would form the basis of inclusive, balanced, accessible and engaging messages that build authenticity and legitimacy. Where possible, harmonizing local, provincial and national data sets will be very important in developing a common language that supports resource literacy nationally.

- **Better information on regulatory processes:** Develop and popularize simplified explanations of regulatory processes. Improved understanding of these processes will enable more informed participation in community discussions and consultations, and will support confidence in Canada's regulatory systems.

- **Support multi-stakeholder resource literacy initiatives:** Support and leverage the energy and mining literacy work already underway across the country. Organizations that work across stakeholder groups, use an interdisciplinary approach, and tailor messaging/engagement tools may be particularly valuable partners. Multi-stakeholder resource literacy initiatives can be an enabler of consensus building, creative solutions and innovations.

Session B: Health, Safety and Environment

Facilitator: Pierre Gratton, Mining Association of Canada

Session Objective: To identify and prioritize opportunities to strengthen confidence in energy and mining development related to health, safety and the environment.

Key challenges:

- **Trust in science:** Public confidence in the science that supports regulatory decision-making is challenged by reduced science capacity in governments, competing sources of information, high-profile accidents and a generally better informed and a more critical/skeptical public.

- **Improving environmental performance:** There is a public expectation that further action be taken to protect mother earth from the cumulative effects of resource development. This includes protecting the air, water, and land from pollutants, managing orphaned and abandoned sites, preventing accidents and by using tools such as land use planning and strategic environmental assessment (not tied to specific projects) to inform cumulative effects assessments.

- **Communicating environmental performance:** Improvements in environmental and safety performance, as well as the strength of the regulatory system, are not well communicated to the public. As a result, the project development process and environmental performance of the energy and mining sectors are not well understood.

- **Transparency of the regulatory system:** There is an opportunity to enhance trust in and credibility of the regulatory process by broadening engagement, better integrating stakeholder input throughout the regulatory process and establishing independence of co-management/regulatory boards.

- **Understanding Indigenous values:** There is a need for better engagement to understand, appreciate and apply the values of Indigenous people and traditional knowledge in the project decision making, remediation and reclamation processes.

- **Politicization of project decision making:** Political promotion or comment on individual projects seeking approval undermines the credibility in the regulatory system and industry.

Key Opportunities and Innovations:

Five main opportunities to support public confidence were identified in the discussions on Health, Safety and Environment at the workshop.

- **Invest in government science and regulatory capacity:** Public science and a strong regulator help ensure that resource project reviews are based on unbiased evidence. Governments should invest in science that supports regulatory decision-making and improves environmental performance. Regulators should have the resources to conduct thorough project reviews and promote, investigate and enforce compliance.

- **Enhancing public engagement and participation in project reviews**: Improve transparency of regulatory decision-making by informing the public of the reasoning and justifications behind decisions. Also, provide more opportunities for the public to participate in the project review process, especially Indigenous people.

- **Strategic environmental assessment and land use planning:** Policy and strategic decisions are currently made on a project-by-project basis. Strategic environment assessment and land use planning are opportunities to take a more fulsome approach to planning that provides insight into the cumulative environmental and health effects of resource development. This would better inform decision-making on individual projects.

- **Government collaboration:** Improve interdepartmental and inter-jurisdictional co-ordination of project reviews with respect to public consultation.

- **Address legacy issues:** Investments could be made to address legacy issues such as abandoned oil wells. The National Orphaned and Abandoned Mines Initiative is an example of progress in the mining sector on these issues.

Session C: Community engagement

Facilitator: Dr. Patricia Fitzpatrick, University of Winnipeg

Session Objective: To identify and prioritize positive approaches, opportunities and challenges related community engagement in natural resource development.

The session began with a presentation by **Dr. Fitzpatrick**, outlining the challenges in engaging the public in natural resource sector and reviewing the long-standing approach to public participation, based on a hierarchy/ continuum of community engagement: from informing, to consulting, to involving, to collaborating and finally to empowering. Together, the participants discussed and defined the meaning of community engagement.

