A Role for Inuit: How northern communities can inform and influence the dynamics of offshore oil and gas development in Nunavut

By

Taylor T. Mason

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Abstract

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Abstract

Climate change and declining ice cover, as well as socio-political and economic incentives, are increasingly attracting corporate attention towards the Canadian North. Oil and gas companies have renewed their interests in extracting these offshore hydrocarbon resources, and are now seeking and receiving exploration licenses to begin their search for oil throughout Nunavut’s offshore. In the Baffin Bay and Davis Strait, seismic surveying for oil and gas is scheduled to begin in the summer of 2016, leaving the government with a limited time frame to create and establish legislation that will define the role Nunavummiut in these developments. The Nunavut government is the only Canadian legislation that has publicly promised to incorporate local Inuit perspectives and knowledge into all aspects of its operations, including oil and gas. Valuable information about the territory’s socio-economic and natural environment is embedded within Inuit knowledge, and can serve to inform policy development for the industry. Within the current context, can Inuit knowledge be effectively incorporated in the development of an offshore oil and gas policy? This research will look at the potential means to bring community members and knowledge holders to the decision-making table, and the effectiveness of these processes within offshore oil and gas development in Nunavut.

Keywords  Inuit knowledge; offshore oil and gas; policy; Arctic; Nunavut; hydrocarbon development; Northern governance; community consultation
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<th>Full Form</th>
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<tr>
<td>AANDC</td>
<td>Aboriginal Affairs and Northern Development Canada</td>
</tr>
<tr>
<td>COGOA</td>
<td>Canada Oil and Gas Operations Act</td>
</tr>
<tr>
<td>CPRA</td>
<td>Canada Petroleum Resources Act</td>
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<tr>
<td>FPIC</td>
<td>Free Prior and Informed Consent</td>
</tr>
<tr>
<td>GN</td>
<td>Government of Nunavut</td>
</tr>
<tr>
<td>IQ</td>
<td>Inuit Quajimijatuqangit</td>
</tr>
<tr>
<td>NEB</td>
<td>National Energy Board</td>
</tr>
<tr>
<td>NIRB</td>
<td>Nunavut Impact Review Board</td>
</tr>
<tr>
<td>NLCA</td>
<td>Nunavut Land Claims Agreement</td>
</tr>
<tr>
<td>NMC</td>
<td>Nunavut Marine Council</td>
</tr>
<tr>
<td>NPC</td>
<td>Nunavut Planning Commission</td>
</tr>
<tr>
<td>NSA</td>
<td>Nunavut Settlement Area</td>
</tr>
<tr>
<td>NTI</td>
<td>Nunavut Tunngavik Incorporated</td>
</tr>
<tr>
<td>NWB</td>
<td>Nunavut Water Board</td>
</tr>
<tr>
<td>NWMB</td>
<td>Nunavut Wildlife Management Board</td>
</tr>
<tr>
<td>QIA</td>
<td>Qikiqtani Inuit Association</td>
</tr>
<tr>
<td>RIA</td>
<td>Regional Inuit Association</td>
</tr>
<tr>
<td>SEA</td>
<td>Strategic Environmental Assessment</td>
</tr>
<tr>
<td>UNDRIP</td>
<td>United Nations Declaration on the Rights of Indigenous Peoples</td>
</tr>
<tr>
<td>USGS</td>
<td>United States Geological Survey</td>
</tr>
</tbody>
</table>
Acknowledgements

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Introduction

Over the last few decades, and with accelerating momentum, the offshore oil and gas industry has established itself as a leading player in the field of marine resource exploitation. Its broad history and early establishment throughout the world is well documented, and it has grown to play a major role in today’s global economy. The industry developed in areas such as the Gulf of Maracaibo, Venezuela, the middle Arabian Gulf and the southern Caspian Sea, with the first major marine industrial establishment in the Gulf of Mexico (Pinder, 2011). Rising oil prices and technological developments have increased the economic feasibility of offshore projects, and have advanced the industry to expand from shallow coastal waters to depths greater than 1500 meters (World Ocean Review, 2014). Total global production from these deepwater fields rose from less than 200,000 barrels a day in 1995, to over five million barrels a day in 2007 (Martin, 2012). Deepwater production is predicted to continue becoming increasingly significant for the global economy, with offshore oil and gas reserves projected to hold amounts exceeding 14 billion tonnes of oil (Pinder, 2011). These discoveries are 10 times larger than those discovered onshore, allowing for offshore oil output to satisfy more than one third of the total world consumption (World Ocean Review, 2014). As studies estimate that over 90% of the world’s undiscovered hydrocarbon reserves lie offshore, these proportions are said to rise as exploration and development continue throughout the globe (Deluca, 1997).

In 2008, a team of United States Geological Survey (USGS) scientists released the first ever wide-ranging assessment of Arctic oil and gas resources. This appraisal evaluated the region’s potential undiscovered and recoverable conventional oil and gas resources, and provided an estimate of “90 billion barrels of oil, 1,669 trilling cubic feet of gas and 44 billion barrels of natural gas in the Arctic”, of which 84% can be found in the offshore (United States Geological Survey, 2008). This number represents 30% of the world’s undiscovered conventional natural gas, 13% of the world’s undiscovered oil resources and approximately 20% of the world’s natural gas liquids (Martin, 2012). Therefore, it may be assumed that more than one quarter of the world’s remaining oil and
gas reserves are located in the Arctic, making the region an important prospect for the future of offshore oil and gas.

Innovation and emerging technologies have allowed for the offshore industry to redefine what is technically and economically possible for oil and gas exploration and production in harsh Northern environments (Pratt et al., 1997). As described, the Arctic is an area of continuing interest, and the offshore oil and gas industry has frequently cast its eye on the hydrocarbon potential in Northern waters. Much of the Arctic offshore is completely covered with heavy ice for much of the year, but with polar ice caps noticeably receding in the last decade as a consequence of global climate change, Arctic seas have become ice-free for longer periods of time allowing for new exploration opportunities to emerge (Harsem, 2011). There are shorter shipping routes for commercial vessels, longer seasons of safe navigation and consequently greater accessibility to offshore areas with great hydrocarbon potential (Bath and Spicer, 2010). These changes, combined with significant advances in vessel, exploration and drilling technologies, a decrease of sources of hydrocarbons worldwide, and socio-political and economic incentives, make the Arctic offshore seemingly irresistible to corporate interest (Harsem, 2011).

These trends have been mirrored in Northern Canada, as offshore oil and gas is projected to become a key economic driver for the country. The expansion of the industry is directly coupled with the state of the world markets, as Canada continues to invest in offshore exploration and production in order to meet global demand. Northern regions of Canada are emerging as important industrial targets for the industry due to the large untapped resource potential in the Canadian Arctic, and the declining supply of Canada’s onshore petroleum basins (Gavrilchuk and Lesage, 2014). Companies are taking increasingly drastic measures to discover offshore hydrocarbon resources in Northern Canada, regardless of how geologically challenging and financially demanding the search may be (Doelle et al., 2013). Other challenges that the industry will face in Canada’s Arctic will be the competing uses of marine space, including Inuit use, tourism, fisheries, etc. Inuit populations along the country’s Northern coasts depend heavily on land, sea,
and ice as continuous areas of activity in which they seek cultural, social and economic fulfillment, hence making them key stakeholders in offshore development (Nunavut Marine Council, 2012). In Nunavut, recent corporate interest acts as a driver for the territory and its communities to begin developing their vision for the future of an offshore oil and gas industry.

It is important to note that much uncertainty remains about the resource potential of many of Nunavut’s basins, especially those which have yet to be tested by drilling. Nevertheless, there is a general consensus that the resource potential of some of these basins is significant. Since the 1980’s, there has been no major offshore oil and gas industrial activity in Nunavut (Bott, 2004). In 2014, however, the National Energy Board (NEB) approved a seismic testing project in the Baffin Bay and Davis Strait proposed by TGS Geophysical Company, Petroleum Geoservices and Multi Klient Invest AS (TGS/PGS Multi Klient). The purpose of the project is to gain a better understanding of the offshore geology in Baffin Bay and Davis Strait through a high-quality modern regional data set that will compliment historic data while informing new exploration activities (National Energy Board, 2014).

Although the testing was to begin in 2015, the Hamlet of Clyde River and the Nammautaq Hunters and Trappers Organization filed a suit against the NEB over the failure of the NEB and proponent to fulfill their duty to consult, placing a hold on offshore development with this project in the region (National Energy Board, 2014). The Federal Court of Appeal has rejected this bid, however, as it found that the NEB and the project proponent fulfilled the Crown’s duty to consult the Inuit of Clyde River (National Energy Board, 2015). The project has now been postponed to the summer of 2016, while ongoing discussions surrounding the potential impacts and benefits of exploration activities on Inuit communities in the Eastern Arctic continue. There is also support for the project in Nunavut, allowing for this case to act as an ideal example outlining the complexities that surround offshore hydrocarbon development in Nunavut, as there is a plurality of views that both reject and support the industry.
The emergence of this industry in Nunavut, and the variety of interests in its development, place pressure on government leaders to create and establish legislation that will define the role of all residents of Nunavut (Nunavummiut) in its future. Inuit are the original inhabitants of the Canadian Arctic and make up 85% of Nunavummiut (Jull, 2001 [2]). They have developed a deep relationship with marine and land resources and spaces over centuries of occupation, and consider themselves to be an integral part of the ecosystems in which they live and carry out their traditional activities (Nunavut Marine Council, 2012). In the 1970’s, Inuit went through complex processes of negotiation over land and political rights, which eventually resulted in the Nunavut Land Claims Agreement (NLCA) and the creation of Nunavut in 1999. The NLCA establishes objectives that aim to provide for certainty and clarity of Inuit rights to participate in decision-making concerning the use, management and conservation of water and resources (Nunavut Land Claims Agreement, 1993). This land claim agreement has also allowed for Nunavut to be the only jurisdiction in Canada in which governing bodies must consult with and engage its indigenous population when developing legislation that will hold an impact on Inuit ways of life (Bainbridge, 2003). Within these engagement processes, Inuit land use rights, values, knowledge and opinion must be taken into account before development can occur within the NLCA settlement area.

In addition, the Government of Nunavut (GN) has specifically proposed to incorporate Inuit knowledge into all aspects of governance throughout the territory. However, the process in which to hold the government accountable to this promise is unclear. This uncertainty creates challenges when attempting to mobilize Inuit knowledge into major decision-making processes for the territory. Inuit knowledge involves a great deal of information and approaches to understanding the social and natural dynamics of the Arctic. Its application is not only culturally relevant, but is also in terms of the sustainable management of Nunavut’s natural resources (Aporta et al., 2011). Inuit society and culture are intimately tied to the marine environment, providing them with the capacity to inform and influence policy development for the offshore industry.

