
**Impact and Benefits Agreements: Do the Ross River Dena benefit from Mineral
Projects?**

Final Report

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Abstract

The negotiation of Impact and Benefits Agreements (IBAs) for large-scale hard mineral developments has become common practice within Canada and increasingly throughout the world. Initially, Canadian IBAs were negotiated between the Federal government and industry in the interest of indigenous people affected by the development. With the empowerment of indigenous peoples in Canada, the negotiation of IBAs has shifted from government to the First Nations themselves. Although IBAs are increasingly used for large-scale developments, only little information is available to their actual success in providing long-term benefits. This project aims to close this knowledge gap through the analysis of IBAs negotiated by the Ross River Dena, a First Nation community in the Yukon Territory. Through the use of a theoretical IBA framework developed from a review of current IBA literature two IBAs, the Faro Mine and the Kudz Ze Kayah agreement, have been analysed according to their success in providing short and long-term benefits to the community. The result is a set of recommendations that can be used by the community to improve future IBA negotiations, and as hypotheses for further studies.

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Introduction

Aboriginal communities in the Canadian North are gaining greater input into the decision-making concerning mineral development projects through the recognition of indigenous peoples' rights to title and land. This recognition has changed both the structure and key players of the development process. In the past, development projects were negotiated between governments and industry without the input of affected indigenous communities. Now, indigenous communities participate more actively in decision-making about developments in order to protect their cultural values and livelihoods. This project focuses on Impact and Benefits Agreements (IBAs), which are increasingly used to ensure long-term benefits from mineral developments for indigenous communities.

IBAs cover the provision of benefits, such as employment and training, economic development and business opportunities, social, cultural and community services, environmental protection, and equity payments. The scope and content of IBAs can vary significantly, depending upon the size of the project, and the aspirations of the community. IBAs can be a significant tool to indigenous communities especially when mining projects are the main source for local economic development. IBAs are also important to industry, as they provide a base for successful working relationships with indigenous communities and the government (Kennett, 1999a).

Despite the increasing use of IBAs in northern Canada and their significance to indigenous communities, little information is available on the key requirements for successful IBA processes. Recent literature suggests that IBAs do not necessarily lead to the provision of satisfying benefits for indigenous communities. Reasons for this failure can be categorised into three areas: the process used to initiate, negotiate, implement, monitor and evaluate the IBA; the content of the IBA; and other influences which are community, industry, and project related.

Project Objectives

The objective of this project is to investigate whether the IBAs negotiated by the Ross River Dena Council (RRDC) for the Faro and KZK mines have been successful in providing short-term and long-term benefits to indigenous residents. To measure the success of the IBAs, different methods are used. First, a general framework is developed through a review of IBA literature. Then the success of the IBAs is measured in two different ways: (i) through measuring Ross River Dena perception of the benefits received from the IBAs, and (ii) through an analysis of the benefits negotiated with the short and long-term benefits received. Finally, to analyse the criteria for successful IBAs, they will be compared according to their commonalities and differences, and placed within the IBA framework developed earlier. This comparison will allow drawing a set of recommendations which then can be used for future resource development projects of the RRDC. Further, these recommendations will assist in increasing the knowledge about IBAs negotiated by indigenous communities who rely on non-renewable resources development.

Background

From its beginning, natural resource extraction has been an important part of the Canadian economy. As argued by H.A. Innis (1956), Canadian history can be analysed in terms of successive waves of natural resource exploitation, or staples. Often, resource development occurred in remote northern regions inhabited by indigenous people. While the benefits of development flowed south to economic centres, the inhabitants of the north were left with the negative effects of the projects on their land and their communities. Examples include the Pine Point Mine (Northwest Territories), the Faro Mine (Yukon Territory) and the Giant Mine (Northwest Territories).

Since the first mining laws were drawn at the turn of the last century, regulations reflected the governments' willingness to explore and develop the northern regions (Harrison, 1997, Barton, 1997). The consequence of the open access policies of the federal government was an extensive exploitation of northern resources, and subsequently the destruction of the environment and the disruption of the lifestyle of the

indigenous people. As a result of past negative experiences, indigenous people now strive to create conditions for development which do not jeopardize their well-being, but allow them to benefit from large-scale mining developments.

Impact and Benefits Agreements

IBAs are arrangements that establish a formal relationship between the parties involved in renewable as well as non-renewable resource development projects. IBAs are complex and generally unique to any project¹. Currently, most IBAs are signed between two parties: the indigenous community affected by a particular project, and the company developing the project. Exceptions are IBAs signed between government and industry², and IBAs signed by indigenous people, industry and government(s)³. IBAs serve different purposes. Indigenous people and government use IBAs “to address the concerns of indigenous people and other local residents regarding the adverse effects that large-scale mineral development may have on their communities, culture, way of life, natural environment and land-based economic activities” (Kennett, 1999a, p. 1), and to secure local short-term and long-term benefits from those developments (Kennett, 1999a, pp. 1-2). Industry increasingly accepts IBAs “as one element of the complex set of regulatory, community relations, technical, and economic considerations that must be addressed if a major mining project is to progress smoothly from the initial planning stages to final approval and operational status” (Kennett, 1999a, p. 1-2).

IBAs evolved as a pragmatic approach rather than a theoretical discourse to steer and control the positive as well as negative development impacts. This is reflected in current IBA literature, which generally is sporadic and limited in volume as well as content. Two trends in IBA literature are apparent: literature describing IBA experiences of indigenous communities from mineral developments, and literature analysing governmental

¹ Although, increasingly standard IBAs are produced by different indigenous groups and organisations to ease the negotiating process and create transparency for community members and industry.

² For example the Alyeska Pipeline's Federal Right of Way agreement (Alaska) and Ekati Mine Socio-economic Agreement (Canada). Both Agreements have been negotiated for the benefit of all state/territory residents.

³ The Sa Dena Hes Agreement was negotiated in 1991 between Cominco, the Liard First Nation, the Kaska Nation, and the territorial and municipal governments.

regulations' potential for enhancing the success of IBAs. Yet, only a small body of analytical literature about IBA experiences is available. This lack of analytical and additional descriptive IBA literature has been observed by a number of authors (Kennett 1999a; Keeping 1999; Sosa & Keenan, 2001; O'Faircheallaigh, 2004). The reason for the lack of IBA literature is directly related to confidentiality provisions of most IBAs, the limited time and opportunities available to people typically involved in IBA negotiations to publish their experiences (O'Faircheallaigh, 2000), and the short lifetime of some mines which inhibits actual IBA evaluations (see Keeping, 1998).

An exception is the work undertaken by Ciaran O'Faircheallaigh. Studying IBAs for more than 12 years, O'Faircheallaigh is a leader in the comprehensive and systematic study of IBAs. O'Faircheallaigh worked nationally and internationally on different structural parts of IBAs: their socio-economic background, and their process and content⁴.

Process and Content

The process and content of IBAs are the main structural elements of these agreements. While some analysts of IBAs mix the two elements when describing IBAs (e.g. Sosa & Keenan, 2001; Kennett, 1999a), O'Faircheallaigh (1995, 2000, 2004) clearly distinguishes between these two. For instance, in 1995, O'Faircheallaigh stated that the outcome of IBAs is determined by the bargaining power an indigenous group possesses (i.e. ownership to land, the legal context, and the specific nature of the project) and the ability of the indigenous group to maximize it through appropriate processes and structures. Further, O'Faircheallaigh describes key elements for such process, such as the establishment of community goals, the need for access to information and resources, the necessary institutional structures, the development of effective relations between technical staff and community leaders, and appropriate agreement implementation (1995).

⁴ Currently, O'Faircheallaigh is working on a comparison of IBA contents in Alaska, Australia and Canada. The data are not yet available. The earliest possible publication date is late 2004.