What is community engagement?
Community engagement is about building a relationship with communities. It moves beyond the traditional conception of participation and moves towards an on-going relationship for the purpose of developing a common interests and a common vision for the benefit of the community. Engagement moves beyond short-term and episodic contact to sustained, meaningful relationships.

For effective community engagement, governments, industry and communities need to think about how to promote relationship-building.

Key Challenges:

- **Managing expectations:** There is often a value disconnect between proponents, government/regulatory and community's model for participation/engagement. It is challenging to capture a full picture of the community's interests in an engagement process, for example, how do you recognize and address historical legacies? Moving from participation to engagement will require all parties to rethink goals (or why they are involved).

- **Defining the community:** Understanding who needs to be engaged can be a challenge in some circumstances. Does it only include local residents around a project/impact (ex: geographic dimension), or are there broader interests to consider as well? In addition to defining who needs to be engaged, there may also be a need to understand and manage the segmentation/fragmentation within communities.

- **Risk management:** Companies often want to engage communities, and work towards a "social licence", but there is the potential for exposing conflict.

- **Interest of public to engaging:** Competing priorities and demands on time can make it a challenge to get the attention of the public. What do you do when people don't show up or show up later in the process? And how much engagement is enough?

- **Capacity of public to engage:** To have fruitful discussions about natural resource projects, communities must have sufficient time and resources to develop an understanding of the project and to build trust with the proponent.

- **Capacity of proponents to engage:** For a successful process, proponents must have internal coherence and commitment to the engagement process. Proponents must factor in time required to build relationships with and trust of communities, and to understand the needs and requests of communities.

- **Community still says 'no':** Even with a good engagement process, it may not be possible to bridge the difference in values or the psychological gap (ex: proponent focus on what they want, community focus on what they lose).

Key Opportunities and Innovations:

- **Establish national principles for engagement for resource development:** This could include a policy and procedures for community engagement. Possible models/processes to study: Norway's National Energy Strategy and the Whitehorse Mining Initiative.

- **Foster community capacity**: Facilitate community learning opportunities (ex: community based mapping) before consultation and invest in community capacity building. Investments in community capacity building could include providing independent federal funding to build necessary community capacity, including early engagement, and engagement post-approval. Consider community engagement expenditures as an eligible expense for favourable taxation treatment.

- **Government co-ordination**: Co-ordinate government participation and interests horizontally, before engaging the community. Provide timely access to policy makers and others if it is demanded.

- **Enforce and support community engagement**: Government can enforce the requirements for community engagement though legislative requirements but should keep out of any direct involvement of project specific consultations. There should be a clear line between a company goals and government. However, communities may still look to government to help interpret and evaluate company information.

- **Project review processes:** The government should consider releasing a preliminary or initial evaluation as part of a public hearing. This could help provide the public with a greater understanding of the project and review process.

- **Create partnerships**: Government and project proponents could establish opportunities for communities and municipalities to participate in economic opportunities (revenue/ownership) and to take on monitoring and stewardship. Government and proponents may also consider fostering community/independent advisory boards.

- **Find common interests**: Project proponents should look for opportunities to align community vision with opportunities from development.

- **When embarking on a community engagement process, consider the following:**

    - **Develop a common understanding of the purpose of engagement.** Ensure there are clear expectations – including well defined roles.

    - **Design of the engagement process**: It is important to ensure there are accessible formats and multiple approaches to expand engagement opportunities.

- **Promote informed engagement**: Reduce jargon while also supporting communities to understand and evaluate all aspects of a project. Consider independent experts as part of the process to help advise the public

- **Do your homework:** It is important to recognize community visions/protocols - every community has different needs.

- **Transparency is important**. The public needs to know that they were heard, and also that what was heard from them influenced project design. Report back quickly on what was heard during engagement process and when decisions are made.

- **Early, meaningful and often engagement:** start engaging early in the process and stay engaged even after permits and licenses are issued and after construction starts to follow through on outcomes.

Session D: Indigenous Engagement

Facilitator: Cheryl Recollect, President of the Aboriginal Environmental Leadership Circle and Director of Sustainable Development for Wahnapitae First Nation, Ontario

Session Objective: To identify the main issues and challenges and prioritize actions that could address the issues, including actions that all jurisdictional governments could undertake to strengthen public confidence in energy and mining development related to Indigenous engagement.

