



# DEVOLUTION READY FOR APRIL 1

Devolving responsibility for NWT public land, water and resources from the Government of Canada to the Government of the Northwest Territories (GNWT) is the largest task undertaken by the GNWT since division and the establishment of Nunavut.

The process started decades ago. It included extensive meetings and consultation with Aboriginal governments, industry, and residents. After 10 years of negotiations, it culminated in the signing of the *Northwest Territories Lands and Resources Devolution Agreement* in June 2013.

This agreement sets out the terms for transferring authority to the NWT. It was signed by the Government of Canada and the GNWT, along with the Inuvialuit Regional Corporation, Northwest Territory Métis Nation, Gwich'in Tribal Council, Sahtu Secretariat Incorporated, and Tłı̨ch'o Government.

The date set for the GNWT to assume responsibility for public land, resources, and rights in respect of waters is April 1, 2014.

Since the fall of 2010, the GNWT and Canada have been working hard to ensure there will be a seamless transfer of responsibility.

Services offered by Canada - from prospector's licences to land leases - will now be offered by the GNWT. Almost all of the federal employees working in devolving programs right now in the NWT have accepted jobs with the GNWT to continue this work.

New organizational structures are being established to integrate devolved responsibilities into the GNWT. Departments taking on new people and programs are getting ready by staffing, preparing office space and planning for the transfer of assets such as land, buildings, leases, contracts, vehicles,

records, equipment, and much more.

The behind the scenes work to ensure the GNWT is ready to accept responsibility for public land and resources on April 1 is being managed by a number of dedicated teams. These working groups include representatives from all of the signatory governments. The federal government has contributed \$26.5 million to the GNWT to cover the cost of this work.

When the transfer is complete, the GNWT will manage public land and resources for an economically and environmentally sustainable future, and will keep up to 50% of the revenues from resource development on public land. The GNWT will share up to 25% of its resource revenues

with participating Aboriginal governments. One hundred percent of all resource revenues from public land went to Canada previously.

There will be a maximum amount of resource revenues that the GNWT can keep each year, sometimes referred to as a cap. The amount of this Maximum Benefit is based on a portion of the GNWT's annual budget. This means it will grow as the territory grows.

In most cases, resource royalties generated from development for one year are collected the following year. This means that the GNWT will collect the majority of its first resource royalties in spring of 2015 - about a year after Devolution takes place. Participating Aboriginal governments and Canada will receive their share of these revenues after this date.

For more information on resource revenues, visit [devolution.gov.nt.ca](http://devolution.gov.nt.ca).

## A SEAMLESS TRANSFER

The GNWT and Canada are working hard to ensure that the transfer of responsibility for managing public land, water, and resources from the federal to the territorial government will be a seamless transfer. But what does that mean? Seamless transfer means a transition of authorities from one government to another without any disruption in services.

### PREPARING FOR DEVOLUTION

The GNWT is creating legislation that substantially mirrors existing federal legislation and protects existing rights and interests.

### BUSINESS PROCESS MAPPING

The GNWT worked closely with the federal government to map out exactly how business processes related to land and water administration are managed now by Aboriginal Affairs and Northern Development Canada (AANDC).

This business process mapping tracks how information moves through the system, who handles it, and how decisions are made. The information gathered has been used by the GNWT to ensure that client services will continue to be delivered smoothly and without interruption immediately after Devolution.

### EFFECTIVE AND EFFICIENT LAND MANAGEMENT

The GNWT will continue to work with boards, partner governments, investors, and other stakeholders to ensure land and resource management policies and processes after Devolution are practical, efficient and workable.

Effective program delivery will be supported by the many experienced federal employees who are currently managing these programs and have accepted jobs with the GNWT to continue this work.



# DEVOLUTION LEGISLATION OVERVIEW

## TRANSFERRING LEGISLATIVE AUTHORITY

On April 1, 2014, the Government of the Northwest Territories (GNWT) will become responsible for the laws that determine how public land, water and resources in the Northwest Territories (NWT) are used and managed. These authorities are currently held by the Government of Canada.