In 2000, O’Faircheallaigh expanded his observation regarding appropriate processes and accompanying structures of IBAs with the ‘Cape York Model’, which reflects approximately eight years of negotiating experience between the Cape York Land Council (Northern Territory, Australia) and mineral developers. The Cape York Model is a seven-stage linear IBA planning model consisting of the following steps: initiation of process, creation of framework for negotiations, information gathering and community consultation, establishment of a negotiating position, conduct of negotiations, endorsement and signing of a final agreement, and implementation. For each of these stages O’Faircheallaigh specifies sub-stages, outlines important tasks, and identifies key players (community, specific community members, indigenous specialists, non-indigenous specialists) and their role within the process. While this model has been applied by the Cape York Land Council with great success, O’Faircheallaigh states that this model does not represent a single best practice in the negotiation of IBAs, but reminds us that when evaluating a process one has to take into consideration the actual “contexts in which Indigenous people find themselves, the range of the projects about which Indigenous groups have to negotiate and the diverse objectives they may wish to pursue” (2000, p. 2).

It is outside the scope of this project to discuss the model in detail; however, there are key features of relevance to the following case studies. For instance, O’Faircheallaigh points to the importance of conducting an anthropological study as well as a socio-economic assessment for the project so that the community, on one hand, understands the impacts of the mine and, on the other, has an opportunity to express their aspirations and concerns in relation to the proposed project. These studies then can be used as baseline information to establish a community negotiating position. The set of established community goals will be used in a variety of ways: first, as an initial negotiating offer at the outset of the negotiation; second, as reference throughout the process for community negotiators and residents to review the progress of the negotiation; and third, before signing the agreement as reference for the community to evaluate the success of the negotiation.

Current work of O’Faircheallaigh concentrates on the analysis of IBA content. He argues that the analysis of IBA content is one way of analysing the overall success of IBAs. For that O’Faircheallaigh (2004) proposes eight standardised criteria of evaluation: environmental management, cultural heritage protection, rights and interests in land, financial payments, employment and training, business development , Indigenous consent and support, and implementation measures⁵. However, measuring an IBA solely on its content can lead to incorrect results. O’Faircheallaigh acknowledges that the criteria described may not be enough to encompass all benefits received. Further, the content of IBAs may not reflect the context under which an agreement was negotiated. An agreement which may appear weak in terms of its content may be a major achievement for an indigenous community (O’Faircheallaigh, 2004). Finally, my own observations in the field have demonstrated that the benefits received from a mineral project are not necessarily limited to the benefits outlined in an IBA, but go beyond those.

This demonstrates that the analysis of IBA outcomes based on an IBA’s content is insufficient. Thus, O’Faircheallaigh describes three other ways for analysing IBA outcomes based on: (i) the process of negotiating the IBA, as “outcomes may arise before an agreement is signed and indeed may occur even if the parties fail to reach an agreement” (2004, p. 4); (ii) the benefits received directly from the development (short-term benefits); and (iii) the benefits received through investment and improvement of financial and human community-based resources (long-term benefits)⁶. However, O’Faircheallaigh states that while looking solely at IBA content comprises limitations, it would be impractical to take a more detailed approach to analyze and compare a large number of IBAs because of the need for intensive field-based research.

Experiences

As established above, the two factors for a successful IBA are an appropriate process used to negotiate, implement and monitor the agreement, as well as a content that corresponds with the community goals for the project. However, process and content are

⁵ For a detailed description of these criteria see O’Faircheallaigh (2004).

⁶ The kinds of analysis described in points two (short-term benefits) and three (long-term benefits), will be used to analyze the case studies.

not the only factors influencing IBAs. IBAs are highly complex concepts constructed from a great variety of variables influencing their success (Kennett, 1999a). Some variables can be categorized as specifically process or content-related. However, other variables are more difficult to place as they may affect both process and content (e.g. limited human resources available in a community will influence both the process and content of an agreement) or neither of them (e.g. the early closure of a mine). As there is no literature addressing the nature of outside influences in a systematic manner, an inductive approach to theory building has been employed to determine factors influencing the success of IBAs. IBA experiences⁷ have been catalogued and then categorised according process, content and other common characteristics.

Table 1: *Process and content related Impact and Benefits Agreement experiences*

Process Related Experiences	Content Related Experiences
Separate political and business objectives throughout the negotiation and implementation process (Wolfe, 2001).	Do not negotiate confidentiality clauses as it is to the disadvantage of indigenous communities. It inhibits comparison and learning from each other (Sosa & Keenan, 2001; O'Reilly & Eacott, 1998).
Include membership actively in the IBA negotiation otherwise they may not understand the agreement they have to sign at the end (O'Reilly & Eacott, 1998).	Do not compromise governance power and the ability to monitor and challenge mine operators (O'Reilly & Eacott, 1998; Sosa & Keenan, 2001).
Encourage companies to talk to communities (O'Reilly & Eacott, 1998).	Allow for flexible work times for traditional activities (e.g. hunting) (O'Reilly & Eacott, 1998; Sosa & Keenan, 2001).
Sign the IBA before the Environmental Impact Assessment (EIA) to ensure that community will be consulted. IBA and EIA should reinforce each other (O'Reilly & Eacott, 1998; Sosa & Keenan, 2001).	Consider actual level of community member's education and mining work experience when developing the IBA content (Aboriginal Economic Development, 1998).
Ensure the community is united and committed for the implementation and enforcement of an IBA (O'Reilly & Eacott, 1998).	Provide cultural awareness programs and policies to avoid conflicts between indigenous and non-indigenous workers (O'Reilly & Eacott, 1998; Aboriginal Economic Development, 1998; SIWG, 1996).
Ensure project funding (Sosa & Keenan, 2001).	Allow for non-specific employment provisions (16, 24), but ensure detailed provisions for financial compensation to allow for enforceability (O'Reilly & Eacott, 1998; Sosa & Keenan, 2001).
Allow for periodic evaluation and, if necessary, adaptation of the agreement (O'Reilly & Eacott, 1998).	Do not state in an IBA that its purpose is to receive community support for the project (O'Reilly & Eacott, 1998; Sosa & Keenan, 2001).

⁷ Most of these experiences are from descriptions of Canadian IBA negotiations because of available literature. Despite the regionally limited scope of the information available, it is believed that Canadian IBA experiences can give insights into general key factors that contribute to the success or failure of IBAs.

Consider that confidentiality issues can cause problems in implementation of an agreement. (O'Reilly & Eacott, 1998).	Specify the use of Traditional Knowledge when negotiating monitoring provisions for mine site (O'Reilly & Eacott, 1998).
Develop effective implementation plans. (Kennett, 1999b).	Include dispute resolution mechanisms and avoid provisions for penalties (O'Reilly & Eacott, 1998).
Build community consent for IBA before signing it. (O'Reilly & Eacott, 1998).	Use clear and simple language so people can understand the agreement (O'Reilly & Eacott, 1998).
Develop negotiating position through community consultation for future review of the negotiation progress, and make sure to clearly outline non-negotiable matters (Sosa & Keenan, 2001).	Include in introduction a description of project, its phases and duration, estimated size and required infrastructure or refer to document including these provisions to have a point of reference for commitments related to the different projects and project stages. Describing planned work in detail will allow recognising if an IBA has to be negotiated and/ or renegotiated (Sosa & Keenan, 2001).
Consider IBA implementation while negotiating – set unambiguous roles and responsibilities (Sosa & Keenan, 2001).	Account for difficulties of indigenous people entering mining workforce, such as lacking experience, cultural barriers, and differing educational backgrounds (Sosa & Keenan, 2001).
Establish early mechanism for IBA implementation and allocation of cash payments (Sosa & Keenan, 2001).	Take into account financial limitations when negotiating for contents that aim to improve capacity building and economic diversification (Sosa & Keenan, 2001).
Develop a good plan. Make sure community understands mining impacts. Take time to consult with community (Sosa & Keenan, 2001).	Seek environmental standards that reflect communities' needs, and incorporate these within the IBA. Existing regulations may be weak or unclear, focus on 'urban life' and change over time due to pressure from mining industry (Sosa & Keenan, 2001).
Set clear objectives and roles for negotiating parties (Kennett, 1999b).	Keep long-term perspective in mind – do not settle for few jobs and recreational programs at the expense of neglecting provisions for environmental protection and community development. Rather ensure that the IBA provides for training, skills development and economic diversification (Sosa & Keenan, 2001).
Establish conflict resolution mechanisms to avoid the use of radical and costly measures such as litigation or strike (Sosa & Keenan, 2001).	Provide for statement that specifies that the agreement will be honoured even if the mine will be sold (Sosa & Keenan, 2001).