To begin the session, **Ms. Recollet** discussed positive approaches to engaging Indigenous communities by providing examples from her community. Key messages included using a variety of forums and approaches to meaningfully and regularly interact with community.

Main issues and challenges:

- **Community capacity:** There are differing levels of capacity within Indigenous communities to meaningfully participate in consultation or to process the high volume of requests. This can result in poor community attendance at events.

- **Uncertain or inconsistent consultation and engagement process:** The lack of standard practice or agreement across jurisdictions on how Indigenous communities should be consulted with, and how proponents could best engage impacts the processes. Some jurisdictions delegate procedural aspects of consultation to the proponent, and other jurisdictions undertake consultation and advise proponents to engage with the community either prior to or during consultation.

- **Timing of and extent of engagement:** Criticism arises when companies only engage when they absolutely have to, or may not engage at early stages, or may not engage with the community at all. Indigenous communities can view the lack of agreement across jurisdictions as not respectful of the constitutional or fiduciary obligations to Canada's Indigenous people.

- **Cultural differences:** Many Canadians have little understanding or knowledge of the differences in how Indigenous communities are structured or understand their cultural worldview, and this can reduce a proponent's ability to engage communities in a respectful manner. The definition of stakeholders (industry proponents) and rights holders (Indigenous Communities) is often unclear, further reducing an Indigenous communities' trust in resolving past land and rights issues.

- **Unresolved historic land and rights grievance:** Unresolved historic land and rights grievances have become an entrenched barrier to the development of strong, open and trusting relationships among Indigenous communities, government and industry.

- **Environmental legacies:** The environmental legacy of abandoned mine sites changed the regulatory framework in all federal, provincial and territorial jurisdictions, yet the 'past still colours' the present. The public and Indigenous communities are either unaware of current robust environmental legislation or lack trust in the government's ability to enforce the environmental regulations. Both public confidence and community confidence in government regulators are reduced when approvals that may impact the community interests, the environment, and industry projects are not openly and clearly communicated to the public throughout a project's life cycle.

Key Opportunities and Innovations:

Several novel approaches to ensure Indigenous communities can maximize their participation in resource development utilize culturally respectful education initiatives, marketing potential opportunities and ensure government funding is focused toward increasing capacity and engagement. Current successful approaches to increase Indigenous engagement were provided by representatives.

- **Invest in education and capacity development**: Support educational opportunities for Indigenous communities to build a basic understanding of resource development, such as the regulatory process (including the Environment Act), mining 101, oil and gas 101. Collaborate with Indigenous participation on training initiatives for Environmental Assessment 101, transparency on the clean-up of legacy sites (mines, wells). Provide hands-on experience in business analysis, in project scoping and co-management.

- **Improve consultation and accommodation.** Jurisdictions could develop a standard and meaningful policy clearly leading from consultation to engagement. Set out principles of consultation/engagement policies at the start, and encourage involvement of Indigenous communities and companies throughout the entire life cycle.

  Successful engagement examples developed by proponents and industry organizations include TSM (Towards Sustainable Mining), preferential hiring for Indigenous communities in Request for Proposal (RFP) process and the development of agreements (Socio-economic; Impact and Benefit etc.). Using social media to provide project developmental stage and hiring to Indigenous people living both within and outside communities.

  Support a greater participation of Indigenous communities in regulatory review process and environmental assessments.

- **Co-ordinate government collaboration:** Reduce project by project consultation inefficiencies through collaboration with other departments and jurisdictions. Co-ordinate collaboration better internally, with Indigenous communities and between federal, provincial and territorial jurisdictions to accelerate the progression from consultation and accommodation to integration and reconciliation.

- **Create forums for respectful, meaningful discussion, accommodation:**
  Establishing tables with four levels of governments (Federal; Municipal; Provincial; Indigenous) could be beneficial to work through broad issues such as historical grievances and the resolution of land claims

- **Take time to build relationships**: Listen to communities and provide real investments. Consider creating more forums for community dialogue and listen in those situations where communities say "no", while taking time to celebrate mutual successes. Endorse strategies that facilitate a better understanding of what it takes to develop respect and inclusion without a requirement to change the Indigenous holistic worldview.