Finding an Inuit voice in territorial policy is extremely challenging in Nunavut,
however, as there are a variety of perspectives attempting to move through layers of institutional decision-making. These challenges must be acknowledged alongside legal and jurisdictional complexities for offshore development that affect Inuit rights when considering how communities are able to participate in the political future of the industry. In cases where offshore oil and gas projects are proposed external to the Nunavut Settlement Area (NSA), the NLCA does not apply and therefore the rights of Inuit to partake in decision-making concerning the development of lands and resources becomes less clear.

This paper will examine these complexities in order address the following question: within the current political context, how can Inuit knowledge be effectively incorporated in the development of an offshore oil and gas policy?

The objectives of this paper are:

1. To demonstrate the political, social and legal complexities surrounding offshore oil and gas matters in Nunavut;
2. To illustrate the value and importance of Inuit knowledge in natural resource management;
3. To determine how Inuit knowledge can effectively be incorporated in the political future of Nunavut’s emerging offshore oil and gas industry.

To achieve these goals, I lean on my experience as an intern with the Lands and Resources Department of the Qikiqtani Inuit Association (QIA), an organization that represents the interests of Inuit of the Baffin region, in Iqaluit, Nunavut. This experience provided me with access to the expertise and knowledge base of the QIA, which helped to shape this research project. Throughout this internship, individuals were contacted from Nunavut Tunngavik Incorporated (NTI), the Aboriginal Affairs and Northern Development Canada (AANDC), the GN, and the Nunavut Impact Review Board (NIRB) to gather additional information in support of this research. Further research for this project was conducted through a literature review.

By presenting an overview of how the territory of Nunavut came to be, including the establishment of a new government, allows for an understanding of the various
jurisdictions in the territory and their regions of responsibility. Many of these groups were considered key stakeholders in the Nunavut’s offshore oil and gas industry throughout the 1970’s, and as a new wave of offshore development hits Nunavut’s waters, these groups have regained vested interest in the industry. The majority of Nunavut’s population is Inuit, therefore we must also consider their interests and how they can inform and influence political decisions surrounding oil and gas matters. The value of Indigenous knowledge is recognized on an international, national and territorial level, and its incorporation into Nunavut’s governance regime should be prioritized. Meaningful consultation and political activities including a potential Strategic Environmental Assessment (SEA) may play a role in this process, but the scope must be broadened when considering the mobilization of Inuit knowledge in an offshore oil and gas policy for Nunavut.
Chapter 1: Context

1.1 – Nunavut History

Nunavut, meaning ‘our land’ in Inuktitut, covers a vast area of 2.1 million km² of tundra, coasts and islands in Northern Canada (Jull, 2001 [2]). Occupying one-fifth of all Canada’s land area, it is sparsely populated with only 29,000 people living throughout the entire territory, of which the overwhelming majority are Inuit (Cooper, 2010). Inuit live in widely dispersed communities, including three regional centers with an average population of 2,000, eight decentralized communities with an average population of 823 and fourteen smaller communities with an average population of 327 (Johnson, 2013). None of these communities are connected to each other or to the rest of Canada by road due to their locations in relation to each other, and to the characteristics of Nunavut’s Arctic environment (Bainbridge, 2003). Inuit, their ancestors, and their predecessors have lived in the Canadian Arctic for over 4,000 years. Their people went through dramatic changes in the last century, as major cultural, economic, social and political shifts have challenged their way of life, their ability to self-govern and their ability to make decisions regarding land and resources (O’Faircheallaigh, 2001).

In the 1950’s and 1960’s, Inuit transitioned from a seminomadic life on the land to permanent villages designated mostly around trading posts, whose locations were connected to deep-water stations that allowed for annual re-supply by sea from Southern Canada (Jull, 2001). This transition provoked profound cultural and economic changes among Inuit, including conflicts between Inuit values and understandings and the values of the dominant western culture and its institutions (White, 2006; Aporta and Higgs, 2005). Though Inuit were permitted no roles in politics and government throughout this time, leaders within the Inuit population were determined to work with the new government in establishing an Inuit homeland (Hicks and White, 2000). In the early 1970’s, Inuit managed to become increasingly engaged in a high-stakes negotiations, establishing their own relationships with the state, settling land disputes and organizing themselves politically (Jull, 2001). Agreements that Inuit made with the federal government allowed for them to adapt to the dominant institutional culture, and become
Drawn into political work within a Westminster system of governance (IQ Task Force, 2002). With this established, they began the process of negotiating the terms for the future of their land, people and culture. These negotiations were set within an unfamiliar framework of a western state under a new political regime and governance culture (as outlined in Table 1), however this did not affect the desire of Inuit to participate in such politics (Hicks and White, 2000).

Table 1 – A Comparison of Federal and Inuit approaches to governance (IQ Task Force, 2002, p. 9)

<table>
<thead>
<tr>
<th>Essential Elements</th>
<th>Inuit Culture</th>
<th>Institutional Culture of Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Language</td>
<td>Inuktitut</td>
<td>English</td>
</tr>
<tr>
<td>Organizational Structure</td>
<td>Simple-Flat</td>
<td>Hierarchical</td>
</tr>
<tr>
<td>Values</td>
<td>Pijitsirnijq; Aajiiqatigiingniq; Pilimmaksarniq; Piliriqatigiiniiq; Avatimik Kamattiarniq; Qanuqtuurunnarniq</td>
<td>Effective, efficient, economical, value for money, accountability, customer service, etc.</td>
</tr>
<tr>
<td>Decision-Making</td>
<td>Guided by traditional leaders: consensus-based</td>
<td>Guided by elected representatives or senior public servants; “command and control”</td>
</tr>
<tr>
<td>Authority</td>
<td>Based on experience and respect of the community</td>
<td>Based on position in the hierarchy and credentials</td>
</tr>
<tr>
<td>Services</td>
<td>Provided in the context of the family and social structure: relationship-based</td>
<td>Provided by professional caregivers: client-based</td>
</tr>
<tr>
<td>Basic Approach</td>
<td>Holistic: things seen as interrelated</td>
<td>Reductionist: divides things into individual parts</td>
</tr>
<tr>
<td>Learning</td>
<td>Experiential and Land-based</td>
<td>Learning in the school and classroom</td>
</tr>
<tr>
<td>Instructors</td>
<td>Elders, parents, community leaders</td>
<td>Classroom Teachers Professional Instructors</td>
</tr>
<tr>
<td>Healing</td>
<td>Provided by family members, peers and community specialists</td>
<td>Provided by doctors, nurses and professional care-givers</td>
</tr>
<tr>
<td>Economy</td>
<td>Domestic economy: land-based</td>
<td>Job Economy: Information-based</td>
</tr>
<tr>
<td>Spirituality</td>
<td>Land-based with indigenous spiritual leaders &amp; more recently Christian denominations</td>
<td>No religious or spiritual affiliation; Separation of Church and State</td>
</tr>
<tr>
<td>Independence-Dependence</td>
<td>Relatively independent</td>
<td>Relatively dependent on government; “Wards of the State”</td>
</tr>
</tbody>
</table>
1.2 – The Nunavut Land Claims Agreement

Inuit communities chose to pursue their political goals through the proposal of a major land claim to the federal government. They were actors of negotiation for this land claim, and wanted to use it to create a new territory separate from the Northwest Territories with a government that held the capacity to protect and foster Inuit language, culture and social wellbeing (Hicks and White, 2006). There were many pressures that stemmed from new governance structures and increasing social change, however Inuit negotiators often stood firm on their demands in the land claim. Inuit agreed to surrender significant rights based on Aboriginal title and land, and in return they gained an array of constitutionally protected rights and benefits embedded within territorial legislation (Hicks and White, 2006). In 1993, after years of slow and thorough negotiation, the NLCA was established and agreed upon between both government and Inuit leaders alike.

Through the passing of the NLCA, legislation was created and enacted by the Canadian government to define the boundaries of Nunavut as a territory within the country of Canada (Bainbridge, 2003). As the largest land claim in Canadian history, it also established the authority of the executive, legislative and judicial levels of the Nunavut government as a Westminster parliamentary system within the territory (Bath and Spicer, 2010). The responsibilities of these governing levels and their political structure correspond with the dynamics of governance throughout the rest of Canada (IQ Task Force, 2002). This arrangement created both opportunities and tensions, as Inuit became heavily involved in defining their own affairs, while adopting a governance approach that was quite different from their own, well-established methods (White, 2006).

It was also through the NLCA that NTI was created as the Inuit ‘birthright’ corporation to mitigate these tensions, and it was NTI who finalized the NLCA with the government as representative of all Inuit in Nunavut (Jull, 2001 [2]). NTI’s mandate is to act behalf of Inuit interests and ensure that all promises made under the NLCA are carried out (Bainbridge, 2003). NTI plays a critical role in governance, as they often
work with the GN in the development of territorial plans and policies (Johnson, 2013). Hicks and White (2006) state that “nowhere in Canada does a non-governmental organization exist with anything that even begins to approximate the clout and legitimacy that NTI carries in Nunavut” (p. 62). As representing the overwhelming majority, NTI holds both political and economic power as it promotes the rights of Inuit.

The preamble to the NLCA describes the agreement’s objectives: 1) to provide for certainty and clarity of rights to ownership and use of lands and resources and of rights for Inuit to participate in decision-making concerning the use, management and conservation of land, water and resources, including the offshore, 2) to provide Inuit with wildlife harvesting rights and rights to participate in decision making concerning wildlife harvesting, 3) to provide Inuit with financial compensation and means of participating in economic opportunities and 4) to encourage self-reliance and the cultural and social being of Inuit (Nunavut Land Claims Agreement, 1993, p. 1). These objectives delineate the significance of Inuit pursuing economic opportunities and self-reliance, while preserving their cultural and social wellbeing. Additionally, the NLCA provides Inuit with the right to use and make decisions about resources within the NSA (as outlined in Figure 1).

![Figure 1 – The Nunavut Settlement Area as defined by the Nunavut Land Claims Agreement (National Energy Board, 2015 [2]).](image-url)
In the final Agreement, Inuit gained full ownership of 358,000 km² (18% of the NSA); 5% share of Crown royalties on resource development, an obligation on the part of developers to include impact benefit agreements; hunting rights throughout Nunavut; a $13 million training fund and a cash settlement of $1.14 billion (Bainbridge, 2003). There are also lengthy provisions in the NLCA which are intended to maintain and protect traditional harvesting rights and ensure that Inuit are significantly involved in wildlife and natural resource management (Cooper, 2010). This is an extremely important aspect for Inuit, as the interaction with and harvesting of animals are a major component of their cultural, social and economic wellbeing (Ford et al., 2008).

The NLCA also promotes the rights for Inuit to participate in decision-making concerning the management of the offshore, however these rights are limited to within the NSA. Marine areas that are external to the boundary are under federal jurisdiction, and are therefore subject to federal laws and marine policy. For thousands of years, the Inuit have depended heavily upon the productivity of the marine environment and the use of sea ice as a platform from which they travel, hunt and harvest, and much of this marine environment extends beyond the boundaries of the NSA (Riewe, 1991; Aporta, 2009). Interacting with the marine environment is an everyday activity for coastal Inuit communities, and they have hence gained a comprehensive understanding of its behavior (Aporta, 2002). It is because of this persistent dependence upon marine wildlife and the sea ice environment, that Inuit have the knowledge and capacity to partake in the management of offshore resources, regardless of whether they are within or adjacent to the NSA.