Besides IBA experiences clearly concerning process or content, other experiences cannot be placed within this structure presented above as they relate to both process and content or neither of them. However, these experiences share other common characteristics in form of whom they concern: indigenous communities, industry and governments. The following table gives examples of clustering experiences according to these categories.

Table 2: *Community, industry and government related Impact and Benefits Agreement experiences*

Community Related Experiences	Industry Related Experiences	Government Related Experiences
Develop a long-term vision about mineral development and think about how it can contribute to the future generations (Wolfe, 2001).	Build good long-term working relations with indigenous communities. (O'Reilly & Eacott, 1998)	Confirm indigenous rights if no regulations for IBAs are in place. (O'Reilly & Eacott, 1998)
Accept the financial realities of mining companies (Wolfe, 2001).	Approach the communities early in the process. (O'Reilly & Eacott, 1998)	Establish parameters for IBA negotiations. Do not allow for confidentiality clauses. (O'Reilly & Eacott, 1998)
Consider that if Chief and Council signs an IBA and afterwards settles land claims, the IBA may not be legally binding anymore (O'Reilly & Eacott, 1998).	Provide indigenous communities with access to information. (Sosa & Keenan, 2001)	Ensure that indigenous communities have adequate funding to respond to development proposal. (O'Reilly & Eacott, 1998)
Start training for mining jobs as early as possible. Start before mining operations commence (O'Reilly & Eacott, 1998).	Provide funding for indigenous communities to pursue independent studies (O'Reilly & Eacott, 1998).	Take ad-hoc approaches to assist indigenous communities in improving their negotiating position. (Kennett, 1999a)
Prepare and train people early for mine work to be able to take advantage of jobs (Sosa & Keenan, 2001).	Consider differences in language and culture (Aboriginal Economic Development, 1998).	Provide funds for programs supporting indigenous communities (e.g. training, employment and social support) (Kennett, 1999a).
Encourage indigenous community members to stay in school (SIWG, 1996).		Allow for completion of EIAs as it enables indigenous communities to include those into IBA negotiations (Kennett, 1999a).
Cooperate with government in e.g. environmental matters as they set the regulations and they have the competence and resources to assist (O'Reilly & Eacott, 1998).		Assist during IBA process through guiding industry early in process, providing financial assistance to indigenous communities and take facilitating positions through provision of information. It may save time and money (Kennett, 1999a).
Form a good negotiation team that represents all interests in the community as well as experts on environmental, legal and mining issues (Sosa & Keenan, 2001).		Consider to be involved in negotiating process if public interest is at stake (Kennett, 1999a).

A last category for summarising IBA experiences includes variables that are project related. Kennett (1999a) highlights the importance of considering the project related

variables of IBAs as they can significantly shape an agreement. Again, some of these experiences overlap with process and content; however, they are not limited to just one of these factors.

Table 3: *Project related Impact and Benefits Agreement experiences*

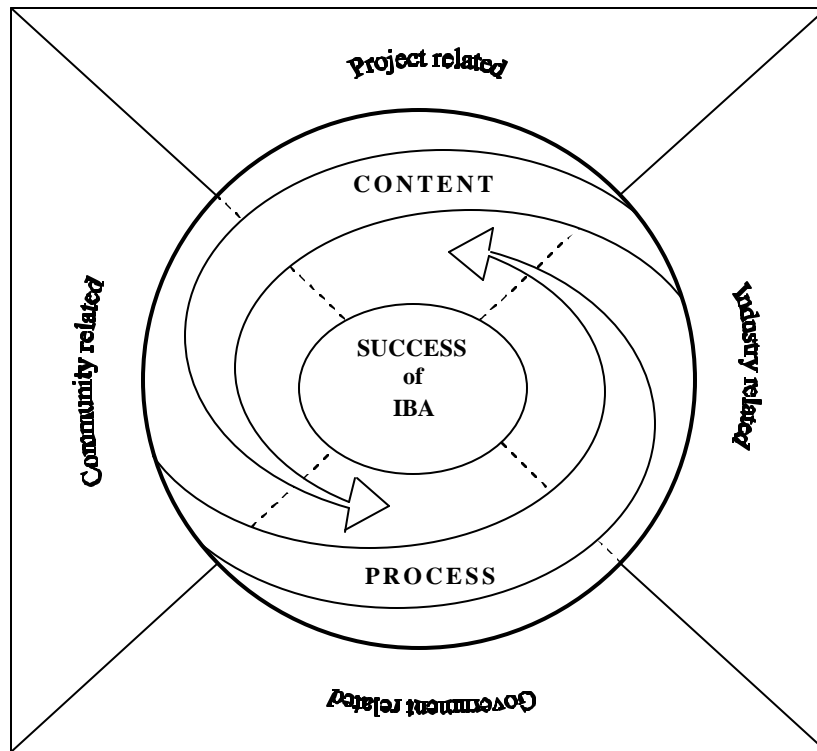
Project Related Experiences
Consider other documents negotiated which include typical IBA-related benefits provisions (Keeping, 1998).
Negotiate project specific benefits (Keeping, 1998).
Be aware of limited time frame for IBA negotiation due to project limitations (Sosa & Keenan, 2001).
Bear in mind a possible short mine life (Sosa & Keenan, 2001).
Take into account that in the absence of policy related factors, project related factors may drive IBA negotiation (Kennett, 1999a).
Realise that IBAs can be influenced significantly by different economic as well as other characteristics of a project (Kennett, 1999a).

Although not comprehensive, these experiences give clear indications about common factors related to the success or failure of IBAs. The following section presents a general IBA framework and discusses the main theoretical components of it.

Evaluation Framework

The IBA framework illustrates the key factors and components for successful IBAs and demonstrates their relationship. The base for this framework is the work of O’Faircheallaigh and IBA experiences cited in current IBA literature (section 2.5.). According to these, there are two main factors, the process and content of IBAs as well as four additional components: community, industry, government and project related influences. As discussed earlier, in some cases these components can be related to both process and content, in others to neither of them. Hence, these components must be treated separately from process and content.

Figure 1: *Impact and Benefits Agreement evaluation framework*



This evaluation framework identifies the main IBA-influencing factors and components, and demonstrates their relation to each other. Process and content are central within the framework, illustrating their importance to the overall success of an IBA to provide local benefits. Both process and content strongly influence each other. For instance, the effectiveness of the process used in articulating community goals on the negotiating table will influence the content of the IBA, while the IBA’s content can include the need to renegotiate an IBA if certain criteria are met, thus influencing the process. The four components (project related, community related, government related and industry related) are added as a secondary layer to the framework, as they, directly and indirectly, can influence process and content, as well as the success of IBAs. These four components cannot only merge with both process and content, but also fuse at occasion with each other. For instance, a negative project history may be accounted as a project related factor; however, it also influences a community’s perspective on a project and thus may shape their actions regarding the project. In this case, a factor can be project as well as community related.

Although the body of descriptive as well as analytical literature is slowly increasing, there have not yet been criteria developed which would lead to successful IBAs. The IBA experiences listed above are based on the execution of only a few IBAs. Thus it would be presumptive to create a set of defined criteria for the IBA factors of the proposed IBA evaluation framework. However, in the absence of such criteria the use of this framework is ambiguous and in its execution may depend upon subjective use. Further, as every IBA is different and dependent upon a complex net of variables, there is no single 'right' approach to the negotiation of IBAs. Neither process nor content can be predefined for any given resource development project. More accurately, IBAs are instruments that need adjustment to the respective user and project. Referring to his Cape York Model, O'Faircheallaigh (2000) states:

resource development projects are also highly varied in their scale, their proximity to Indigenous communities, their likely profitability, their duration, their potential impact on the environment and on cultural heritage, the time constraints faced by developers and the nature of the corporate structure they employ. Against this background it would be futile and counterproductive to promote a single, universal model. Rather, accounts and critical analyses of a large number of alternative approaches would allow Indigenous groups a wide range of options which can be adapted to suit their particular circumstances and objectives. (p. 2)

Thus, the proposed IBA evaluation framework may seem too vague to draw definite conclusions about the success of an IBA. However, given the current lack of frameworks for evaluating IBAs, this model may assist in improving the identification of variables for an IBA's success. Moreover, the application of this model enhances awareness of the major factors and components of IBA success and their interrelations. This IBA evaluation framework will be used in the remainder of the report to evaluate the success and failure factors of two IBAs negotiated by an indigenous community in the Yukon Territory (Canada).