- **Build on traditional knowledge:** Prioritize programs such as TEK/IQ (Traditional Ecological Knowledge/Inuit Qaujimanituqangit) collection, mentor Indigenous guardians.

- **Identify community and vendor capacity information:** Expand the Skills, Inventory and Vendor database (currently in Saskatchewan) to identify community and vendor capacity information and be used as a hiring/procurement tool for Indigenous involvement in energy and mining resources.

- **Promote best practices:** Develop guides and best practices and facilitate information sharing of best practices through industry associations.

- **Training and procurement:** Indigenous requirements can be embedded in entrepreneurial, business and job training (ex: prospecting, underground mining, Junior Exploration Assistance Program Mining matters).

NEXT STEPS

This proceedings document will be shared with Ministers for their information and discussion during the 2016 Energy and Mines Minister Conference in August. The facilitators from the four breakout sessions will present the key opportunities for Ministers to consider as we move forward to strengthen public confidence in the energy and mining sectors in Canada.

APPENDIX A: PANEL DISCUSSION: LESSONS LEARNED ON PUBLIC CONFIDENCE

The 'Lessons Learned on Public Confidence' panel was moderated by **Dr. Monica Gattinger**, Chair of Positive Energy at the University of Ottawa. Panel presenters included:

- **Bruce Anderson**, Abacus Data
- **Ian Thomson**, Shinglespit Consultants Inc.
- **Gaétan Caron**, School of Public Policy, University of Calgary
- **Jennifer Winter**, School of Public Policy, University of Calgary

Dr. Gattinger: Noted that the workshop was the first time that energy and mines have been brought together to discuss public confidence in a systematic way and that this was an opportunity to explore common challenges and differences. She explained that public confidence in energy and mining is a multifaceted challenge, driven in part by social and value changes that have impacted public opinion toward resource development. She noted that public concern over perceived policy gaps, especially in the areas of environmental performance and climate change, reconciliation with Indigenous peoples, and the cumulative impacts of development, can cascade in negative ways onto regulatory processes for individual projects, generating opposition to projects for reasons that extend well beyond the remit of regulators and individual companies.

Ian Thomson: Provided a historical perspective for the concept of social licence, a term synonymous with public confidence, explaining that it has been used prolifically across economic sectors as a metaphor to convey the fact that government grants permits, but communities grant permission. Securing and maintaining social licence involves ongoing relationships between all actors that build legitimacy, credibility, and ultimately trust that communities will have some influence over decisions. It does not exist in isolation; it overlaps with more formal legal and political licencing processes. Government has a key role in facilitating effective engagement, and ensuring procedural fairness and justice across all processes. Mr. Thomson also noted that culture and politics are other key influencers on social licence.

Gaetan Caron: Focussed on confidence in government, identifying public confidence as a fundamental foundation of democracy for government institutions and arms-length agencies. Trust in government also provides market certainty that facilitates investment in Canada. It can be hard to measure, but tracking public opinion over time (not opinion snapshots) can be a helpful metric. Ultimately, there is no shortcut to building and maintaining public confidence; it is built through long-term work by a non-partisan public service that is focussed on the public interest. Mr. Caron noted that politics, especially polarizing rhetoric, can serve to undermine confidence in regulatory decisions.

Jennifer Winter: Spoke to a White Paper, published by the University of Calgary in collaboration with academics from across the country, that examined public confidence in Canada's regulatory systems. There is a concern that some public voices are not being heard in regulatory processes, and a risk that the loudest of these could influence the political discourse in a way that may undermine the independence of regulators. This can give weight to a

perception that social licence terminology implies a veto power, which creates uncertainty for decision-making processes. Opportunities to support public confidence include de-politicising regulatory and energy development; identify mechanisms outside of the regulatory process to address policy issues, such as climate change, that fall outside of the regulatory mandate; and increase consultation.