1.3 – Major Players in Governance

In negotiating the NLCA, Inuit communities were interested in becoming part of the management process and having a say in how development activities would be carried out. Before the NLCA and as part of the Northwest Territories, Inuit were a large minority that constituted approximately 38% of the territorial population. This contributed to a system in which the political interests of the territory were focused on geographic and cultural matters that were distant from eastern Inuit communities (Hicks
and White, 2006). Through the NLCA negotiation, a power shift occurred on a territorial level with the division of the Northwest Territories and the creation of a Nunavut government. The new territory resulted for Inuit to become the majority population, and have their interests at the center of their newly founded territorial system of governance.

On the municipal level, much of the governance structure remained unchanged. Hamlet Councils are municipal governments responsible for local level decision-making and representing communities throughout Nunavut. There are also 27 Hunters and Trappers Organizations throughout the territory, and their role is to allocate and enforce quotas and policies for wildlife harvesting and management at the community level (Kafarsowski, 2005). Nunavut allows for Inuit participation and representation in territorial decision-making through NTI and Regional Inuit Associations (RIAs). RIAs are established within the three major regions in Nunavut to provide concentrated efforts in safeguarding and advancing the rights of Inuit (Johnson, 2013). RIAs carry a strong influence on matters that will affect their region, and are major governance actors in Nunavut (Hicks and White, 2006).

The NLCA also established key regulatory bodies known either as co-management boards or Institutions of Public Government (IPGs). These arrangements between the state and Inuit were seen by many as “an achievable way to bring together the traditional Inuit system of knowledge and management with that of Canada’s” (Hicks and White, 2006, p. 35). As advisory boards whose role is to make recommendations to government ministers, IPGs work to bridge Inuit systems of management with those of the new government within their regions of responsibility. These powerful and influential institutions play a major role in decision-making for the territory, though their authority and responsibilities are limited to within the NSA (Johnson, 2013). The boundaries of these responsibilities pose limitations for their involvement in developments that are proposed external to the NSA and that are under federal jurisdiction, such as with many offshore oil and gas projects. These complexities in relation to offshore development are described in further detail in Chapter 2. Table 2 attempts to present the responsibilities of
IPGs along with the wide variety of other actors that each play a role in governance for the territory, while demonstrating the links and relationships between them.

Table 2 – Formal groups in Nunavut and their regions of responsibility.

<table>
<thead>
<tr>
<th>Institution</th>
<th>Primary Responsibility</th>
<th>Wider Regions of Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aboriginal Affairs and Northern Development Canada</strong></td>
<td>Department of the Government of Canada Manages and advises on government policies and positions relating to the GN’s relations with Aboriginal peoples</td>
<td>Responsible for implementation of the NLCA, participates in the Federal, Provincial and Territorial Aboriginal Affairs Working Group and manages relations with the federal, provincial and territorial government on Aboriginal issues that impact Nunavut</td>
</tr>
<tr>
<td><strong>Government of Nunavut</strong></td>
<td>Public government established through the creation of Nunavut</td>
<td>Responsible for the operation and administration of the territory of Nunavut</td>
</tr>
<tr>
<td><strong>Nunavut Tunngavik Inc.</strong></td>
<td>Primary Inuit Organization in Nunavut Foster Inuit economic, social and cultural wellbeing through the Implementation of the Nunavut Land Claims Agreement</td>
<td>NTI and RIAs are responsible for the management of all Inuit owned lands in Nunavut and act as the advocate of Inuit interests in Canada</td>
</tr>
<tr>
<td><strong>Qikiqtani Inuit Association</strong></td>
<td>Regional Inuit Association and an affiliate of NTI established under the NLCA Safeguard and advance the rights of Inuit in the Qikiqtani region</td>
<td>Provide links to Inuit living in Nunavut communities, hold title for Inuit own surface lands and is designated to carry out certain Inuit obligations under the NLCA</td>
</tr>
<tr>
<td><strong>Kivalliq Inuit Association</strong></td>
<td>Regional Inuit Association and an affiliate of NTI established under the NLCA Safeguard and advance the rights of Inuit in the Kivalliq region</td>
<td>Provide links to Inuit living in Nunavut communities, hold title for Inuit own surface lands and is designated to carry out certain Inuit obligations under the NLCA</td>
</tr>
<tr>
<td><strong>Kitikmeot Inuit Association</strong></td>
<td>Regional Inuit Association and an affiliate of NTI established under the NLCA Safeguard and advance the rights of Inuit in the Kitikmeot region</td>
<td>Provide links to Inuit living in Nunavut communities, hold title for Inuit own surface lands and is designated to carry out certain Inuit obligations under the NLCA</td>
</tr>
<tr>
<td><strong>Nunavut Impact Review Board</strong></td>
<td>Institution of public government established under Article 10 of the NLCA Protects and promotes the wellbeing of the environment and Nunavummiut through the impact assessment process Screens project proposals within the NSA to determine whether or not they have significant impact potential and frequently conducts environmental and socio-economic impact assessments</td>
<td></td>
</tr>
<tr>
<td><strong>Nunavut Water Board</strong></td>
<td>Institution of public government established under Article 10 of the NLCA Exercises responsibilities and powers over the use, management and regulation of inland water in Nunavut</td>
<td>Provides for the conservation and utilization of waters in the NSA in a manner that will provide the optimum benefits for Nunavummiut</td>
</tr>
<tr>
<td></td>
<td>Institution of public government Plans land use in Nunavut to protect and promote social,</td>
<td>Prepares land use plans that guide and direct resource use and development</td>
</tr>
<tr>
<td>Organization</td>
<td>Establishment</td>
<td>Responsibilities</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>--------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Nunavut Planning Commission</strong></td>
<td>established under Article 10 of the NLCA</td>
<td>economic, ecological and Inuit cultural values for future generations and provide for the conservation, development and use of land within the NSA Establishes rules that address concerns about how land, water, marine areas, renewable and non-renewable resources will be used</td>
</tr>
<tr>
<td><strong>Nunavut Surface Rights Tribunal</strong></td>
<td>Institution of public government established under Article 10 and 21.8 of the NLCA</td>
<td>Responsible for regulating entry and access to lands and determines rights of and compensation to the title-holder Determines the amount for wildlife compensation claims in the NSA</td>
</tr>
<tr>
<td><strong>Nunavut Wildlife Management Board</strong></td>
<td>Independent institution of public government established under Article 5 of the NLCA</td>
<td>Responsible for wildlife management and is the main regulator of access to wildlife in Nunavut Ensures the protection and wise use of wildlife and wildlife habitat in the NSA for the long-term benefit of Inuit and the rest of the public in Nunavut and Canada</td>
</tr>
<tr>
<td><strong>Nunavut Marine Council</strong></td>
<td>Organization that may be formed by the NIRB, the NWB, the NPC and the NWMB under Article 15 of the NLCA</td>
<td>As a group or individually advise and make recommendations to other government agencies regarding the marine areas of the NSA Ensure ongoing protection and wise use of the marine areas for the long-term benefit of Inuit and the rest of the public of Nunavut and Canada in a manner consistent of the NLCA</td>
</tr>
<tr>
<td><strong>Hamlet Councils</strong></td>
<td>Municipal governments created by the GN</td>
<td>Make local level decisions and plans on behalf of residents in communities throughout Nunavut Represent communities on a territorial and national level</td>
</tr>
<tr>
<td><strong>Hunters and Trappers Organizations</strong></td>
<td>Community organizations</td>
<td>Oversees harvest of wildlife at the local level Regulates harvesting practices and techniques among members and allocates and enforces community basic needs levels</td>
</tr>
</tbody>
</table>

IPGs in Nunavut are fully funded by the federal government, contributing to a system of financial dependency. This dependency between local and federal government is unique to Canadian territories as, unlike the ten southern provinces, they were not provided with constitutionally guaranteed legislative powers (Goldenberg and Penikett, 2013). The capacity to move away from federal financial dependency is directly related to the government’s ability to control and manage resources (Cameron and Campbell, 2009). This process of devolution refers to a transfer of responsibility from the federal government to the territorial government, which is well underway in both the Yukon and the Northwest Territories (Goldenberg and Penikett, 2013).

Devolution of lands and resources has been discussed in Nunavut since 2004, and
it is expected that it could enhance political autonomy and allow for the GN to create and implement its own long-term economic agenda (Cameron and Campbell, 2009). The outcome of a devolution agreement between Nunavut and the federal government would potentially have an effect on the offshore management regime, and allow for an increase of territorial and Inuit responsibility in oil and gas development (Coats and Poelzer, 2014). The federal government has questioned Nunavut’s capacity to independently manage its lands and resources, however, and considers the territory to be poorly prepared, particularly in terms of human resources capacity, to receive the responsibilities of devolution (Goldenberg and Penikett, 2013). To Inuit, devolution would involve autonomy within Canada, and the GN is planning on taking an incremental approach to gain legislative control over its resource base and substantially reduce its dependency on the federal government (Cameron and Campbell, 2009).

As it currently stands, major industries such as commercial fishing and mineral exploration that have grown with the development of a Nunavut government dominate the territorial economy. Mining, in particular, contributes almost 35% of Nunavut’s GDP (Collier, 2013). The offshore oil and gas industry has also played a role throughout the economic development of the region that become Nunavut, with major exploration and drilling projects throughout the 1970’s and 1980’s (National Energy Board, 2011). Although many of the activities associated with offshore oil and gas development occur outside the NSA, potential transboundary impacts, changes to the marine environment and the need of companies to gain a ‘social license to operate’ from local communities and territorial governments, connect this industry to community level decision-making. It is within this political space that Inuit knowledge systems can contribute in shaping the future of offshore oil and gas development, despite the fact that much of the activity will occur external to Nunavut’s boundaries. Inuit have had experience with the emergence of an offshore oil and gas industry in the past, and certainly have an interest in the development of the industry today.
Chapter 2: Management and Regulatory Regime

2.1 - Offshore Oil and Gas Exploration in Nunavut

Offshore oil and gas is not a new industry to Nunavut, and since the 1970’s, approximately 34 offshore wells have been drilled in what is now Nunavut’s High Arctic Islands and three in the Eastern Arctic Offshore (National Energy Board, 2011). The most extensive exploration in Nunavut was in the Sverdup Basin, in which 19 discoveries were made (Aboriginal Affairs and Northern Development Canada, 2014). Throughout this period, extremely high infrastructure costs, changes in market conditions for oil and gas and the challenge and inexperience of operating in a cold and unpredictable environment, put a halt to exploration and oil and gas development (Dagg et al., 2011). In 2009, AANDC hired consultants to carry out an assessment on the remaining recoverable resources for Northern Canada, including the adjacent offshore Canadian waters. According to their assessment, Nunavut’s basins contain 40% of the gas and 23% of the oil of the Northern Canada total, equaling to 13% of Canada’s remaining gas and 8% of its remaining oil reserves (Johnson, 2013). Although this study estimates that there is potential in Nunavut’s offshore, due to the limited exploratory drilling carried out to date, there is still much uncertainty about what areas are optimal for offshore oil and gas development.