Methodology

This section discusses the methodological approaches taken to evaluate the success of two IBAs negotiated by the Ross River Dena. It presents the research design, the data collection methods, the data analysis as well as the limitations to the project.

Research Design

The question this study aims to answer is whether the IBAs negotiated by the RRDC have provided them with satisfying short-term and long-term local benefits. For the purpose of this study, local benefits are defined as being positive results (e.g. employment, training, advanced education, social/cultural support with long-term positive consequences) which are enjoyed on a community level. The measures of satisfying benefits are first, community members' perceptions of the received benefits ('subjective' measure) and second, the match of IBA content with the actual benefits received by the community ('objective' measure). Measuring the success of the IBA in these independent ways allows for a triangulation of different data sets such as comparing the perception of community members versus information available from government and industry (Singleton & Straits, 1999).

For the purpose of this project, studying IBAs has been divided into a five-step process, which has been completed for both IBAs separately. First, the content was identified (review of IBA). Second, the process used to negotiate and implement the IBAs was investigated (interviews with process participants). Third, other factors determining the success/non-success of the IBAs were determined (interviews with process participants and others, review of documents). Fourth, to allow for triangulation, the success of the IBAs was measured in two ways: through a survey of community members' perceptions of the success of the agreements (survey questionnaire), and through a comparison of the benefits negotiated as outlined in the agreements (review of IBAs) and the actual benefits received (interviews with process participants, benefits listed in survey, review of documents). Fifth, as the success of the IBAs was not identical, differences in content, process and other influences were analysed and evaluated as contributing to the success or non-success of the IBAs. Comparing the two agreements eased the task of separating

causes and effects. For example, if a variable was different, but the outcome was the same, it could generally be assumed that this variable was of no consequence to the research project; however, if the variable as well as the outcome was different, the variable could be of significance. Information gained through interviews with directly as well as indirectly-involved IBA participants were used for triangulation to ensure the causality of dependent and independent variable. Further, this additional information from interviews was also used to analyse variables which were similar for both cases, but seemed to inhibit the success of the IBAs negotiated.

Methods and Samples

The data gathering methods used for this study included a variety of techniques, such as archival review, partly structured interviews, open interviews, a survey, and participant observations. The variety of methods was necessary to allow for triangulation. Moreover, the data for this project are widely dispersed and in many instances incomplete. Therefore, using a variety of methods was important to fill data gaps.

Similar to the need for employing a variety of methods because of the lack of comprehensive data, sampling for the interviews, the survey and conversations has been broad. The survey sample included every Ross River Dena member as well as other community members that were affected by, or directly involved with, the IBAs. As the partly structured interviews mainly focussed on the process and content of the negotiated IBAs, the sample included anybody who had been involved with negotiating and/or implementing the agreements. The sample for open interviews included governmental officials, industry managers, former employees of the Faro Mine, and consultants of the RRDC. These interviews were undertaken to close knowledge gaps, and receive outside views about the IBAs and how they affected the Ross River Dena.

Archival Review

The overall access to information about the IBAs negotiated by the RRDC was strongly limited in terms of interview data as well as in documentation. For example, the federal as well as the territorial government had no documentation which directly addressed socio-economic aspects of the Faro and the KZK mines, such as employment and training

of Ross River Dena at these mines. An exception was correspondence between the Department of Education of the Yukon Territorial Government (YTG) and the RRDDC, which speaks to training funds made available to Ross River for mine employment. However, part of this documentation acknowledges the overall lack of information available on matters concerning this training fund.

Thus, an array of archival documents was sought as additional sources of information. These documents included reports, articles, videos, newspaper articles, radio interviews and news coverage, as well as statistics and files of the indigenous, federal and territorial governments. Some of these archival records gave insights on the history of the Faro Mine, while others were more contemporary, and addressed matters of the Faro Mine and KZK agreements, issues addressing Ross River Dena participation in resource developments and recent developments of the RRDC.

Partly structured Interviews

The partly-structured interviews (see Appendix A) with key people involved in the negotiation and implementation of the IBAs were important as these were structured to answer complex questions about the process, content and success of the agreements. It was planned that, given their knowledge about the process of negotiating and implementing the IBAs, as many key people as possible would be selected for this interview to receive a clear picture about the events surrounding the IBA processes. Unfortunately, only a limited number of people participated in this interview:

Dorothy Dick	Mining Liaison Manager of the KZK Mine and Manager of the RRDDC
Kathlene Suza	former Mining Liaison Manager of the Faro Mine
Testloa Smith	Land Use and Resource Development Officer of the RRDC
Mike Rawlings	former CEO of the RRDDC and active negotiator of the IBAs

Of these interview participants, only two were able to answer most questions relating to the process used to negotiate the IBAs. The other two interview participants were not able to do so, because they started at a later stage of the IBA process (implementation). Consequently, I did not receive sufficient data to entirely rebuild the IBA processes. The

overall low number of participants in the partly structured interviews can be related to the financial breakdown of the RRDDC, which was managed by two different teams. Uncertainties about who got the company into financial difficulties, and why, led community members to be cautious about the topic. Hence, many of the people directly involved in the negotiation and implementation of the agreements were unwilling to participate in the partly structured interviews; however, three of these people agreed to informal talks about their views on the success of the IBAs.

Open Interviews

Open interviews were held with 34 individuals representing the RRDC/RRDDC, government and industry who had insights on the IBAs negotiated by the RRDC and other IBAs negotiated in the Yukon. These insights partly came through work on the IBAs and partly through work with the Ross River Dena which were affected by the IBAs. The insights of all of these people were extremely valuable. People involved in the process commented on the process as they perceived it. Other people offered explanations for the problems and challenges encountered while working on the IBAs. The interviews were kept open to accommodate for the specific knowledge participants had regarding the IBAs. The questions covered in the interview focused on the success, and the two initially identified factors of success; process and content.

Survey with Community Members

The survey was designed to gain a greater understanding of four issues: benefits Ross River Dena members received; their perception of the success or non-success of the agreements; their evaluation of the input community members had regarding their concerns and wishes while the IBAs were being negotiated; and their opinion on how to approach resource development in the future in order to increase benefits flowing to the community. The survey was kept as straightforward and simple as possible to allow as many people as possible to participate in it. In a limited number of cases it was necessary to further explain the questions. Most of the surveys were completed while I was present. Only one survey was completed without my presence and sent to Prince George, as I had to leave the community. The sample was made up of all community members over the

age of 24; this was the age group which could have worked in the mines while the IBAs were ongoing⁸. Among the survey participants were two non-indigenous participants, who were included because they both worked with the RRDC on implementing the IBAs. Overall, 31 individuals participated in the survey.

Observations

The task of observing the study subject can take different shapes. While participant observation in the traditional sense entails that the researcher participates directly in the topic of study, they can also participate by studying the topic directly at the scene of action after the action has been completed. Babbie (2001) refers to that kind of observation as one part of field research and adds that there are “varying degrees of ‘participantness’ – that is, the degree of actual participation in daily life” (p. 278).