Bruce Anderson: Explained that confidence has declined in tandem with a decline in public understanding of how government works, and that political rhetoric complicates dialogue around development issues. He agreed that public confidence was present across economic sectors, and that it is underpinned by a larger political context that goes beyond specific energy and mining development issues. Generally, there are three determinants of public confidence: 1) benefits for the individual, the community, or Canada; 2) the downsides or risks; and 3) the likelihood of mitigating those risks, including trust in the will of governments or industry to take appropriate action. Mr. Anderson cautioned against assuming that all projects are the same; measures to support confidence must be tailored. On the other hand, it is equally incorrect to not apply lessons learned to new projects. It is also incorrect to assume that vocal complaints necessarily indicate broad resistance. Canadians tend to mistrust arguments that force a polarized choice; most tend to a middle ground.

APPENDIX 2: INDIGENOUS PERSPECTIVES PANEL DISCUSSION

The afternoon panel on Indigenous Perspectives followed a question and answer format. The moderator posed two questions to each panelist in the areas of governance, revenue and resource sharing, project agreements and capacity building.

The session moderator was **Michael Fox,** Fox Impact Consulting and co-chair of the Aboriginal Affairs Committee, Prospectors and Developers Association of Canada. Panelists included:
- **Sheldon Wuttunee**, CEO of Saskatchewan First Nations Natural Resource Centre of Excellence Inc.
- **David Shade**, Program Manager, Indian Resource Council of Canada
- **Christian Sinclair,** Christian Sinclair Consulting

Before posing the questions to panelists, **Mr. Fox** noted that previously, Indigenous values and ways of life weren't valued but that this is changing and the challenge now is how to put it into practice. We need to establish inclusive approaches, as public trust is the challenge. There is a continuum between social enterprise, social acceptance and social friction. Flash points get highlighted and project agreements across the country are often not acknowledged.

Given the Canadian resource-dependent economy, low commodity prices, and the real challenges in raising financing, how does Indigenous leadership balance reasonable regulatory time lines with meaningful participation of Indigenous communities?

Christian Sinclair: There needs to be cultural awareness on both sides. There must be a base of trust and relationship built first. To build this relationship project proponents and governments must understand and respect protocols of engagement for the various communities. Building the relationships can take time as there is often little to no capacity within communities to engage and understand project impacts.

Social and economic challenges are often paramount for local governments. Time must be spent within community to understand local issues. Timelines need to be realistic and not driven strictly by the proponent's perspective.

Is the current Crown consultation processes enabling Indigenous community participation models? How can it be improved?

Sheldon Wuttunee: There is a duty of the Crown to undertake consultations. There are deep rooted and historical issues that need to be acknowledged and worked into discourse. We must find opportunities to engage in this discourse and build trust.

We need to continue to move toward accommodation. Consideration should be given to meaningful and respectful inclusion of Indigenous communities in legislative and regulatory development. Regulation gaps as applied to a reserve can create difficulties for First Nations.

Government and industry must recognize that Indigenous people are rights holders, not just stakeholders.

In your opinion, what role does Government Resource Revenue Sharing play in increasing Indigenous confidence in resource development?

David Shade: Lack of confidence in resource development can stem from communities not benefitting from activity in their traditional territory. When First Nation communities are not included in the project development, they view themselves as outsiders to the project and feel that they're giving up something and not getting anything in return. Employment opportunities are usually the biggest incentive offered for development. When involved in oil and gas project, Mr. Shade's community, however, wanted more than employment opportunities from resource projects, they wanted to be a part of the project and benefit from revenue

Resource Revenue Sharing (RRS) agreements can open doors, assist in building support and allow the community to be part of the project. There will always be a segment of population that will be opposed to development but revenue sharing can alleviate some of the opposition.

What challenges do you see if Government Resource Revenue Sharing was adopted as one mechanism for improving the quality of life in Indigenous communities?

Sheldon Wuttunee: The level of transparency in the development of the mechanism would be important.

