





"The North's Place in Canada's Future"

IQALUIT, November 7, 2006 – Northern Premiers signed an agreement today renewing the Northern Cooperation Accord for a second three year term. The three governments of Nunavut, Northwest Territories and Yukon signed the initial Accord in Cambridge Bay, Nunavut, in September 2003. Today's signing ceremony was held at Nunavut's Legislative Assembly Building with the 19 student participants in this week's First Nunavut Youth Parliament.

The renewal of the Accord concluded the fourth annual Northern Premiers' Forum.

Premiers met today to discuss the future direction of their territories and the process by which they will work with the federal government, their provincial counterparts, and each other.

Premiers were encouraged by the focus that the Prime Minister's recent northern tour placed on the increased importance of the territories to the future of all Canadians. In his speech in Yellowknife in August, entitled The Call of the North, the Prime Minister envisioned a North "that is stronger, more prosperous and liberated from the paternalistic policies of the past".

Northern Premiers endorse that vision, and they realize that with the territories' expansive coastline and huge storehouse of mineral and energy resources, they will be key players in the future economic prosperity of Canada and in the continued expression of Canada's sovereignty.

Premiers noted that significant national initiatives such as the Canada Winter Games, to be held in Whitehorse February 23rd to March 10th and the International Polar Year in 2007-2008 herald the North's growing importance to Canada's future.

Northern Premiers discussed the following key issues for their territories:

New Fiscal Federalism

Premiers have been part of the federal consultations undertaken after the May 2006 Budget. The three territories had previously made the case to both a federal Expert Panel

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and a provincial-territorial panel for a renewed approach to Territorial Formula Financing. The reports and recommendations of those panels acknowledged the extensive needs and higher costs of delivering services in the North, and proposed a return to needs-based formula that addressed the gap in territorial finances. They also highlighted the need for economic development incentives, the importance to be the primary beneficiaries of resource revenue, and the need for investment in infrastructure that permits the North to catch up with the rest of Canada.

Both panels endorsed the territorial position on TFF. In July, the Council of the Federation endorsed the territorial position. Premiers want to see those recommendations implemented for fiscal year 2007-2008.

They expect to take part in a meaningful process that contributes to the federal decision, beginning with the meeting of Finance Ministers next month. Any changes to the TFF will have a profound impact on the North and its future, which requires full mutual consideration of the perspectives and priorities of the North.

Infrastructure

A key aspect of the new fiscal federalism is a recognition by Canada that the Territories require an on-going commitment from the federal government to ensure that the basic infrastructure of the North meets Canadian standards. The North needs to catch up in order to achieve the potential of resource development, and the economic prosperity and job creation that such development promises. The Prime Minister spoke in August of the need to work together to unlock the resource wealth of the North. That will first require adequate infrastructure.

Territories cannot accomplish that infrastructure objective with an incremental approach within the annual capital expenditures of the TFF. Premiers invite the federal government to work with the Territories to develop a process for quantifying the needs, and then establishing a dedicated, stable, long-term investment – a Strategic Northern Infrastructure Fund — for jointly achieving infrastructure objectives across the North.

Premiers call on Canada to assist them in finishing the job of building Canada—in the same way that southern Canada was built over the last 150 years.

Impact of federal cuts

Premiers expressed their concern with the recent expenditure reductions announced by the federal government and in particular cuts to literacy.

Premiers support the work of the Council of the Federation on this issue.

Devolution and Resource Revenue Sharing

Devolution has been a critical issue for the territories for over two decades and Premiers are encouraged by the commitment of the federal government to conclude the transfer of province-like powers to all three territories. The time has come to resolve the issue as a pre-requisite to the economic development of the North and its contribution to Canada as a whole. Premiers stressed the importance for each territory to control its own resource management regime.

Devolution should be viewed as a process of political, social and economic development and not merely a program transfer.

Premiers acknowledged that the Prime Minister has committed that northerners should be "the primary beneficiaries" from development of the North's resources.

Northern Vision

Premiers stated that the issues of sovereignty, circumpolar relations and climate change require a pan-territorial approach. They directed their officials to develop a strategic action plan to frame a dialogue with Canada on a Northern Vision, consistent with the principles outlined in the sovereignty paper released at last year's meeting of Northern Premiers. The strategy will be comprehensive and will speak to:

• Canada's Arctic Sovereignty

The people of the North provide Canada with the basis for its claim for sovereignty through their use and occupancy of these lands and waters through the centuries. Canada's future provides the North with the opportunity to become a full partner with the rest of Canada.

Sovereignty in the Arctic is enhanced by the presence of strong and healthy communities across the North. Premiers focused on the human dimension to Arctic sovereignty as the central component of sovereignty and security.

Territorial Premiers applaud the Prime Minister for making this issue a national priority. They commit to supporting Canada's claim to sovereignty through the work of their governments, alongside Canada, in providing services and infrastructure throughout the North.

• <u>Circumpolar relations</u>

Premiers stressed that effective relations with our circumpolar neighbours are critical to Canada's sovereignty and security interests, and expressed confidence that the federal government will work with territorial governments to properly recognize the increasing

responsibilities of the territories in shaping future policy directions for Canada's North within the circumpolar world.

Northern Premiers noted that issues such as climate change are critical in the circumpolar world and that the interests of Canada's North need to be fully represented at international forums where such issues are being considered.

• <u>Climate change</u>

Northern Premiers noted that climate change is, and will continue to be, an important environmental, economic and social challenge for all Canadian jurisdictions and that the three territories are, to a significant extent, feeling the early effects of climate change.

Premiers noted that while all three territories are taking action to address climate change, they do not have the fiscal capacity to adequately address current and future climate change impacts.

They tasked their ministers to provide a better picture of what is happening to the North because of climate change and to propose concrete and practical climate change adaptation measures. Premiers noted the opportunity that the International Polar Year 2007-2008 could provide to support research on those practical measures.

Northern Premiers note that Canada's challenge will be to use the IPY legacy in a way that builds the capacity of northerners to become more fully involved in, and benefit from, research and scientific activity in and about the North.

Domestic Violence

Premiers are very concerned about the continuing problem of domestic violence and discussed their respective jurisdiction's efforts to deal with some of these problems. They agreed to work together to share best practices to reduce the incidence of domestic violence. They directed their officials to build and enhance violence reduction initiatives across the three territories.

Northern Court of Appeal

Northern residents should have a judicial system that reflects the understanding and sensitivity of the social and cultural context of the North, and the new forms of self-government and northern governance that are emerging in the Territories.

A Northern Court of Appeal would lead to the establishment of a consistent body of northern jurisprudence. It would improve access to justice, and have important symbolic value for the people of the North.

Premiers are united in expressing the need to advance discussions to establishing a Northern Court of Appeal.

Revocation of long gun registry

On behalf of their constituents, Premiers welcomed the proposal of the federal government to abolish the long gun registry and called upon their federal representatives to support the amendments.

Conclusion

Premiers look forward to working with the federal government in the months ahead, drawing upon the Prime Minister's statement that the "North's time has come". Federal commitments on the TFF, devolution and resource revenue sharing agreements, and new infrastructure investment will define that future for the North in Canada.

The next Northern Premiers' Forum will occur in Yukon in 2007.

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