During my five month stay in Ross River I participated increasingly in the daily life of the Ross River Dena. I had many opportunities to observe the life, culture, politics and administration of the First Nation, as I lived in Ross River Dena households. I took part in traditional activities, such as hunting, gathering and playing handgames, and I attended several meetings of the RRDC and the KTC, especially on resource development related issues. Furthermore, I had the chance to participate in the water license renewal process for the Faro Mine (more particularly, the Canadian Environmental Assessment Act process), which started in the spring of 2002. Taking part in these activities enhanced my understanding and appreciation of the Ross River Dena’s traditional way of life, and their decision-making processes within the community and the Kaska Nation. In particular, observing and participating allowed me to be aware of the obstacles and problems faced by this First Nation concerning resource development decisions. As matters concerning the IBAs were sensitive, staying for this length of period and participating in different aspects of community life was necessary to gain the trust of the people regarding the research project.

⁸ The original sample was made up of all community members over the age of 25. However, some youth of the age of 24 had already worked under the IBAs, and thus the sample group has been lowered to age 24.

Data Analysis

The total time span of the data gathering stretched over a period of 18 months and included the collection of qualitative as well as quantitative data. To analyse the wealth of information, the qualitative data have been coded according to categories arising out of the IBA framework (e.g. success, process, content and outside influences) and the content items of the IBAs (e.g. commitment, employment, training and scholarships). The data were colour coded according to the association of the informant (e.g. RRDDC, Ross River Dena members, industry and government). Then, the data were placed in a matrix to build clusters of related information. This practice facilitated the triangulation of data. Quantitative data, arising mainly from the survey with community members, were put into spreadsheets and analysed according to their frequency. Following the analytical strategy of explanation building, the research results have been used throughout the process to revise initial theoretical statements and propositions. Yin (1994) points to the danger underlying this approach: drifting off the actual research topic. This has been avoided by constantly referring to the original research question, and the development and constant adaptation of a list of necessary interview participants and questions to carry on the research process.

Limitations

The study faces a variety of limitations. First, as this project is being performed with only one community, the conclusions are not universally applicable. Instead, the results gained in this study should be used to build hypotheses for further projects. Second, the project focuses strongly on the involvement of the indigenous community. Within this research project only limited attention is paid to views, challenges and limitations encountered by the developers or government. Third, the case study does not investigate the negative impacts the development posed upon the indigenous community, but solely concentrates on the benefits the IBA provided. Fourth, as the content of IBAs is confidential, there are limitations regarding its publication or public exposure. The RRDC as well as Teck Cominco agreed that the content of the IBAs can be used for the project; however, Teck Cominco decided that the specific content of the KZK agreement could not be published.

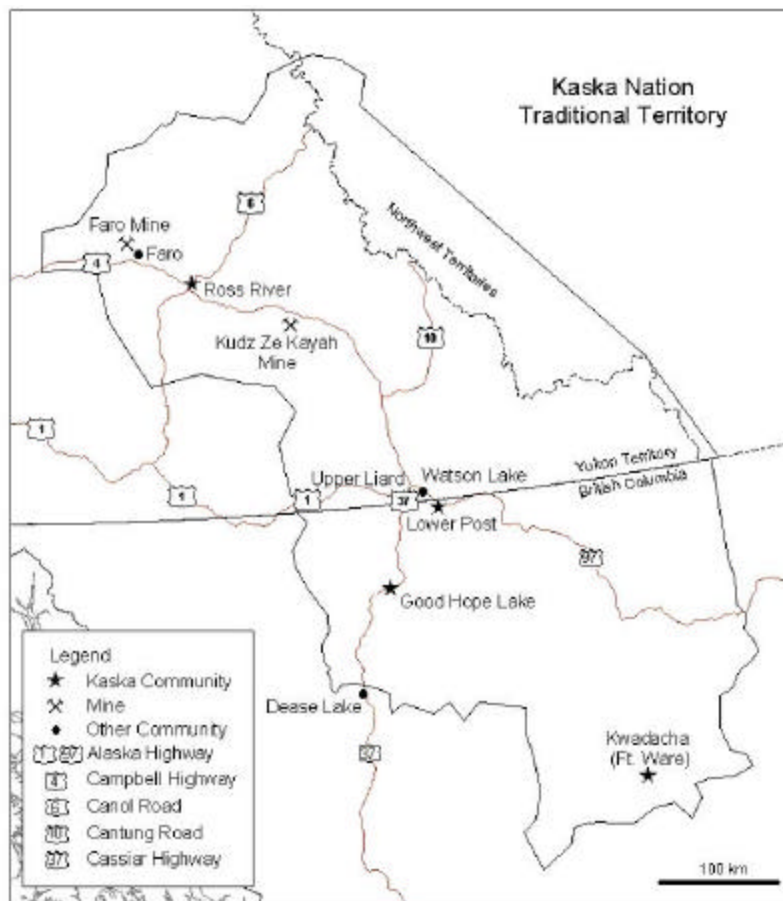
Therefore, the argumentation about the benefits received through this IBA is reduced to information that is already in the public domain.

Case Study

The Ross River Dena

The Ross River Dena are part of the Kaska Dena; the Kaska, linguistically, are part of the Athabaskan language group. The Kaska Dena traditional territory stretches from the MacMillan Pass in the Yukon Territory to the Northwest Territories (NWT) border to Williston Lake in British Columbia (BC) (see Figure 2).

Figure 2: *Traditional Territory of the Kaska Nation*



The political organisation of the Kaska Dena is the Kaska Tribal Council (KTC). Besides the Ross River Dena First Nation the KTC consists of the Liard First Nation (Watson Lake, Yukon), Lower Post First Nation (Lower Post, BC), Dease River Band (Good Hope Lake, BC), and the Kwadacha Band (Fort Ware, BC). Each of these communities

has their own Council (Chief and councillors). The traditional territory of the Ross River Dena is located in the southeast corner of the Yukon with transboundary claims in northern BC and the NWT⁹. This First Nation consists of a group of at least five distinguishable family groups from Blind Creek, Ross River, Sheldon Lake, Pelly Banks and Frances Lake¹⁰.

The community of Ross River is located about 360km northeast of Whitehorse at the confluence of the Pelly River and the Ross River, 10km from the crossing of the Canol Road and the Campbell Highway. It is situated in the midst of the mineral rich Tintina Trench which stretches from the northern end of the Rocky Mountains (southeast of Watson Lake) to Yukon, Alaska (northwest of Dawson City). The community consists of about 335 people, whereof approximately 80% are Indigenous and 20% are of other ancestry. (Aboriginal Population Profile 2001, 2003)¹¹. The largest source of employment is the governmental service sector (federal, territorial and First Nation administration). Jobs in the construction sector are dependent upon the projects of a particular year, but tend to be strong overall¹². Furthermore, transportation, retail, accommodation, and food services provide employment. Employment through mining development varies greatly, depending upon metal prices, and the number and status of mining developments (Yukon community profile 1999, 2002). Many of the jobs in the government (federal and territorial) and in the private sector are taken by the non-indigenous population. An unemployment rate for the indigenous population of 44.8% (Profile of Yukon

⁹ As Kaska elders opposed the idea of creating separate territories for the five Kaska communities, there are no maps with distinct RRDC boundaries.

¹⁰ By the 1940s, the trading posts at Pelly Banks, Sheldon Lake and Frances Lake were closed, so people tended to meet in early summer near the Ross River trading post to trade fur and wait for animals to recuperate from the stress of winter time. Meanwhile the family groups would meet to exchange news, gather information about animal populations, make wildlife management decisions, entertain themselves with music, dances and handgames, get married and so on (Arthur John Sr., personal communication, 2002). When government introduced services to the area, it assumed all of these family groups were one indigenous group and termed them the "Ross River Band".

¹¹ While the indigenous population of Ross River stayed relatively constant from 1996 to 2001, the overall population decreased by approximately 4.3 percent, indicating an out-migration of the non-indigenous population. This statistic coincides with the closure of mines in the late 1990s.

¹² For example, in summer 2000 the new school/college building was finished which created employment for Ross River residents; however, since then only small projects such as single family houses were completed.

Aboriginals 2001, 2003)¹³ compared to an overall 36.8% unemployment rate for all Ross River inhabitants (Community Profiles 2001, 2003) gives an indication of the disproportionate allocation of jobs in the community.