At the reserve level, there is a disparity in the level of education funding per student. This leaves students unable to take advantage of resource opportunities. Investment and resource sharing are the responsibility offederal, provincial and territorial governments, as well as industry. RRS provides basic services to communities, that's where it becomes important to communities

Moving forward, there is need for a meaningful consultation process; having Indigenous leadership involved in dialogue is important. Saskatchewan Uranium companies have some examples of good practices, for example the minimum employment requirements are very positive. Enbridge Line 3 – had a very positive consultation process. Comes back to legislation, regulation, consultation, and to accommodation: how do we move to working together rather than just talking?

Do you feel Project Agreements provide acceptable balance of community benefits and protection of Indigenous community interests? If not, then what additional layer or mechanism is required up and above Project Agreements?

Christian Sinclair: To ensure balance, start by working side-by-side as oppose to a secretive approach linked to self interest. Impact benefit agreements include elements such as

education, training, investment, RRS, cultural investment. The appropriateness of agreements and their elements need to be considered case-by-case.

What capacity development or capacity supports are required for Indigenous communities to maximize economic benefits for resource development projects?

David Shade: There is not one type of capacity building or support that fits all communities. There is a spectrum of capacity. Some communities are actually project proponents and may have capacity in place; other communities are just starting out and need a lot of support.

The best approach is to consult and engage at the start of the project. First Nation communities do not want to see proponents come with everything already mapped out. Ideally a proponent will come with an idea and want to work with communities to plan the project. This provides an opportunity to understand where capacity gaps may exist and work with partners and others to build in those areas.

The level project involvement desired will also vary by community. Some First Nations are not willing to take partner risks and would prefer to remain a royalty recipient.

Questions from Workshop Participants:

Following the panel presentations, Michael Fox opened up to questions from the audience. The following is a summary of the question and answers.

Question: How do you see building inclusive processes into regulatory decision-making?

- **Christian Sinclair**: Put it into a regulatory framework if needed; focus on doing.

- **Sheldon Wuttunee**: Prime Minister's mandate letters and the actions of Government of Canada are creating a climate of inclusion. Trust is required; there is appetite and apprehension. We need to create safe space to determine what is best for all and how to move forward.

Question: Industry used to be concerned about DAD (Design, Announce, Defend) now Dialogue, Design, Implement is required... what is the concern about transparency?

- **Sheldon Wuttunee**: Concern with RRS and transparency is that funds are distributed to communities and then spent wisely; transparency is also required in the development of RRS mechanisms and to deal with needs in our communities.

Question: What are you perspectives on regional approaches to land-use planning and project approvals?

- **Christian Sinclair:** It' a valuable exercise. It allows communities to be at the table for engagement and share issues and concerns up front and avoid reactive use of Section 35. A lot of time it's not about money, it's about protection of environment. "A livelihood for a livelihood".

- **Sheldon Wuttunee:** Often there is a spiritual connection to the land. Communities need to be at the table for landuse planning, especially where there are impacts to our water. There are responsibilities of the Crown; moving forward we need to build trust with the Crown.

Question: How do you see treatment of municipality and First Nations community in RRS?

- **David Shade:** Treat revenue and royalty sharing separately.   Royalties received from resources the First Nation owned; RRS from unowned resources within or outside of the territory. The lion' s share of revenue will be from RRS agreements, as royalties can be low compared to production revenue, particularly in terms of oil and gas.

Question: What advice would you have on how to follow a good protocol at the start of the engagement process?

- **Christian Sinclair**: Different protocols for different nations; treat as an opportunity to engage; don't be afraid to offend, ask questions; learn how to work together.

- **Sheldon Wuttunee**: Visit the community and develop meaningful relationships, each First Nation has its own protocol. Many believe they never ceded the rights to resources through treaty. Look at how you can support the priorities of the community; do not focus on the project outcomes alone.

Question for Sheldon Wuttunee regarding the Enbridge Line 3 project; over time the relationship with proponent improved, how did that happen?

- **Sheldon Wuttunee**: Early engagement and built relationships. Relationship is not perfect, but much better and much more buy-in from affected communities. Do what's best to support the communities - go beyond the minimum needed for the project.

  The data, or proof, on a reserve of the success of a project is by pointing at the guy on the backhoe who is employed by the project.

- **Christian Sinclair:** Would like to recognize Metis representatives in the room. Recommend that companies don't try to play communities off one another – not a good idea!