To ensure a seamless transfer of authority, the GNWT will initially mirror applicable federal acts and regulations, pursuant to the *NWT Lands and Resources Devolution Agreement*.

## MIRRORING LEGISLATION

“Mirroring” is the process of preserving the substance and intent of existing federal acts and regulations, changing only what is necessary to make them functional in the NWT. For example, if the federal legislation refers to Finance Canada, the mirrored GNWT legislation may refer instead to the GNWT’s Department of Finance.

Mirroring is an important and practical first step. It allows a timely and seamless transfer of legislative authorities and ensures there is

no interruption in the delivery of public services during the transition. When Nunavut separated from the Northwest Territories in 1999, Nunavut initially mirrored the NWT’s existing legislation.

The GNWT will mirror and enact 26 federal acts and regulations as a part of Devolution. This will provide the NWT with a suite of new authorities to manage public land, water and resources in a manner that reflects northern needs and priorities.

All of the legislation must be passed in the GNWT’s Legislative Assembly prior to the transfer, and will come into effect on April 1, 2014. After this date, the GNWT will be able to make changes to these laws, if a need is identified, just as with any other GNWT legislation.

At the same time, Canada must pass and enact its own legislation to reflect the GNWT’s new responsibilities. This legislation is included in Bill C-15, introduced in the House of Commons on Dec 3, 2013.

*\*Note: Because Canada retains jurisdiction in the Offshore, legislative changes with respect to oil and gas resources that straddle the Onshore and Offshore will be made in consultation with Canada.*

## MIRRORED LEGISLATION AND REGULATIONS

EXISTING FEDERAL LEGISLATION AND REGULATIONS		MIRRORED GNWT LEGISLATION AND REGULATIONS	GNWT DEPT
<b>CANADA OIL AND GAS OPERATIONS ACT</b>	→	<b>OIL AND GAS OPERATIONS ACT</b>	ITI
Canada Oil and Gas Certificate of Fitness Regulations	→	Oil and Gas Certificate of Fitness Regulations	ITI
Canada Oil and Gas Diving Regulations	→	Oil and Gas Diving Regulations	ITI
Canada Oil and Gas Drilling and Production Regulations	→	Oil and Gas Drilling and Production Regulations	ITI
Canada Oil and Gas Geophysical Operations Regulations	→	Oil and Gas Geophysical Operations Regulations	ITI
Canada Oil and Gas Installations Regulations	→	Oil and Gas Installation Regulations	ITI
Canada Oil and Gas Operations Regulations	→	Oil and Gas Operations Regulations	ITI
Oil and Gas Spills and Debris Liability Regulations	→	Oil and Gas Spills and Debris Liability Regulations	ITI
<b>CANADA PETROLEUM RESOURCES ACT</b>	→	<b>PETROLEUM RESOURCES ACT</b>	ITI
Environmental Studies Research Fund Regions Regulations: (AANDC prescribed regions)	→	Environmental Studies Research Fund Regions Regulations	ITI
Frontier Lands Petroleum Royalty Regulations	→	Petroleum Lands Royalty Regulations	ITI
Frontier Lands Registration Regulations	→	Petroleum Lands Registration Regulations	ITI
<b>TERRITORIAL LANDS ACT</b>	→	<b>NORTHWEST TERRITORIES LANDS ACT</b>	Lands
Canada Oil and Gas Land Regulations	→	Oil and Gas Land Regulations	ITI
Territorial Dredging Regulations	→	Dredging Regulations	ITI
Territorial Land Use Regulations	→	Northwest Territories Land Use Regulations	Lands
Territorial Lands Regulations	→	Northwest Territories Lands Regulations	Lands
Territorial Quarrying Regulations	→	Quarrying Regulations	Lands
Northwest Territories Mining Regulations (formerly the Northwest Territories and Nunavut Mining Regulations)	→	Mining Regulations	ITI
Territorial Coal Regulations	→	Coal Regulations	ITI
<b>NORTHWEST TERRITORIES WATERS ACT</b>	→	<b>WATERS ACT</b>	ENR
Waters Regulations	→	Waters Regulations	ENR
Expropriation Fees Regulations	→	Expropriation Fees Regulations	ENR
<b>NORTHWEST TERRITORIES SURFACE RIGHTS BOARD ACT</b>	→	<b>SURFACE RIGHTS BOARD ACT</b>	Lands
<b>NORTHWEST TERRITORIES ACT</b>			
Northwest Territories Reindeer Regulations	→	<b>REINDEER ACT</b> Reindeer Regulations	ENR
Northwest Territories Archeological Sites Regulations	→	<b>ARCHEOLOGICAL SITES ACT</b> Archeological Sites Regulations	ECE