Community statistics indicate that, compared to the Yukon average, Ross River has a high percentage of young people (14 and younger) and older people (65 or older). The working age population is relatively low compared to the Yukon average (Yukon Community Profiles, 1999). In its recent publication “Yukon Community Profiles”, Human Resources Development Canada argues that the relatively small working age group of the indigenous population may be an indication of people moving outside of town for employment opportunities. However, it may also be an indication of the high death rate of the adult population related to drug abuse and suicide (see Dimitrov, 1984, p. 89, table 4.1; own observations in the field). These statistics give some indications of the challenges faced by the Ross River Dena, such as lack of employment opportunities in the community, the in- and out-migration of non-indigenous populations, according to the jobs available, and the multiplicity and severity of social problems faced by the indigenous population. As in other remote communities, many of the social problems faced by the Ross River Dena can be traced back to resource development experiences introduced by non-indigenous. While some of these experiences were positive, many of them had severe consequences for the community.

Ross River Dena Experiences with Resource Development

The history of the Ross River Dena during the past century has been closely linked to resource developments on their traditional territory. For the purpose of this study, the following section will concentrate on describing the three most important stages of change: (i) the fur trade from the 1840s onward; (ii) the building of the Canol Road and Canol Pipeline in 1942-44; and (iii) the development of the Faro Mine (Sharp, 1977).

¹³ According to the same statistic, Ross River has the highest unemployment rate for indigenous residents of all Yukon indigenous communities.

Fur Trade

Traditionally, the local economy was based on hunting, fishing, trapping and snaring activities as well as the gathering of plants and building materials. The Ross River Dena had a long trading tradition with the Tlingit through Tagish middlemen. In the 1800s, fur trade started with non-indigenous people, initiated through the establishment of trading posts on Ross River Dena traditional territory (Weinstein, 1992). Building on skills and activities the people practiced for many centuries, trapping¹⁴ did not extensively change their traditional lifestyle (T. Smith, personal communication, January 2004). Instead, the fur trade catered to the indigenous economy in terms of the goods produced as well as the products traded (Weinstein, 1992). While the fur trade led to “shifts in land use and the Indian economy to accommodate an increased focus on fur bearing animals ... the limited information [suggests] that dislocations [of people] were minimal” (Weinstein, 1992, p. 50).

Canol Pipeline and Canol Road

The traditional Ross River Dena lifestyle continued fairly unchanged until the building of the Canol Road and the Canol Pipeline in 1942-44, which transported oil from Norman Wells (NWT) to Whitehorse in order to provide resources for anticipated World War Two activities in the North Pacific. However, the war concentrated in the South, and the pipeline was found to have extensive leakages, making it an expensive and environmentally damaging project (Grant, 1988). The sudden influx of more than three thousand American soldiers into Ross River influenced the community considerably. The sudden exposure of the formerly isolated community to a large number of outsiders brought diseases and death to many Ross River Dena, mostly children and elders (Charlie Dick, personal communication, 2002), and exploitation of local women (Weinstein, 1992). One community member, elder Arthur John Sr., worked as a guide on the Canol pipeline. He finally had to quit his work when his children got seriously sick in Ross River. Arthur John Sr. further remembers that many local people worked when the pipeline was constructed; mostly wood cutting (Arthur John Sr., personal

¹⁴ Traditionally, the Ross River Dena used non-metal traps such as dead falls. With the opening of trading posts in the area, RRD gained access to metal traps.

communication, December 29, 2003). Indirect impacts occurred through the connection of the community by road to the Alaska Highway, which facilitated the provision of governmental welfare to the community.

Faro Mine (until 1992)

As in other communities, residential schools in the 1950s and day schools in the community in the early 1960s changed the former subsistence lifestyle of the Ross River Dena, as it was no longer possible to live in the bush all year round (Miller, 1971). However, the most important impact on the traditional lifestyle had probably the development of the Faro Mine in the mid-to-late 1960s.

The Faro Mine¹⁵ was a lead and zinc mine located 75km west of Ross River (see Figure 2). It was developed in the Blind Creek region on the slopes of *Tu Jeda Hes*¹⁶ which was referred to by the people as their ‘food basket’ because of the abundance of wildlife, fish, berries, plants and building material. It was one of the two most important gathering areas of the community. After the opening of the mine, the region was mainly abandoned by the Ross River Dena because of the intense activities in the area, the in-migration of more than a thousand outsiders, and the decreasing numbers of animals in the region. Instead the region became the economic engine of the Yukon Territory for more than two decades, accounting for about one third of the Yukon's economy (Weinstein, 1992).

Intense mining development started with a boom of staking and exploration activities in the mid 1960s. The original owner of the mine was the Anvil Mine Corporation Limited (Aho, 1966). From 1965 to 1970, the service town of Faro was built 25km outside of the mine to accommodate the work force. To guarantee the development of the Faro Mine, the government provided financial assistance (at least \$28 million) for infrastructure, including the building and upgrading of the Campbell Highway, the building of a bridge crossing the Pelly River in Faro, man-power training, and the provision of substituted electricity (MacPherson, 1978). In turn, Anvil Mine Corporation Limited signed an

¹⁵ The Faro Mine is also called Anvil Mine and Cyprus-Anvil Mine according to the owner of the time.

¹⁶ This mountain does no longer exist; it has been dismantled as part of the mining operations.

agreement in 1967. “Her majesty wishes to encourage and support the proposed mining development in order to expand the economic activity of the Yukon Territory and to provide employment opportunities for Canadians, particularly those residents in the ... Territory” (MacPherson, 1978, p. 123). According to the Anvil Agreement the company agreed to undertake efforts in hiring at least 5% local residents, particularly those of indigenous descent, in the first, 10% in the second and 25% by the fifth year of operation (MacPherson, 1978). At no point in time have these goals been achieved. While “the company ... felt that ... it had met its obligations with respect to the employment of northern natives the government maintained that, although the letter of the agreement may have been followed, the spirit of the agreement had not been met” (Harper, 1982, p. 11)¹⁷.

Mine production started in 1969, and notwithstanding shut-downs in the 1980s and 1990s due to low metal prices and changes in ownership, continued operating until January 1998. The Faro Mine had significant impacts on the surrounding communities, such as the development and expansion of infrastructure (communication, energy, and social services) for Faro and Ross River, and associated increase of secondary developments. As for Ross River, Aho (1966), one of the men staking the Faro deposit, described the changes in the mid 1960s.

The former small community of Ross River has exploded with development. In 1965 it contained only about 30 people, mostly Indians, and a small trading post, with minimal facilities, no school, no electricity, little or no supplies, no sewer or water; and flying services were chartered from Whitehorse 125 miles away by air. A few months later, spurred by the heat of the exploration activity, Ross River attained a development area status and boasts a fixed wing and helicopter base, Northwest Expediting and Communication base, Territorial Government base for road crews, Atlas Explorations base with atomic photospectrometer – geochemical laboratory, electricity and water, a school, a modern motel and restaurant, several new permanent houses, two new churches, a large and well-stocked store, fuel and propane depot, and many other facilities of an organised community. (p.5)

¹⁷ The government initiated a study to investigate reasons for the failure of providing employment for First Nations in Faro. This study concluded that the company’s insensitivity towards indigenous people’s attitudes and aspirations were the cause for the non-success of the agreement (MacPherson, 1978).

In addition to the changes within the community, the expansion of infrastructure, such as the construction of the Campbell Highway as part of the 'Roads to Resources' program¹⁸ as well as the reopening of the North Canol road¹⁹ further opened Ross River to outsiders. The positive impacts encountered by the Ross River Dena were minimal and mostly tied to the beginning stages of intensive mine developments in the Ross River area, from about 1965-1970. In this time, local people were hired by exploration companies for prospecting, staking and line-cutting. Indigenous workers were preferred to non-indigenous workers as they were 'bush wise' and harder working than their co-workers (Miller, 1971; Sharp, 1977). The Ross River Dena favoured this work over work in the mine as it was closely related to traditional activities. However, with the stagnation of mineral exploration in the early 1970s these employment opportunities diminished fast (Miller, 1971).