Despite this uncertainty, there has been an increasing interest in the development of its hydrocarbon resources from both national and international industrial players. The recent seismic project proposed by TGS/PGS Multi Klient will certainly contribute to this interest, as it will help to determine the location and size of Nunavut’s offshore oil and gas reservoirs. The project consists of a 2D seismic survey conducted over a large part of Baffin Bay and Davis Strait beyond the NSA in the Eastern Arctic Offshore. Although 3D seismic surveys provide more detailed and reliable information, 2D seismic surveying is considerably less expensive, thus making up, in part the high cost of operating in the Arctic (Bott, 2004). The project is scheduled to take place during five summers beginning in 2016 in an area covering 400,000 km² of Baffin Bay and Davis Strait (National Energy Board, 2014 [2]). Although there is an understanding of the general effects of seismic on
marine mammals, it is difficult to predict the severity of the impacts due to lack of available research focused on seismic in Arctic marine environments.

This lack of clarity regarding the accurate measurement of the impacts of seismic testing in the Arctic marine environment has led to public and legal debates, in which the complexities of governance can be observed. The court case between Clyde River and the NEB is a strong example of conflicting views on seismic surveying projects for oil and gas development in Nunavut. The major concerns of Nunavummiut in regards to oil and gas stem from the challenges of protecting the wellbeing of communities amidst increasing industrial development (Nunavut Marine Council, 2012). However, there are a variety Inuit interests in Nunavut, and although some Inuit individuals and organizations reject seismic survey projects, there are others who view them as opportunities that could potentially provide benefits for Inuit communities in the long term (National Energy Board, 2014).

As Inuit throughout Nunavut rely heavily on healthy marine life for their traditional activities, good management is essential to protecting communities and the environment against the potential environmental risks associated with offshore oil and gas activity. The primary responsibility for management of offshore oil and gas activity lies with the proponents through the Canada Oil and Gas Operations Act (COGOA) (National Energy Board, 2011). Companies must develop and implement a management strategy that includes processes to identify, evaluate and manage risks for their activities and developments. This strategy should include:

- Contingency plans
- Environmental protection plans
- Waste management plan
- Oil spill response plan
- Emergency response plan
- Follow up procedures
- Decommissioning and abandonment plans

(National Energy Board, 2011)
The oil spill response plan is particularly important for offshore development, as identifying and analyzing potential risks and establishing procedures to reduce hazards will contribute to the protection of Arctic marine environments and the communities that depend on them (Barnes, 2015).

If undertaken, offshore oil and gas development in Nunavut should aim to balance economic benefits with environmental protection. This would be done in a manner that places focus on the diversification of Canada’s northern economies while aiming to conserve and protect its natural marine environments. Although gaps in research exist in regards to the potential risks and hazards associated with Arctic offshore oil and gas activity, the industry seems committed to adequate preparation for such uncertainties due to their strong focus on planning. The consideration of coastal Inuit communities within these plans is imperative, as the risks associated with seismic, drilling, and production activities may interfere with wildlife habitat as well as Inuit travel and harvesting practices (Nunavut Marine Council, 2012). In addition, Inuit knowledge systems may provide support for the industry’s goals of environmental protection, while contributing to a comprehensive knowledge base of Nunavut’s offshore.

2.2 – Regulatory Regime

To understand how and why Inuit knowledge may be incorporated in the management of offshore oil and gas, the regulatory regime that shapes the industry’s development in must be understood. There are two federal acts that regulate oil and gas activities in Canada’s Northern offshore and that support its management. The *Canadian Petroleum Resources Act* (CPRA) relates to the lease of federally owned oil and gas rights on ‘frontier lands’ to oil and gas companies that wish to produce oil and gas. ‘Frontier lands’ include Crown owned lands in Nunavut, resources on the surface of Inuit Owned Lands, and lands that are situated in Canada’s northern offshore (Johnson, 2013). The Baffin Bay and Davis Strait are considered to be ‘frontier lands’; therefore development within the region must follow regulations as set out in the CPRA. There is also the COGOA, which applies to all lands and governs oil and gas exploration, production, processing and transportation activities (see Figure 2). The purpose of
COGOA is to promote safety with these activities, as well as promoting the protection of the marine environment and the conservation of oil and gas resources (Aboriginal Affairs and Northern Development Canada, 2007).

AANDC is the federal institution that issues exploration and development rights for oil and gas in Nunavut under the CPRA. Provided an area has been opened to issuance, exploration licenses are issued to companies following a process that includes a Call for Nominations and a Call for Bids. The Call for Nominations by AANDC is to provide industry with the opportunity to identify subsurface parcels that is of exploration interest within the defined marine area (Aboriginal Affairs and Northern Development Canada, 2010 [2]). The process applies solely to the issuance of exploration licenses, and not to significant discovery licenses or production licenses. Nominations that are received through this process are considered and included in a succeeding Call for Bids. The Call for Bids invites companies to bid on specific parcels that were deemed of interest. The
bids are then assessed against a single bidding criterion, in which the company with the highest bid wins (Aboriginal Affairs and Northern Development Canada, 2010).

The successful bidder for an exploration license gains the right to explore for, and the exclusive right to drill and test for, petroleum for nine years under the CPRA. They are also given the right to obtain a production license and develop the onshore and offshore areas as needed. (Gavrilchuk and Lesage, 2014). A significant discovery license provides for all the same rights as an exploration license and, in addition, allows a company to hold these rights for as long as is required to exploit the resource. A production license is the final license that a company must be issued in order to produce oil and gas from the marine area, which also grants them title to the petroleum that is discovered (Galvrichuk and Lesage, 2014). These licenses follow through a tenure system (see in Figure 3) that ends with a development plan outlining final oil and gas production operations. Once the licenses are administered, the NEB regulates the exploration, production, processing and transportation of oil and gas under the COGOA (Johnson, 2013).

The NEB, as an independent federal agency, has the primary authority to administer the COGOA. They also operate under the National Energy Board Act and, to a limited extent, the CPRA (National Energy Board, 2015 [4]). Companies that wish to conduct offshore seismic exploration may also request Geophysical Operations Authorization under the COGOA from the NEB. This is the process that TGS/PGS Multi Klient chose to pursue in gaining exploration rights within the Baffin Bay and Davis Strait, and their authorization will be valid for five years (Young, 2014). Although they have the authority to move forward with seismic operations, their authorization does not provide them with the right to develop drilling infrastructure or obtain a production license (Young, 2014).
Figure 3 – Overview of the oil and gas tenure system (Aboriginal Affairs and Northern Development Canada, 2010 [3])

It is evident that the development of offshore oil and gas exploration and drilling is not a simple process. Figure 3 helps to demonstrate the responsibilities of both AANDC and the NEB throughout the administration of these licenses as they lead into offshore production. The consideration of Inuit knowledge and perspectives at each stage of this process would allow for stakeholders to gain a better understanding of Inuit uses of marine space, and work to develop the industry while respecting Inuit rights and ways of life.

2.3 – Power Dynamics of Offshore Oil and Gas

The prospect of an offshore oil and gas industry in the territory and the approval of the seismic testing in Clyde River, triggered Inuit organizations, local governments, communities and a number of stakeholders (from within and outside Nunavut) to become involved in the process. The right of Inuit to partake in decision-making concerning Nunavut’s natural resources is established through the NLCA, and they are formally represented in debates and discussions surrounding offshore oil and gas through NTI, the RIAs, and co-management boards. However, uncertainty exists as to whether or not these institutions will have influence in offshore projects that are governed by federal laws and policies.
This uncertainty comes from the spatial issues around offshore development, and the potential for projects to be outside the NSA. In these cases, Inuit organizations may be able to play an influential role in the offshore oil and gas industry through contributions to policy development, and cooperation with other stakeholders. This cooperation would help to manage the increased overlap and potential conflict between the industry, government, and the ways of the Nunavummiut in surrounding communities. Even if taking place external to the NSA, industry activities such as seismic surveying, exploratory drilling, increased vessel traffic, infrastructure development and the production and transportation of oil and gas have the potential to impact or interfere with marine hunting, harvesting and fishing activities as well as sea ice conditions (Nunavut Marine Council, 2012). For this reason, economic and social considerations must be understood in line with the effects on the physical state of the communities, and the potential for increased training, employment and education opportunities, regardless of whether development occurs within or adjacent to the NSA. Offshore oil and gas development is of interest to stakeholders within local, regional, and territorial levels of government, creating a need for both vertical and horizontal integration and collaboration.

IPGs have a particular interest in oil and gas, as their regions of responsibility revolve around the protection and sustainable development of social and natural resources within Nunavut. Because the NLCA does not regulate activity beyond the NSA, IPGs have limited authority in offshore environmental assessments and the management of offshore industrial activity. The complexities of these roles are evident in Article 12.11.1 of the NLCA, which discusses transboundary impacts. The Article states:

“NIRB may, upon request by government or, with the consent of government, upon request by a DIO, review a project proposal located outside of the NSA which may have significant adverse ecosystemic or socio-economic effects on the NSA” (Nunavut Land Claims Agreement, 1993)

This Article is directly relevant to offshore oil and gas activities, but it remains unclear whether the NIRB or the other co-management boards will be involved in the policy development process for the territory’s emerging offshore industry.
In 2010, representatives from the IPGs formalized the establishment of a Nunavut Marine Council (NMC) by Section 15.4.1 of the NLCA (Nunavut Marine Council, 2012). Pursuant to this section, each IPG may together, as the NMC, or individually make recommendations to government agencies regarding the use and management of marine areas within the NSA. The objective of the council is to “ensure the ongoing protection and wise use of the marine areas for the long-term benefit of Inuit and the rest of the public of Nunavut and Canada” (Nunavut Marine Council, 2012, p. 3). With future oil and gas activity focused on marine areas, the Council is well placed to make a substantial contribution to effective conservation-based offshore oil and gas policies for Nunavut. Although the Council has no funding and plays an advisory role, its establishment holds significance for the territory and for Nunavummiut, as Arctic marine areas are of central importance to Nunavut’s coastal communities. In 2014, the NMC came together to develop recommendations to the NEB and the Minister of AANDC concerning the TGS/PGS Multi Klient seismic survey proposal. The Council recommended that AANDC’s ongoing SEA for the Eastern Arctic Offshore be completed before regulatory decision with respect to individual projects are made. The Minister rejected this recommendation, and the project was approved to go forth while the SEA is underway (Nunavut Marine Council, 2014).

Although there is uncertainty around the severity of the impacts associated with seismic, drilling and production activities in the Baffin Bay and Davis Strait marine area, it is clear that these activities will hold an impact on Inuit ways of life within the NSA. It is important to understand the authority and interest of those involved in the offshore oil and gas sector in Nunavut, and how these may change depending on the scope of activity, as outlined in Table 3.
Table 3 – Authority vs. Interest in Nunavut’s offshore oil and gas industry.