## LEGISLATIVE AUTHORITIES THAT THE GNWT WILL RECEIVE UNDER MIRRORED LEGISLATION

Chapter 3: Transfer of Responsibilities of the *NWT Lands and Resources Devolution Agreement* describes the broad authorities conferred by the Agreement.

Section 3.1 states that: "As of the Transfer Date the Commissioner shall have administration and control of Public Lands and rights in respect of Waters."

Section 3.9 [paraphrased] states that the GNWT Legislature will be able to make laws in relation to:

- The exploration of non-renewable natural resources in the Onshore

- The development, conservation and management of non-renewable natural resources in the Onshore, including laws in relation to the rate of primary production from those resources
- Oil and gas pipelines located entirely within the Onshore
- The development, conservation and management of sites and facilities in the Onshore for the generation and production of electrical energy
- The export, from the Onshore to another part of Canada, of the primary production from non-renewable natural resources in the Onshore, and of electrical energy generated or produced from facilities in the Onshore
- The raising of money by any mode of taxation in respect of non-renewable resources in the Onshore and the primary production from those resources and in respect of sites and facilities referred to in paragraph 3.9 (a) (iv) and the production of electrical energy from them

## ADDITIONAL GNWT LEGISLATION

Some new legislation is also needed to bring the Devolution Agreement into full effect. The agreements below may go into effect some time after April 1, 2014.

### OTHER GNWT LEGISLATION AND REGULATIONS

#### ***Northwest Territories Intergovernmental Lands and Resources Management Agreement Act***

Establishes an Intergovernmental Council to facilitate coordination of land and resource management among participating NWT governments

#### ***Northwest Territories Intergovernmental Resource Revenue Sharing Agreement Act***

Enacts the sharing of resource revenues from public lands in the NWT with and among Aboriginal governments who are signatories to the Devolution Agreement

#### ***Devolution Implementation Measures Act***

Makes consequential amendments to territorial legislation to adapt it to give effect to Devolution requirements

#### ***Functional Amendments to Existing GNWT Regulations***

Updates and additions to existing territorial regulations where required to ensure consistency with devolved legislation and the new *Northwest Territories Act* and to address gaps (e.g. removing references to federal regulations that have been repealed, adding references to new GNWT legislation, changing titles, etc.)

## ADDITIONAL AUTHORITIES RECEIVED THROUGH DEVOLUTION

Although the *Mackenzie Valley Resource Management Act (MVRMA)* remains federal legislation, Devolution will provide the GNWT with significant new delegated authorities under the Act – authorities previously exercised by a federal Minister.

The Devolution Agreement states that Canada shall delegate to a territorial Minister the following functions of the federal Minister under the MVRMA:

- Approval of Type A water licences
- Approval of securities posted for land use permits
- Designation of inspectors
- Monitoring of cumulative impacts
- Environmental audits
- Certain functions relating to environmental assessment processes:
  - a. Receipt and distribution of reports from the Mackenzie Valley Environmental Impact Review Board (MVEIRB)
  - b. Participation in and distribution of decisions in consideration of those reports.