Besides limited positive outcomes, the opening of the Faro Mine had severe repercussions for the Ross River Dena in the form of social, cultural, environmental and economic impacts. Various studies outlined these experiences; some of the authors were direct observers in the community (e.g. Miller, 1971; Sharp, 1977), while others were scholars pursuing studies in the community (e.g. Dimitrov, 1984; Weinstein, 1992). According to these studies, most of the impacts can be traced back to alcohol abuse, racism, violence against the Ross River Dena, and ignorance toward their culture and traditions. The impacts include among others, high death rate related to alcohol and drug abuse (e.g. car accidents, burning in cabins, freezing in the cold, suicide)²⁰ family violence and break-up, rape, loss of self-respect (Miller, 1971; Sharp, 1977). Further impacts encountered were related to land use.

These include: problems of access to harvesting areas; changes in the quality of resource; competition from other users of the same resource;

¹⁸ The 'Roads to Resources' program was initiated in 1959 under the Diefenbaker government to improve the overall infrastructure of the Canadian North and thus, to increase the number of resource development projects.

¹⁹ The North Canol was reopened to access mineral rich regions along the Yukon/Northwest Territory border.

²⁰ Alcohol-related accidents started in 1960. Since 1970, almost every year at least one person died related to drugs and alcohol (Weinstein, 1992) (The statistic Weinstein is referring to goes only until 1989; however, the trend has not discontinued. In fact, in 2003 at least two people died of drug and alcohol-related accidents.)

changes to resource abundance; changes to people's ability to harvest the resources; and disturbance to cultural and economic life. (Weinstein, 1992, p. 110)

These negative impacts experienced by the Ross River Dena are similar to those of many other indigenous communities located in remote regions throughout the world (see section 2.4.1.). Yet, the impacts on the community were not formally acknowledged until 1990 when Curragh Resources, then owner of the Faro Mine, offered to address the problems created by the mine (Weinstein, 1992).

In fact, the mine was opened without assessing the socio-economic impacts the development would have on the local indigenous population (Weinstein, 1992). Even to this point, no comprehensive study has yet been completed to fully understand the impacts of the Faro Mine on the First Nation community. This prompted Weinstein (1992) to ask:

What were the conditions that permitted development to proceed without consideration for conflicts? At best the blame can be laid on ignorance of the significance of the land to Indian culture and economics. At worst blame can be laid on racism. Somewhere between the two lies the ethnocentric conviction that the replacement of hunting, trapping, and fishing as the means for making a living by wage-labour and commercial trade represents an inevitable and universal step in human progress. In this view bringing a mine development to the "door-step" of an Indian band represents an opportunity to modernize and share in the benefits of progress. Concerns about land use conflicts did not have to be addressed because hunting, fishing and trapping were not considered to be legitimate or significant economic endeavours. The expectation was that they would be gladly replaced when wage labour opportunities were available. (pp. 6-7)

Yet, the operation of the Faro Mine did not lead to the modernization of the Ross River Dena, nor provide other benefits to the indigenous community. Employment was limited to five individuals who quit within the first years of mine operation (MacPherson, 1978), but the impacts were felt by the community as a whole. The Anvil Agreement struck between government and industry had no effect on improving the status of the Ross River Dena at the mine site (Sharp, 1977). Focussing strictly on employment and training the agreement offered neither enforcement nor encouragement to increase benefits to the Ross River Dena. Instead, the people felt increasingly marginalized and not taken

seriously in their attempt to communicate their concerns about environmental matters at the mine site²¹.

Ross River Impact and Benefits Agreements

Although not exclusively focussing on indigenous peoples' interests, the 1967 Anvil Agreement has clear elements of an IBA as it specifies terms which intend to increase indigenous peoples' participation in and benefits from a mining project. As with other early agreements in Canada and Australia, the Anvil Agreement was negotiated between the federal government and the resource company, Anvil Mine. This agreement proved to be unsuccessful from the perception of the RRDC as it provided neither employment nor other benefits to this First Nation community.

The early 1990s marked a new starting point for the Ross River Dena in their effort to gain more control and receive more benefits from the Faro Mine, as Curragh Resources Limited agreed to negotiate an IBA directly with the community to secure, among other things, employment, training and business opportunities from the Faro Mine. However, with financial responsibilities mounting from the Westray coal mine accident in Nova Scotia in 1992, and fines issued at the Faro Mine for equipment insufficiencies (MacKay, 1997), Curragh Resources declared bankruptcy and an interim receiver (Deloitte and Touche) took over the business at the Faro Mine.

When Faro Mine matters were discussed in court in 1993/94, the RRDC took the stand in court to present their interest in the Faro Mine area. The result was a condition on the future purchasers of the mine to complete an IBA with the RRDC. Eventually, Anvil Range, mostly composed of former directors of Curragh Resources, bought the Faro

²¹ The size of the current mine site (including claims) extends over approximately 360 square kilometres with approximately 147 square kilometres of disturbed land. It consists of three open pit mines (the Faro, VanGorda and Grum pit), one refilled pit, several waste rock dumps, one tailing pond (size: approximately three square kilometres; depth: up to 60 feet; volume: approximately 53,000,000 tonnes of tailing slurry), settling ponds, fresh water facility and dam, several creek diversions around the premise and a haul road stretching over 15 km, connecting the pits, waste rock dumps, and mill building (T. Smith, personal communication, December 18, 2003).

Mine and signed an IBA with the RRDDC²² in December 1994. It was a ground-breaking event for the Ross River Dena; the first time in 25 years the government had acknowledged the interests and rights of the people in the Faro Mine. The RRDC/RRDDC negotiated several IBAs in the 1990s, including IBAs for Grew Creek, Ketz River, Wolverine and the Kudz Ze Kayah (KZK) mines. Except for the Wolverine Mine²³, all agreements have been signed. Every one of these agreements varies slightly in content and in the duration of usage. This study will focus on the efficacy of two agreements: the Faro Mine IBA and the KZK IBA. These two agreements were chosen as both agreements were negotiated at the same time (1994-95) and endured for about the same length of time (approximately 3 years). Further, as these two agreements were the longest IBAs in place, they were of great importance to the community.

Faro Mine Impact and Benefits Agreement

The Faro Mine IBA was signed on November 8, 1994 containing provisions for employment, business opportunities, training, housing and payments for scholarships and trapline support. In September of 1996, operations at Faro slowed down due to low metal prices, and on December 20, 1996, almost everybody was laid off. People were hired back in October/November 1997. In January 1998 the mine finally closed, which ended the Faro Mine IBA (K. Suza, Mining Liaison Officer for RRDC/Anvil Range, personal communication, November 7, 2003).

On April 21, 1998 the Ontario Court, once again, appointed Deloitte and Touche as the Interim receiver of the Faro Mine. After the completion of several studies, the mine finally was shut down for good. Reclamation planning is currently underway. The estimated clean-up costs are \$200-600 million, depending upon the money available and the clean-up measures taken. It is anticipated that the mine site will not be returned to its former state because of the scale of environmental damage and the costs associated with

²² The RRDDC is the business arm of the RRDC. It was founded in October 28, 1982 by the RRDC. Initially, the RRDDC was active through the Dena Store, a convenience store in Ross River. In the early 1990s, the RRDDC gained importance through the negotiation and implementation of IBAs with mining companies such as Anvil Range and Cominco. Approximately 23 different businesses were opened and managed through the RRDDC (Zanasi, 1998). By 1998, the RRDDC experienced serious financial difficulties and closed its doors. The business became deregistered as of May 29, 2003.

²³ The exploration work stopped before the IBA could be signed.

such an endeavour. Therefore, water treatment and control will be necessary for a long time to come.

Kudz Ze Kayah Impact and Benefits Agreement

The KZK Mine is located 160km south of Ross River, west of Finlayson Lake (see Figure 2). The Finlayson Lake region is well known by mining companies for its mineral deposits, including lead, zinc, gold, and recently emeralds. Corporations such as Expatriate, Teck Cominco and True North Gems have mineral interest (stakes) in this area.