<table>
<thead>
<tr>
<th>Authority</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outside the NSA</strong></td>
<td></td>
</tr>
<tr>
<td>National Energy Board</td>
<td>Government of Nunavut</td>
</tr>
<tr>
<td>Holds authority to administer COGOA, govern exploration, production, processing and transportation of offshore oil and gas and grant authority for seismic activities in Nunavut’s waters</td>
<td>Establishes social license with offshore oil and gas policy</td>
</tr>
<tr>
<td>Institutions of Public Government</td>
<td></td>
</tr>
<tr>
<td>May play an advisory role to the Minister of AANDC and may become involved in environmental assessment due to transboundary impacts</td>
<td></td>
</tr>
<tr>
<td><strong>Inside the NSA</strong></td>
<td></td>
</tr>
<tr>
<td>National Energy Board</td>
<td>Nunavut Tunngavik Inc.</td>
</tr>
<tr>
<td>Holds authority to administer COGOA, govern exploration, production, processing and transportation of offshore oil and gas and grant authority for seismic activities in Nunavut’s waters</td>
<td>Advocates on behalf of Inuit interests and develops policy that promotes these interests</td>
</tr>
<tr>
<td>Aboriginal Affairs and Northern Development Canada</td>
<td>Regional Inuit Organizations</td>
</tr>
<tr>
<td>Holds authority to administer CPRA and issue licenses for exploration and production in Nunavut’s offshore and approve Benefits Plans for these projects</td>
<td>Advocates on behalf of Inuit interests and works to engage communities on offshore oil and gas development</td>
</tr>
<tr>
<td>Government of Nunavut</td>
<td>Environmental Groups</td>
</tr>
<tr>
<td>Holds authority to establish policy for offshore oil and gas development that companies must adhere to</td>
<td>Seeks to protect and promote the health and conservation of Arctic marine ecosystems</td>
</tr>
<tr>
<td>Institutions of Public Government</td>
<td></td>
</tr>
<tr>
<td>Holds authority to exercise responsibilities and powers over the use, management and regulation of offshore hydrocarbon resources</td>
<td></td>
</tr>
</tbody>
</table>

As the TGS/PGS Multi Klient seismic testing was proposed outside of the NSA, those in Clyde River and members of environmental groups that were opposed to the project had an interest, but had no authority to influence the project’s approval. Because
of this, they resorted to a lawsuit in an attempt to gain authority or control in the decision-making process. This case demonstrates the challenges surrounding offshore oil and gas development occurring in marine areas external to Nunavut’s boundaries, as there are many actors that may hold an interest in the industry but have little authority. These groups have the capacity to contribute to the regulatory process through the development of an offshore oil and gas policy, which will also help to create a social license for proponents. A social license in the oil and gas sector represents the industry’s efforts to consider stakeholder interests, and respond to societal and community expectations (Kemp and Owen, 2012). It has been widely accepted by the industry as an essential attribute of success, especially in cases where communities have become particularly influential governance actors in economic development (Prno and Slocombe, 2012).

Although obtaining a social license is not required under federal legislation, it is essential in reducing the risks of public criticism, social conflicts, and damage to the company’s reputation (Prospectors & Developers Association of Canada, 2009). When a community protests or voices resistance to projects, those concerns are taken as indicators that a social license has not been achieved by the proponent or that it is under threat of withdrawal. In these cases, the project may not have the support or the approval of a community due to issues such as inadequate consultation, lack of transparency, or negative impacts outweighing benefits to communities (Prno and Slocombe, 2012). The concerns stemming from Clyde River and the upcoming seismic project is a prime example of this, as many within the community felt as though they were not adequately consulted on the impacts of the testing, and were opposed to the project moving forward (National Energy Board, 2014 [2]). The rejection of this lawsuit from the Federal Court indicates, however, that the proponent checked all the boxes they needed to and that the NEB adequately consulted with the Inuit of Clyde River on the project.

There are many conflicting interpretations of social licenses, and they are often considered to be poorly defined. Some controversies surrounding a social license can stem from environmental nonprofit organizations (ENGOs) that strategically invoke the term to highlight lack of community support (Kemp and Owen, 2012).
ENGOs as a call to public attention about poor industry practice, the term ‘social license’ undermines the diverse set of interests held by the community. This is a key problem to note, as there is a variety of stakeholders with individual interests within a community, and all perspectives should be considered rather than optimizing on minimal community resistance (Syn, 2014).

The social license is a particularly interesting concept when considering development that does not require the proponent to legally consider community interest. As future offshore oil and gas activities in Nunavut will often occur outside of the NSA, it is important to understand how and when a social license would be established. The role of the GN to develop and establish policy that outlines the terms by which land and resources are used, and ensure that their policies are representative of all Nunavummiut. They are required to promote community involvement and engagement through their governing framework, while working in cooperation with Hamlets, Inuit organizations, IPGs, and other governing bodies (Johnson, 2013). This would involve ensuring that communities partake in governmental decision-making in cases that may affect their ways of life. The policies and regulations established by the GN are only applicable within the NSA. Therefore, the development of their offshore oil and gas policy will demonstrate the complexities of governance for the industry. The GN may then choose to call on offshore oil and gas companies who are looking to explore, drill, and produce oil outside of the NSA to gain and maintain a social license by adhering to territorial policy as a guiding document, and providing benefits that aim to meet the needs of communities throughout Nunavut (Syn, 2014).
Chapter 3: Inuit Knowledge and Participation

3.1 – Indigenous Rights in Canada

The Nunavut government and its governing institutions recognize that the value and importance of Indigenous rights and Indigenous traditional knowledge in contemporary decision-making is acknowledged on a global scale. There are several human rights treaties that provide for the recognition and promotion of the Indigenous right to develop and to self-determination, but many have been broadly criticized for solely encompassing western concepts of development, and lacking the capacity to respond to the needs of Indigenous peoples (McCreery, 2012). In addition, the willingness of governments to promote respect for Indigenous values and perspectives in effective policy and management of natural resources has proven to be weak. In order to address the widespread human rights violations and discrimination against Indigenous peoples worldwide, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) was developed (Gunn, 2013), constituting a landmark in achieving international reconciliation. The United Nations and member states worked with a range of experts on Indigenous rights and policy as well as Indigenous peoples to draft a Declaration that covers all aspects of Indigenous peoples’ lives (McCreery, 2012).

The UNDRIP has now been endorsed by all countries around the world. It does not create any new rights, but rather it was developed to respond to the urgent need to respect and promote the inherent rights of Indigenous peoples (Joffe, 2008). It affirms a wide range of political, economic, social, cultural, spiritual and environmental rights, hence adopting a comprehensive rights-based framework. This approach encourages cooperation and consultation between stakeholders and allows for Indigenous peoples to exercise authority and power in modern political, social and economic contexts (McCreery, 2012). It also addresses the right of Indigenous peoples to participate in decision-making, and sets out provisions related to the principle of free, prior and informed consent (FPIC) (United Nations, 2007). FPIC requires parties to not only respect the rights of Indigenous peoples to make decisions concerning the use their lands and natural resources, but to let them have full control of their cultural and intellectual
property (United Nations, 2007, p. 6-12). Parties are also expected to obtain FPIC of Indigenous peoples prior to the approval of any development project that is likely to have an impact on their ways of life (United Nations, 2007, p. 12).

Indigenous peoples from all across Canada actively participated in the development of UNDRIP from its early stages and drafts, through to the final submission to the General Assembly (Gunn, 2013). Throughout the negotiation process with member states, Canada’s position on the UNDRIP changed and ultimately ended with Canada voting against it when it was presented at the General Assembly in 2007. This position was heavily criticized by Canadian Indigenous groups, and this pressure resulted in Canada’s ‘qualified’ endorsement of the UNDRIP in 2010, hence reaffirming its commitments to promote and protect the rights of Indigenous peoples (Gunn, 2013). The UNDRIP is a widely accepted international framework that has legal, moral and political relevance in Canada, and there is a strong expectation that Canada will uphold the articles laid out by the Declaration.

The Government of Canada recognizes and affirms the existing rights of Indigenous peoples under Section 35 of the Canadian Constitution Act, 1982 (Olthuis, 2009). The Constitution does not define these rights, however, as the government stipulated that these rights were to be defined in the courts on a case-by-case basis (Rudin, 1998). There have since been a number of court cases that have contributed to this definition. The 1990 R.v Sparrow decision held that customs, traditions, and practices that predate European contact and the establishment of a federal government could be a basis for Aboriginal rights (Eisenberg, 2013). This case stems from the 1984 arrest of Ronald Edward Sparrow, a member of the Musqueam band in B.C., who was charged with violating fisheries regulations when he used a net that was longer than his fishing license allowed (Rudin, 1998). Another major case that helped to define Indigenous rights in Canada was the 1997 Delgamuukw v. British Columbia case, in which the court confirmed that Aboriginal title entails rights to the land itself, not just the right to extract resources from it. Chief Earl Muldoe and other hereditary chiefs of Gitxsan and Wet’suwet’en First Nations took the provincial government to court in an effort to
establish ownership and jurisdiction over 58,000 km² of territory in northwestern British Columbia (Hurley, 1998). These cases, among others, have contributed to a constitutional and legal process of recognizing Indigenous rights in Canada.

In Northern Canada, as mentioned earlier, Indigenous rights are affirmed within the land claims. This includes the rights of Indigenous peoples to exercise control over their knowledge, and partake in decision-making over the management and use of natural resources (Nunavut Land Claims Agreement, 1973). Attempts to incorporate Indigenous knowledge within these governance processes, however, remain a challenge. The inclusion of Indigenous peoples and Indigenous knowledge is imperative in the Canadian Arctic, and particularly Nunavut. With Inuit making up 85% of Nunavut’s population, it is crucial that the rights affirmed within the NLCA are recognized within governance of the territory (Cooper, 2010). The GN is the only jurisdiction in Canada that has specifically proposed to incorporate Indigenous knowledge into everything from policy-making, to the delivery of programs and services throughout the territory (Arnakak, 2002). This concept was forged in the negotiations that led to the land claims agreement and the formation of Nunavut, and specifically addressed at a conference on traditional knowledge in 1998 convened by the Nunavut Social Development Council (an affiliate of NTI) (Wenzel, 2004). The conference set several objectives, which were aimed at establishing a governing structure that would ensure that Inuit culture, language and values are democratically reflected in the policies, programs and day-to-day workings of the Nunavut government. One of the outcomes of the conference was Inuit Quajimajatuqangit (IQ), which encompasses all aspects of Inuit culture including values, world-view, language, social organization, knowledge, life skills, perceptions, expectations and relationships between all aspects of their livelihood (Arnakak, 2002). This term was conceived to deal with the realities of governing and managing a new territory, and to have an Inuktitut term that was distinguished from other known concepts, such as traditional knowledge (TK) or traditional ecological knowledge (TEK) (Wenzel, 2004).
3.2 – Inuit Knowledge

The term Inuit knowledge is used in this paper, as it is a broad concept that encompasses the values reflected in the definition of IQ, but that transcends the institutional framework within which IQ was developed (the formation of the Nunavut Government). Inuit knowledge includes the knowledge and values that Inuit have developed over centuries of living in their environments. The term ‘Inuit knowledge’ is also less contentious in comparison to TK or TEK (Stevenson, 1996). Because Inuit knowledge is not based on a restrictive concept of “tradition”. On the contrary, it includes knowledge that continues to evolve along with new realities and new understandings of the environment (Dowsley and Wenzel, 2008). Because of this, Inuit knowledge involves information and approaches about the past, present and future, and is as contemporary as it is traditional. Chapman (2007) describes the word ‘traditional’ to be misleading, as it implicitly creates an assumption that knowledge is frozen in the past when in reality, Inuit knowledge is dynamic and contemporary (p.1). Although Inuit knowledge continues to be wrongly considered as a static or ancient form of knowledge, the deep relationship that Inuit hold with their natural environment is adaptive, dynamic, sophisticated and continuously evolving (Berkes, 2009 [2]).