In addition to the delegations (left) outlined in the Devolution Agreement, further delegations are being made to the GNWT in recognition of the Territory's increased responsibilities, including:

- Administrative monetary penalties, including penalties for violations in relation to development certificates
- Ministerial decisions on time-limit extensions (except extensions granted through the Governor-in-Council for development on Commissioner's or private lands)
- Designation of inspectors and inspections of development certificates
- Approval of Type B water licences with public hearings
- Regional studies

#### **Five Year Review of MVRMA Delegation Provisions**

The Devolution Agreement states that in five years (2019) the Parties will review the provisions of the Devolution Agreement related to the MVRMA.

#### **For More Information**

More information about authorities devolving to the GNWT is available in the *NWT Lands and Resource Devolution Agreement* under Chapter 3: Transfer of Responsibilities. The Agreement can be viewed at [devolution.gov.nt.ca](http://devolution.gov.nt.ca) under Documents and Publications.

### DEVOLUTION BY THE NUMBERS

28

The dollar amount (in millions) Devolution could generate annually in spin-off business.

1

Brand new department in the Government of the NWT – the Department of Lands

13

Number of joint Government of Canada and Government of the NWT teams working on Devolution implementation.

50

The percentage of resource revenues from public land that will be paid to the Government of the NWT. Up to 25% of the GNWT's resource revenues will be shared with participating Aboriginal governments.

72

The number of Devolution positions in the regions of the Northwest Territories.

# HUMAN RESOURCES

## NEW JOBS IN THE GNWT

The GNWT public service will grow by 263 positions as a result of Devolution. About half of the new positions will be filled by Aboriginal Affairs and Northern Development Canada (AANDC) employees who already live and work in the NWT.

To date, 132 (almost 100%) of these federal public servants have accepted job offers from the territorial government. The positions are in areas such as land use planning, water resources and inspections, policy, communications, administration, and management.

In addition to the positions filled by AANDC employees, new positions have been created to

perform work currently being done by AANDC staff in Ottawa, and to provide additional support.

By mid-January competitions were under way for 24 positions, with another 23 positions to be advertised within the next month. Positions are advertised through eRecruit, the GNWT's online job board at [careers.hr.gov.nt.ca](http://careers.hr.gov.nt.ca). The government is using LinkedIn, websites, professional associations, and occasional newspaper advertising to locate qualified and suitable candidates for the new job openings.

The GNWT also organized a special career fair in Ottawa

January 31 – February 2 to attract new workers, particularly those with specialized skills. The event highlighted devolution related and GNWT-wide job opportunities.

At the same time, the GNWT continues to build and maintain a representative workforce. A series of Open Houses will be held in communities across the NWT to recruit regional workers. Supporting strategies include the Regional Recruitment Strategy and Aboriginal Management Development Program.

Most of the new staff will work in the departments of Lands, Environment and Natural Resources (ENR), and Industry,

Tourism and Investment (ITI). There will also be some new jobs located in central agencies such as Justice, Public Works and Services, Finance, and Human Resources.

The new Department of Lands will have 144 positions in total, including some positions relocated from other departments such as ENR and Municipal and Community Affairs (MACA). ENR will add 59 new positions and ITI will add 42 new positions. Seventy-two of these new or relocated positions are in regional offices.

## THE NEW GNWT DEPARTMENT OF LANDS

A new Department of Lands is being established to support, manage and administer the sustainable use of public lands in the NWT. The Honourable Robert C. McLeod is the Minister Designate for the Department of Lands and Mark Warren is the Deputy Minister Designate.