Inuit have shared their knowledge orally through many generations, and have learned it through interaction with family, community and, most importantly, from their own relationships with their environment (Bielawski, 1991). The geographic and temporal scope of Inuit knowledge can inform the understanding of environmental and socioeconomic changes over time (Usher, 2000). As Inuit society and culture are intimately tied to the environment, their knowledge includes detailed observations that provide a deep understanding of the dynamics and use of marine and land environments in Nunavut (Usher, 2000). This aspect of Inuit knowledge demonstrates a cumulative and profound understanding that is validated by experience over time in the North, as it is tested in practical circumstances for its effectiveness (Anawak, 1998).

Inuit knowledge may also describe qualitative patterns, trends and experiences of Nunavut’s environment, as it is both perceptual and analytical. While this knowledge
may not appear to be strictly connected to issues surrounding offshore exploration and development, the Inuit approach to their environment include all sorts of atmospheric and environmental relationships (MacDonald, 1998). It is spiritual as well as factual, and may be wrongly perceived as unrelated to the development and use of offshore resources that are essential to modern economic development. Additionally, Inuit have the capacity to inform and influence the sustainable planning and management of offshore resource development, as they deal with the marine environment in their everyday activity throughout the year (Anawak, 1998; Aporta, 2002).

The value of Inuit knowledge and its application in all areas of governance in Nunavut has been identified and acknowledged by scientists, managers and policy-makers alike (Mauro and Hardison, 2000). Nunavut is actively promoting the integration of Inuit knowledge into environmental decision-making in particular, as it can offer effective culturally and socially relevant approaches to the complexities of the dynamic Arctic environment. Inuit knowledge has been used by researchers to record and understand coastal changes, areas of risk, predicting environmental disturbances and anticipating the impact of anthropogenic activity on all aspects of the marine environment (Macdonald, 1998). Inuit Knowledge, in this context, can become more than purely an informative source, but rather an influential and empowering approach to management.

Inuit are primarily a coastal people, and consider themselves to be an integral part of the ecosystems in which they live and carry out their day-to-day activities. This provides them with an extensive wealth of knowledge of both Nunavut’s coastal and offshore environments. The dynamics of sea ice in Nunavut are particularly relevant to Inuit physical and cultural wellbeing. A comprehensive understanding of sea ice features and behavior is essential, as sea ice provides a space for Inuit to travel, hunt and harvest throughout the year (Aporta, 2002). This reliance on sea ice must be considered when discussing offshore oil and gas development, considering that some activities may cause potential year-round ice-breaking activities (Nunavut Marine Council, 2012). Changes in sea ice conditions have cultural, safety, food-security and economic implications for Inuit
communities (Aporta et al., 2011). Offshore activity may also interfere with marine wildlife habitat and migration, which would consequently affect Inuit’s ability to harvest. Although this may pose risks for some Inuit who depend on fish and mammals for their economic and cultural wellbeing, others may consider the development of the industry as a transformation of their economic relationship with the marine environment. Offshore development may provide Inuit with education and training opportunities that could foster economic development and prosperity within northern communities (Johnson, 2013). Planning to ensure a balanced use of marine areas for traditional activities and emerging commercial and industrial development is essential in the management of an offshore oil and gas industry in Nunavut. This willingness to collaborate from Inuit communities emerged as a theme through consultations conducted by TGS/PGS Multi Klient in 2012, as there was interest in economic opportunities for communities through offshore oil and gas development (National Energy Board, 2014). The use of Inuit knowledge within further decision-making for this industry can contribute such an approach, and encourage the sustainable development of oil and gas while protecting Inuit rights and interests.

3.3 – Engagement and Participation in Nunavut

The use of Inuit knowledge is being widely advocated, but the mobilization and integration of Inuit knowledge within decision-making in Northern Canada is far from a simple and straightforward process. The growing acceptance of the significance and value of Inuit knowledge has resulted in an increase in calls for its application. However, this acceptance on its own is not adequate in ensuring that it is effectively incorporated into major decision-making in Nunavut. The NLCA plays an important role in this sense, as it was derived from the creation of a territorial government in which all residents have the right to influence and participate in the development of resource policies for the territory (Arnakak, 2002). The importance of incorporating Inuit knowledge is clearly set within territorial legislation and acknowledged by government, but the mechanisms for this process are not well defined. This creates ambiguity when determining if Inuit were properly included within governmental decision-making and policy development.
As it has become a requirement for government to incorporate Inuit knowledge and perspectives within resource management, it is important to consider the complexities involved with consultation and engagement in Nunavut. Meaningful consultation is a priority for government and industry alike, however there is no agency, organization or regulatory body that has given specific instructions, best practices or concrete guidelines on how to ensure adequate Inuit participation in project or policy development. Currently, it is often left to the proponent and stakeholders to determine a process that is supported by all parties involved (Usher, 2000). In some cases, the lack of clarity regarding meaningful consultation creates tensions and conflict. Inuit communities or organizations may make the case that the proponent or government failed to conduct meaningful consultations with Inuit or to accommodate their interests. On the other hand, government or industry may claim that their engagement with Inuit was thorough and accommodating, therefore discharging their duty to consult (Cooper, 2010).

The recent lawsuit between Clyde River and the NEB demonstrates this lack of clarity around what constitutes meaningful consultation. This case does not infer that Inuit do not support offshore oil and gas development, but rather that they are looking to play a role in its management. This would require the sharing of power and responsibility between government, industry and Inuit, allowing for the development of relationships and partnerships that would encourage cooperation between stakeholders (Berkes, 2009). Through these partnerships, local perspectives and knowledge systems can offer holistic approaches to resource management that are reflective of the cultural, social and economic interests of communities (Berkes, 2004). Inuit have the capacity to serve Northern governance on offshore matters well, and would benefit from participating in the conceptual stage of an offshore oil and gas policy to beyond its implementation (Irniq and Tester, 2007; Berkes, 2004).
Chapter 4: Policy Development in Nunavut

4.1 – Oil and Gas Policy Development

The history of oil and gas exploration and development in Nunavut revealed many challenges, with one of the most prominent being a lack of policy that defined the role and rights of Inuit in its management and operations (Johnson, 2013). Without a strong political framework, there is no basis on which to guarantee the consideration of Nunavummiut throughout the development of an offshore oil and gas industry. The GN holds the primary responsibility for policy development in Nunavut and in January 2015, in conjunction with the Nunavut Mining Symposium Society, they hosted the Nunavut Oil and Gas Summit (Varga, 2014). This summit brought together 75 people from industry, consulting, regulators, federal government, local government, Inuit organizations and Nunavut communities in Iqaluit to determine whether or not Nunavut was prepared for major oil and gas development (Croal, 2015). The GN considered this summit to be the first step in developing a set of principles pertaining to oil and gas development in the territory, including a comprehensive policy on exploration and production for oil and gas reserves (Varga, 2014).

It is within the GN’s mandate to make policy decisions that are representative of Nunavummiut and aim to change human and industry behavior in the interest of the territory (Anderies et al., 2013). These policies require clearly defined objectives and a deep understanding of the decision-making context in which they are created. For oil and gas, emerging policy recommendations will need to consider the social, economic and cultural wellbeing of Inuit, while ensuring that there is a system in place that protects the natural resources and environments that Nunavummiut depend upon. These considerations will contribute to a comprehensive policy that will help to shape the emergence of an offshore oil and gas industry and support the growth and diversification of Nunavut’s economy.

An integral component of the GN’s oil and gas policy will be the establishment of goals for attaining benefits throughout project development that respond to the needs
of communities through infrastructure renewal and opportunities for training, employment and education (Syn, 2014). As it is AANDC’s responsibility to approve a Benefits Plans for oil and gas development, the GN and communities should work closely with AANDC to ensure that all parties understand and agree with these policy goals. The oil and gas policy will set boundaries for companies working within the NSA, and by following the its recommendations, those working outside the NSA would have an opportunity to respond to Nunavummiut interests and hence be more likely to gain a social license to operate, as described in Chapter 2.

In 2013, NTI also began to develop both a policy concerning marine seismic surveys in Nunavut waters, as well as a greater policy for offshore oil and gas development. As outlined in Table 2, it is within NTI’s mandate to defend the rights and promote the interests of Inuit. While NTI is not a government, it is very influential in major decision-making processes for the territory, and is considered a key stakeholder in resource development (Bainbridge, 2003). The scope of this policy will apply to all offshore oil and gas development subject in or adjacent to the NSA and within Canadian jurisdiction, however industry would not be required to adhere to its terms. The purpose of their policy will be to define and promote Inuit interests and objectives in offshore oil and gas development in Nunavut. NTI works to promote economic self-sufficiency in accordance to Inuit social and cultural needs, and is the designated Inuit organization regarding oil and gas matters (Johnson, 2013). This means that NTI’s policies will play an advisory role for offshore oil and gas development.

It is also within NTI’s region of responsibility to work with the federal and territorial governments on plans and policies relating to lands and resources in Nunavut. Therefore, both NTI’s and the GN’s oil and gas policies are expected to reflect complementary objectives. These objectives would focus on ensuring that meaningful benefits from resource development flow to Nunavummiut and aim to meet the needs of communities (Syn, 2014). The incorporation of Inuit knowledge and views to help to shape these objectives is important to consider, as Inuit are the primary beneficiaries in Nunavut and would have a direct understanding of the needs of their communities. The
cooperation between NTI and the GN would encourage integration between their respective spheres of influence in regards to oil and gas, and will promote power sharing between stakeholders (Hicks and White, 2006). It might also support a more cohesive front on community representation, ensuring that joint political objectives for offshore oil and gas development are met.

4.2 – Consultation for Offshore Oil and Gas

As described in Chapter 3, the NCLA requires the GN to consult with Inuit in almost all areas of governance that would hold an impact on communities throughout the territory. This includes decisions from wildlife management and land use, to participation in the development and design of policies and programs that serve the territory (Bainbridge, 2003). Because the law is not clear in regards to what extent a consultation process will be seen to accomplish the government’s duty to consult, issues arise around the process of consensus building and achieving mutual benefits. This lack of clarity is important to consider when government or industry is attempting to engage communities.