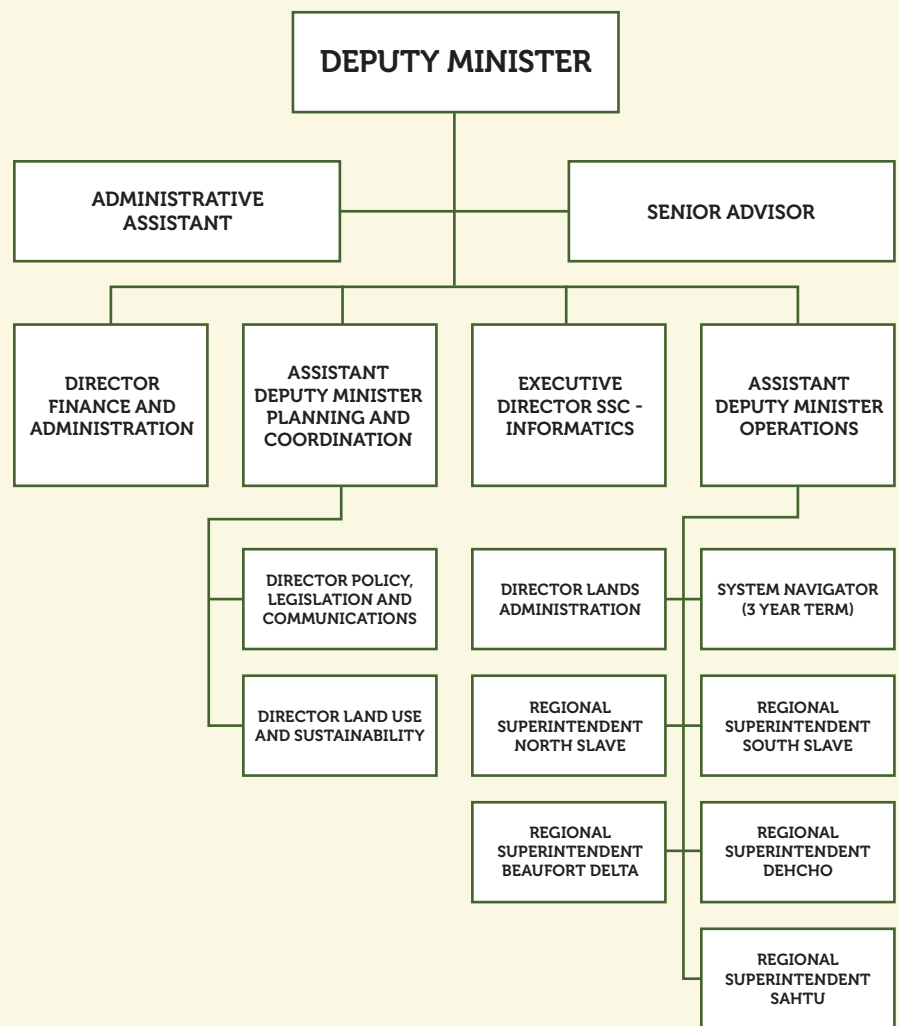
The new Department will be responsible for administering the *Northwest Territories Lands Act*, *Commissioner's Lands Act*, *Surface Rights Board Act*, and *Area Development Act*.

The new Department of Lands will manage Territorial Lands as well as Commissioner's Lands. Territorial Lands are lands formerly administered by the Government of Canada and transferred to the GNWT through Devolution. These lands are governed under the *Northwest Territories Lands Act*. Commissioner's Lands are public lands in and around NWT communities that are already managed by the GNWT. These lands are governed under the *Commissioner's Lands Act*. The responsibilities for managing Commissioner's Lands will transfer from MACA to the new Department of Lands.

The Department of Lands will manage all lands dispositions, such as sales, withdrawals, leasing, permits, licences of occupation, and rights of way. It will also manage inspections, enforcement and policy development for public lands. The Department will be responsible for coordinating and conducting project assessments on public lands in the Northwest Territories on behalf of the GNWT.

### Lands excluded from the transfer include:

- Lands set aside for federal use
- Indian Reserve Lands
- Class 1, 2 and 3 Contaminated Sites
- Some public lands that have been previously transferred to other government departments (wharfs, RCMP buildings, etc.)
- Established National Parks and Park Reserves



### FOR MORE INFORMATION

If you have questions, comments or information you would like to see in future copies of this newsletter please contact the Office of Devolution.  
Tel: 867-873-7519 or E-mail: [devolution@gov.nt.ca](mailto:devolution@gov.nt.ca)



[facebook.com/NWTDevolution](https://facebook.com/NWTDevolution)



[twitter.com/NWTDevolution](https://twitter.com/NWTDevolution)

[devolution.gov.nt.ca](http://devolution.gov.nt.ca)