Consultation often involves a process of hearing and being heard, but does not guarantee the power for communities to truly have an influence on decision-making (Arnstein, 1969). Therefore, defining what constitutes meaningful consultation in natural resource management in Nunavut is critical. Following Arnstein’s argument, if Inuit consultation is conducted for the sole purpose of placating, informing or educating, it would imply a one-way flow of information. Rather, if proponents work to integrate a two-way knowledge transfer throughout a meaningful participatory process, a more holistic and comprehensive project or legislation could be achieved (Griffith, 2006). What also must be considered is the difference between community engagement, and providing a space in which communities may directly contribute to decision-making. Arnstein (1969) states that “there is a critical difference between going through the empty ritual of participation and having the real power needed to affect the outcome process” (pp. 219). With broad-based participation and meaningful interaction between all stakeholders, government and industry may develop relationships within communities and work to integrate various knowledge systems and expertise (Armitage et al., 2007).
In Nunavut, policy development is required to use, promote and strengthen Inuit knowledge and values. As described in Chapter 2, there are many stakeholders that play a role in oil and gas matters in Nunavut’s offshore. On paper, every organization involved supports and promotes meaningful consultation through the workings of their role in resource management, and it is expected that these priorities be reflected within practice. AANDC, NTI, TGS/PGS Multi Klient and the NEB have each contributed to community engagement for offshore oil and gas development in the Baffin Bay and Davis Strait thus far. These institutions, however, have varying preferred forms of consultation, consequently working to engage communities in silo from one another. When communities are approached by different groups on an ad-hoc basis using inconsistent and diverse engagement methods, complexities around the assurance of influence and partnership between communities and government or industry power holders arise.

The varying purposes for different consultation contribute to these complexities, as groups will engage communities on oil and gas matters in order to inform them, gain an understanding on community perspectives, or gather and map Inuit knowledge. Additionally, the wide variety of methods used demonstrates the lack of consistency in regards to Inuit participation in Nunavut. In 2011, TGS/PGS Multi Klient held information sessions with HTOs and communities of the Baffin region to inform and begin a discussion on their seismic survey project (National Energy Board, 2014). Succeeding these sessions, Inuit organizations and communities indicated a need for further consultation between TGS/PGS Multi Klient and stakeholders. In order to respond to these recommendations, the company enabled public participation in the project’s Environmental Assessment process through a second round of community meetings in accordance with the COGOA. They then distributed Community Engagement Reports summarizing the meetings back to the communities and circulated a questionnaire to gain a better understanding of Nunavummiut perspectives on the project. The company also participated in public meetings conducted by the NEB in four communities in 2013, in which communities were given the opportunity for public comment and questioning regarding the Baffin Bay and Davis Strait seismic survey (National Energy Board, 2014).
AANDC and the GN used a similar engagement process in 2014 when they toured the communities of the Baffin Region. On this tour, they held a number of public consultation sessions that provided communities with information regarding the oil and gas tenure system, and allowed for them to gain an understanding of community thoughts and ideas on the federal SEA in the Baffin Bay and Davis Strait (Frampton and Nateela, 2014). The following year, the QIA chose to conduct IQ workshops in various communities in the Baffin region that may be affected by the proposed seismic survey. The goal of these workshops was to collect Inuit knowledge, listen to community concerns and open a dialogue on the impacts of seismic testing on Inuit and the environment that Inuit depend on. In these workshops, the QIA facilitated the sharing and mapping of Inuit knowledge to define areas of cultural and ecological significance to Inuit, and worked to develop a template for community monitoring plans (Qikiqtani Inuit Association, 2015).

These processes have differed in scope and purpose, and have each contributed to community engagement in offshore oil and gas matters for the territory. It is apparent that there has not yet been a consistent community engagement model that is promoted in Nunavut, or guidelines on how to best consult with Inuit. There are also many horizontal and vertical connections between stakeholders, and even within Inuit communities, that may affect the ability for proponents or government to meaningfully engage. As Nunavut continues to invest in economic opportunities and collaborate with communities, government and industry should consider creating a space that promotes capacity building and power sharing through meaningful engagement (Griffith, 2006). This would involve investing in relationship building and ensuring a two-way dialogue throughout the consultation process; helping to establish a sense of trust between the proponent and the communities. Working in partnership with Nunavummiut will allow for communities to have increased power and responsibility in decision-making processes for offshore oil and gas, while establishing their position within the industry (Berkes, 2004). Inuit participation is a key component of this process, and will contribute to the effective integration of Inuit knowledge within a territorial offshore oil and gas policy.
4.3 – Inuit Knowledge in Policy

International policy processes such as UNDRIP encourage national and territorial governments to recognize and protect Indigenous knowledge, and promote its wider application in resource management (Corbera et al., 2013). In 2009, the Arctic Offshore Oil and Gas Guidelines, published by the Arctic Council, also emphasized the importance of incorporating local and traditional knowledge into decision-making processes for resource development. These guidelines urge industry and government to integrate cultural and environmental protection, ensure the meaningful participation of indigenous residents, and include procedures to incorporate Inuit knowledge (Arctic Council, 2009).

Many of the outcomes of the oil and gas summit held in January fall in line with the Arctic Council guidelines, as there was a consensus that Inuit knowledge must be used and incorporated more prominently in oil and gas decision-making processes for the territory (Croal, 2015). This demonstrates a vertical linkage between levels of government with the objective of incorporating local Indigenous knowledge into political decision-making on oil and gas matters.

The primary announcement by the Nunavut government regarding Inuit knowledge as a guiding directive is known as the Bathurst Mandate, which states that Inuit knowledge would be the foundation for governance in the territory (Wenzel, 2004). The mandate took form of a detailed plan reflecting the vision, priorities and needs of the people and organizations of Nunavut (Oklalik, 1999). As described in Chapter 3, Inuit knowledge is a key source of information for all aspects of Nunavut’s natural and socioeconomic environment, and can effectively serve political decisions surrounding oil and gas (Irniq and Tester, 2007). The profound relationship that Inuit communities have developed with Nunavut’s natural systems over time, and the adaptive nature of this connection, has allowed their knowledge to gain increasing recognition of its value in environmental policy (Corbera et al., 2013). In addition, the integration of Inuit knowledge within decision-making around oil and gas matters in Nunavut would certainly require processes that provided opportunities for meaningful consultation and participation of coastal communities.
If government and industry are honest about supporting and promoting meaningful consultation within the management of the emerging oil and gas industry, they would need to consider the value of Inuit knowledge in regards to Nunavut’s offshore. Meaningful consultation, if Inuit and their communities are to be engaged, requires an understanding of the Inuit relationship to and knowledge of the marine and terrestrial environments, as Inuit would not clearly distinguish one from the other. However, there is ambiguity around what constitutes appropriate and adequate consultation. These vague definitions alongside current policy gaps present challenges in the incorporation of Inuit knowledge within the development of an offshore oil and gas policy for Nunavut.

### 4.4 – Strategic Environmental Assessment

There are various processes and activities, including marine spatial planning, that can contribute to robust and resilient policy and help to ensure that the Inuit and community voices are reflected. AANDC has begun to plan a SEA for the Baffin Bay and Davis Strait, in the hopes that it will help them make the decision on whether or not they should open the area for oil and gas exploration and production. SEAs have become an important tool in decision-making prior to the issuance of rights for exploration in other jurisdictions who were looking to exploit offshore hydrocarbon resources (Johnson, 2013). An SEA will also provide opportunities for consultation and engagement within Baffin communities, providing communities with a role in the assessment process and creating a space that facilitates the sharing of Inuit knowledge. Although an SEA builds on many of the principles and processes of environmental impact assessments (EIAs), the two processes are very different in their objectives and scope. Whereas the purpose of an EIA is to assess the potential impacts of a specific project, a SEA may have a broader scope and can be used for decision-making relating to the opening of an area or the issuance of rights (Doelle et al., 2012). The Arctic Offshore Oil and Gas Guidelines also recommended SEAs as an important component to determining the potential impacts of offshore oil and gas activities on the environment and communities (Arctic Council, 2009).
The goal of the federal SEA would be to help inform decisions on exploration rights for the Baffin Bay and Davis Strait, while examining the potential risks and benefits of offshore oil and gas activities to both the natural and socio-economic environment of Nunavut’s Baffin region. Consultation processes and stakeholder participation throughout the assessment would provide the facilitators of the SEA with an understanding of the potential risks and benefits of offshore oil and gas development to Inuit and northerners living in coastal communities across the region. The SEA would be a planning document that is intended to assist AANDC in determining which parcels of land may or may not be suitable for offshore exploration (Johnson, 2013), and Inuit knowledge can directly contribute to these decisions through the identification of areas that are of cultural and ecological importance to Inuit communities. Through meaningful engagement, AANDC and other stakeholders may gain an understanding of the Inuit relationship to the Baffin Bay and Davis Strait, and can provide a space for Inuit knowledge to shape future political decisions on offshore oil and gas development.

The consultation conducted throughout the SEA would also explore the economic and employment benefits of potential offshore oil and gas activities to communities, while creating a discussion around the environmental, social, cultural and economic concerns related to offshore development (Griffith, 2006). The involvement of IPGs in these discussions is imperative, as they have the capacity to advise government on the use and management of Nunavut’s lands and resources (Hicks and White, 2000). The NMC, in particular, could provide collaborative and informed advice and recommendations designed to mitigate issues that may arise throughout offshore development. The NMC relies upon the experience, expertise and knowledge base of its four land and resources management members, and is well-suited to make a substantial contribution to marine policies for Nunavut. The Council also supports and promotes the inclusion of Nunavummiut when external interests wish to conduct commercial or industrial activity in Nunavut’s marine environment, and would advocate in providing communities with the opportunity to initiate policy advice for the management of this activity in Nunavut’s offshore (Nunavut Marine Council, 2012)
Chapter 5: Discussion

There are a number of avenues in which communities and Inuit may be meaningfully engaged throughout the development of offshore oil and gas in Nunavut. The SEA, as it is a current matter, is a potential process in which Inuit knowledge can play a prominent role in political decisions surrounding offshore oil and gas matters. It may provide space for meaningful consultation, and can contribute to the cooperation of parties that hold interest in commercial and industrial development in the Baffin Bay and Davis Strait. This cooperation would foster the integration of Inuit knowledge with relevant historic and scientific data, and provide an extensive base of knowledge that will inform the responsible and sustainable marine development in new offshore regions, with due consideration for the conservation of the environment and Inuit interests (Usher, 2000). The assessment may also lead to increased investment opportunity by the oil and gas sector, which will support benefits such as jobs, training and economic prosperity in Nunavut (Syn, 2014). When considering the development of a robust oil and gas policy, however, the scope of knowledge mobilization must be broader than the SEA.

As the validity of Indigenous knowledge is becoming increasingly recognized, and indigenous peoples throughout the Arctic are becoming active participants in oil and gas activities, we must consider how Indigenous knowledge can be effectively incorporated into policy and planning for the industry. There is a good deal of literature that examines the use of Indigenous knowledge in SEAs and natural resource management (White, 2006), but what is inherently lacking in this literature and what must be considered in policy, are the deeper social and economic realms of Inuit knowledge. There are concerns amongst Inuit regarding the impact of offshore oil and gas activities on traditional resources; however there is also a willingness from Inuit to collaborate to ensure that negative impacts are mitigated and economic opportunities are made available for communities, as well as a range of positions in between (National Energy Board, 2014).
A prominent challenge in policy development for offshore oil and gas in Nunavut is addressing the potential conflicting expectations between supporting economic diversification and preventing impacts on the marine environment. Understanding these expectations may be achieved through meaningful engagement and consultation, however definitions on what constitutes these processes are vague. What should be prioritized is the opportunity for the direct involvement of communities and knowledge holders into decision-making in the management of offshore oil and gas. Inuit are responsible for the use and application of their knowledge (Usher, 2000), whereas the government is responsible for the development of robust policies that encompass and reflect this knowledge. The recommended approach is then not to focus efforts on the government or the communities individually, but rather to look at what connects them. Bridging these two systems of understanding is key in ensuring that political objectives for offshore oil and gas are reflective of Nunavummiut interests.

These interests are important to consider regardless of whether offshore development is within or adjacent to the NSA. When considering the latter, the power and influence of a social license will promote community involvement within the industry. As the corporate interest in Nunavut’s offshore hydrocarbon resources grows, it can be assumed that much of the future activity will be conducted within federal jurisdiction. In these cases, the proponent will not be required to follow territorial policy and regulation, although it is expected in order to acquire a social license. The social license for offshore oil and gas should stem from the communities, as there is a plurality of interests towards the industry’s development. The impacts of offshore oil and gas development may pose threats to Inuit culture or ways of life, but they may also open new doors for economic revival and growth (Nuttall, 2009). All views should be considered and integrated into a territorial policy that acts as a social license for industry.

These perspectives of Inuit will be particularly important in shaping an offshore oil and gas policy, as the marine environment is central to their wellbeing. Their dependence upon the sea ice environment continues to dominate their personal and political lives, and their input will balance the perspectives of non-Inuit academic,
scientific and industry interests (Nunavut Marine Council, 2012). These relationships between Inuit and their environment may be partially understood through the knowledge that has been gathered from government, industry and Inuit organizations surrounding the dynamics and uses of the Baffin Bay and Davis Strait environment through past consultation processes. However, stakeholders must be aware of the risks associated with the appropriation and dispossession of Inuit knowledge, as it is embedded within the culture and experience of Inuit (Usher, 2000). The development of an offshore oil and gas policy should be considered an ample opportunity to bring this knowledge and feedback on oil and gas matters into one setting to understand it, mobilize it and integrate it into the territorial decision-making.

At the 1998 conference on traditional knowledge in Igloolik, elders and delegates made the recommendation that the GN establish a permanent ‘senate-like function’ that would hold the government accountable in reflecting and promoting Inuit views within their governing structures (IQ Task Force, 2002). This group would work with a very broad mandate to direct the GN on how to apply Inuit knowledge to its programs, policies and services, and would support government offices becoming more conducive to the Inuit ways of life (Rideout, 2001). The GN’s response to these recommendations was to establish an ‘IQ Task Force’. The Task Force consisted of a small working group within the Department of Culture, Language, Elders and Youth with a limited mandate and no direct access to government (IQ Task Force, 2002). This response from the government was far from an Inuit ‘senate-like’ group, as the Task Force was not provided with the power or authority to ensure Inuit perspectives were represented in territorial governance. Henderson (2008) describes the government support for Inuit knowledge to be “more symbolic than substantive” (p. 193). The mobilization and integration of Inuit knowledge within governance is supported on a multi-scale level, but there is a lack of confidence regarding its influence within territorial decision-making.

There is value in the original recommendations that came from the 1998 conference, and perhaps the concept of a formal Inuit group made up of community members whose role is to advise in the development of policy and regulation should be
revisited. These committees or councils could look similar to Community Lands and Resources Committees (CLARCs), which are committees established within Baffin communities under the QIA. Their membership consists of a representative from the HTO, Hamlet, Elders, Women and the QIA Board of Directors, and their purpose is to advise the QIA Land Manager on matters concerning the management of Inuit Owned Land within their community area (Qikiqtani Inuit Association, 2014). If the government were to apply this concept to their own governing structure, they could consider the establishment of a diverse group of Inuit knowledge holders and representatives within each community as advisory bodies. These groups could work to hold the GN accountable in representing the interests of Nunavummiut, and have access to influence and inform policy formation on a territorial level. The establishment of these groups or committees would also allow for a direct flow of knowledge from the community level into major decision-making processes. By having communities play a prominent role within policy development, the risk of Inuit knowledge becoming misinterpreted or decontextualized is also reduced. Until a knowledge committee, council, or board such as this is established, there needs to be community-level representation on steering committees, planning boards, advisory bodies and departmental meetings geared towards the development of an oil and gas policy for Nunavut.

What is most important to consider are the opportunities for communities to have a direct role in policy development for offshore oil and gas. Inuit understand the nature and utility of their knowledge, and thus are best suited to bring their perspectives to the decision-making table on oil and gas matters. Allowing for Inuit to be directly involved can bring a more holistic understanding of the relationships between communities, industry and the marine environment (Ellis, 2005). This is integral in moving forward with offshore development, as a broad understanding of these relationships can increase the industry’s ability to predict and mitigate their impacts on Inuit communities. Inuit knowledge holders can also offer contributions to environmental decision-making that will allow for industry and communities to work in partnership with one another, linked by Inuit organizations and government. The connection that Inuit have with marine environments extend beyond settlement boundaries, therefore their knowledge can reflect
qualitative trends and patterns over time, and include evolving knowledge that would present itself to have greater contributions to modern governance processes (Usher, 2000).

The federal government, the GN, NTI and the other major actors in offshore oil and gas development all have obligations to understand, use and adhere to Inuit knowledge in the delivery of their responsibilities. In order to meet this expectation, they should consider pooling their resources together in order to modify the governance system, and provide a seat at the decision-making table for Inuit. Giving communities the opportunity to bring their perspectives and wealth of understanding directly into the political process will affirm the validity and relevance of their knowledge, experience and competence, hence helping to reverse a long history in which those attributes were often discounted.
Summary and Recommendations

The offshore oil and gas industry has emerged as a leading economic driver in the global markets and its expansion has recently been focused towards the North. Nunavut’s offshore basins have high potential for hydrocarbon resources, and the upcoming seismic project is the first step in the development of a new offshore oil and gas industry in the territory. In order to determine the roles of communities and Inuit within this industry, it is up to political leaders in Nunavut to develop legislation that is reflective of Nunavummiut needs and encompasses Inuit knowledge.

In the current political context, Inuit communities are not provided with the space to be directly involved in the planning or management of the offshore oil and gas industry. The territory’s oil and gas policy should reflect what is instated in international policy and endorsed by every country in the world. Under the UNDRIP, parties are expected to obtain the FPIC of Indigenous peoples prior to the approval of any development project that is likely to have an impact on their traditional resources or ways of life. The policy must also ensure that the rights of Inuit to have a say in the management of the resources and environment that they depend upon are affirmed. The potential transboundary impacts of offshore oil and gas activities could disrupt Inuit hunting, harvesting and other traditional activities, however this does not mean that the industry does not have the support of Inuit. We must consider what FPIC would look like in Nunavut, and as the territory builds its political stance on offshore development, it could very well take the shape of a policy.

As the political objectives for oil and gas need to consider the environmental, social, economic and physical state of communities, Inuit knowledge can help to fill policy gaps in order to produce robust and comprehensive legislation. Offshore oil and gas exploration and production is not new to Nunavut or to Inuit, and their experience with this industry has allowed them to gain an understanding of how offshore oil and gas activities may interact with other, more traditional, uses of marine space. The relationship that the Inuit have with their environment, and their dependence and use of offshore
waters and sea ice for travelling, hunting and fishing, validates their wealth of knowledge surrounding the dynamics of Nunavut’s offshore.

The value and importance of Inuit knowledge in resource management is recognized in the territory, and through the establishment of the NLCA, Inuit rights to participate in decision-making concerning the use and management of resources on a territorial level were acknowledged. These rights should be affirmed by political leaders through the prioritization of Inuit participation in policy and planning for the territory. Although there may be fundamental differences between traditional Inuit governance and the worldviews underpinning the GN’s bureaucratic structures and processes, the willingness of stakeholders to bring the traditional Inuit system of knowledge with that of Canada’s and collaborate in the political development of the offshore oil and gas industry is evident.

In considering how this can be accomplished, there is a need to focus on the regulatory frameworks involved in policy development for oil and gas. Nunavut remains the only jurisdiction in Canada that has yet to gain full control over its lands and resources and, although devolution would greatly reduce the GN’s dependence on the federal government, Nunavut does not currently have the capacity needed to accomplish its successful implementation. This leaves the territory with the authority to develop policies and programs that industry must follow when conducting activity within the NSA. Marine activity that is external to the NSA is regulated under federal legislation, and territorial power in these cases may stem from the establishment of a social license, which must come from Nunavut communities and not external organizations that enter into these debates.

The development of a representative policy and social license would benefit from the integration of policy objectives between NTI and the GN, as a clear message from the territory will have a stronger impact on industry than two policies that differ in their directives. Extending this cooperation amongst the other key actors involved would also allow for a wealth of knowledge and expertise contributing to a comprehensive offshore
oil and gas policy. There is interest from government, IPGs, NTI and RIAs to be involved in offshore oil and gas matters, and although their regions of responsibility differ, they each support the incorporation of Inuit knowledge into territorial policy. Rather than continuing to engage communities on an ad-hoc basis through a variety of methods, they should instead focus their efforts on a system that allows for a constant dialogue at the local level. It is not recommended that the emerging policy neglect the knowledge and information gained from past consultation and engagement processes, as it certainly can inform decision-making around offshore oil and gas. This includes the SEA and the consideration of its outcomes, as this SEA will be an important tool in supporting the incorporation of Inuit knowledge into policy.

The Arctic Council recommended that Northern governments should pursue regulatory and political structures that allow for participation of indigenous people in the decision-making process for offshore oil and gas. This is where Nunavut should place their focus. It is clear that GN considers Inuit knowledge to be at its foundation, but this may only be achieved by creating a space in which the knowledge holders are directly involved in its governance. Perhaps reintroducing the strategic findings from the 1998 knowledge conference into modern governing practices, and developing a formal committee that holds equal power in decision-making, would ensure the integration of Inuit knowledge into Nunavut policy. The emergence of the offshore oil and gas industry provides the ample opportunity to make a change in Nunavut’s political processes, and allow for a direct flow of knowledge from the community level to territorial legislation. By taking advantage of this opportunity, the Nunavut government can put forth an offshore oil and gas policy that echoes the voice and knowledge of all Nunavummiut.
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