In 1993, while Cominco planned exploration work in the KZK area, it started negotiating an IBA with the RRDC, and, as in the case of the Faro Mine, more specifically with the RRDDC. Similar to the Faro Mine Agreement, the KZK agreement incorporated employment, training and business opportunities for the Ross River Dena. The agreement was implemented between 1995 and 1998. However, exploration results showed that the ore body is tainted with selenium, which makes it costly, and to this point unprofitable to extract the lead and zinc, thus, exploration work stopped in 1998. Currently, Teck Cominco and the RRDC are exploring the possibility of opening a land block which is immediately attached to the KZK property. This area bears high hopes for being the core deposit in this area.

Analysis

Success

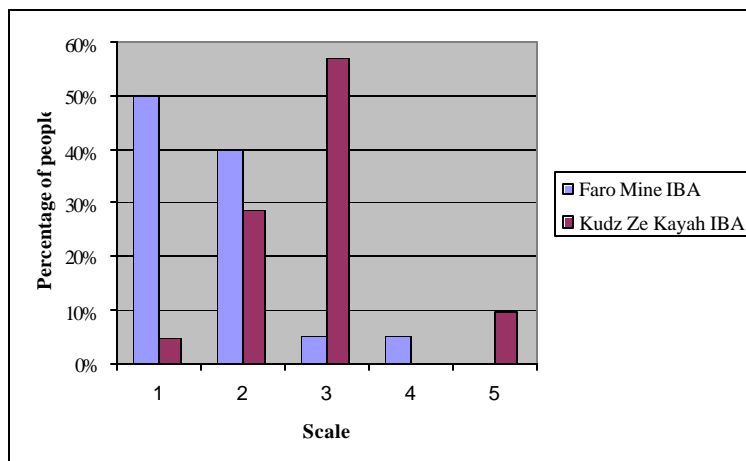
The success of the Faro Mine and KZK IBAs has been measured in two independent ways: (i) through the perception of the Ross River Dena regarding the benefits received through the agreements; and (ii) through a comparison of the benefits negotiated in the agreements with the benefits actually received.

Ross River Dena's Evaluation of the Impact and Benefits Agreements

The Ross River Dena's perception of the benefits received through the IBAs has been measured through data gathered in a survey with community members (see Appendix B).

The analysis of this survey revealed that community members perceived the benefits received from the KZK agreement to be more positive than those received through the Faro Mine agreement. The survey participants were asked to measure their satisfaction with the benefits received on a scale from 1 (not at all) to 5 (very good). More than 90% of the respondents evaluated the benefits received through the Faro Mine as less than 3, whereas the KZK IBA was assessed by the majority of respondents as 3 (see Figure 3). Thus, the survey respondents made two clear statements: first, neither of the IBAs was considered to be very successful in the long-term, and second, notwithstanding the overall assessment, the KZK agreement was deemed to be more successful than the Faro Mine agreement.

Figure 3: *Satisfaction of the Ross River Dena with benefits received through the Impact and Benefits Agreements*



Comparison of Agreements’ Content with Benefits Received

The following section compares the content of the agreements²⁴ with the short and long-term benefits actually received. In order to communicate the results of the analysis, ratings have been given ranging from good, fair to poor. The ratings depended upon the matching of the IBAs’ contents with the benefits experienced by the Ross River Dena paired with an evaluation of circumstances and efforts taken by both parties to achieve positive results. More specifically, the rating “good” was applied when the benefits

²⁴ While the content of the Faro Mine IBA has been derived directly from the agreement, the content of the Kudz Ze Kayah IBA has been based on data published in Henderson and Voogd (2001).

outlined in the IBAs were received and had positive impacts for community members. The rating “fair” was used when the benefits outlined in the agreement were offered, but had few positive impacts for community members. “Poor” has been given when the benefits outlined in the agreement have not been provided or if they have been provided but they provided no positive outcomes for community members. If none of the above ratings could be applied because of insufficient information, they were marked as “uncertain”. The evaluation does not rely solely on the benefits that have been offered by industry, but also analyses if the benefits received actually benefited the Ross River Dena. As such, this evaluation is meant not only to demonstrate the performance of the companies, but also the ability of the people to receive benefits from the mining projects. Following is a detailed justification for how the ratings have been applied. The ratings are summarized later in Table 6.

Cooperation

Both IBAs include a promise of cooperation. While representatives from the Ross River Dena as well as Cominco expressed their satisfaction with the level of cooperation, the opinions of interview participants about the quality of cooperation between the RRDC and Anvil Range varied from limited (RRDDC representative) to good (Anvil Range representative). Similar perceptions were reflected regarding the quality of IBA review meetings. While regular quarterly meetings have been held between Cominco and the RRDC/RRDDC in Ross River, the meetings between Anvil Range and the RRDC/RRDDC were less consistent. In fact, a representative of Anvil Range complained that meetings would be set up in Faro, and without notice the Ross River Dena would not show up. However, documentation and my own observations demonstrate that often it is not intentional to miss meetings, but a matter of community officials having to deal with intense schedules. For example, in the 1990s, the RRDC dealt with an array of issues, including the management of 3-5 mining developments and land claim negotiations. Many of the meetings included the need to travel to Whitehorse (420km) or Watson Lake (location of the KTC Office, 380km), which takes a tremendous amount of time away from daily community needs. It is an unfortunate practice of the RRDC not to inform

other meeting participants of the inability to attend a meeting. Possibly, this situation could have been avoided through meeting in Ross River.

As has been encountered by Anvil Range, when consulting the RRDC regarding a water license application for the proposed Grizzly project²⁵, the attendance of community members was improved when meetings of the developer were joined with meeting sessions of the RRDC or similar events. Also, in the beginning of Cominco's consultation process with the RRDC, they encountered poor participation of the community members in the meetings. Instead of regarding the non-participation as a statement of no interest or no concern by the people, Cominco hired a mining liaison officer who visited the elders and asked for their comments and views regarding the proposed project. In general, the cooperation between the RRDC and Anvil Range has been evaluated as fair and that with Cominco as good.

Contracting

Both agreements outline the necessity of creating business opportunities. These business opportunities have been acted upon by the RRDC/RRDDC in two ways: establishing local businesses, and starting joint ventures with larger enterprises, such as Beaver Lumber, Pacific Petroleum and Norcan. Local businesses created include line-cutting, staking and construction enterprises. Both Anvil Range and Cominco used local businesses for their operations. However, a review of the documentation shows that there were more contract opportunities (at least 5-6 in 2 seasons) through Cominco than through Anvil Range (in 1.5 years only 3-4 local contract opportunities). Considering the differences in size of both projects, the percentage of contracts given to Ross River Dena was far higher at KZK than at the Faro Mine. The large size as well as Faro's producing status may have complicated finding appropriate small-scale contracts for Ross River Dena businesses. At least on one occasion a contract at Faro could not be unbundled to allow for smaller business ventures to take the offer. Contracts in both mines were usually short-term (3-4 weeks).

²⁵ This project was a proposed underground pit on the Faro Mine property.

Anvil Range and Cominco have both used Ross River Dena joint venture businesses; however, these joint ventures proved to be of little benefit to the people in terms of employment opportunities. Although community members were hired in the start-up of the joint venture, only a few people remained employed for a longer period of time. There is no indication why that was the case. Financially, some of the businesses provided monetary benefits; however, as all joint ventures were terminated shortly after the mine closed, no long-term benefits were accrued by the community. Thus, the short and long-term benefits through business opportunities have been evaluated as fair and poor for the Faro Mine and as good and poor for KZK.

Employment

KZK was an exploration camp with a working schedule of two-weeks-in, two-weeks-out which provided free accommodation and food. The work offered was mainly seasonal and associated with 'bush work' such as camp construction, prospecting and cooking. Table 4 shows the type and number of jobs taken by Ross River Dena in 1995-1996. There are no comparable data available for the years 1994, 1997 and 1998.

By 1998, KZK had opened more than 50 positions to Ross River Dena (including local contractors) and provided more than 165 months of working hours. The percentage of indigenous employees compared to that of other workers was more than 50%. The number of people quitting their job in 1995 was 19% and in 1996 11%²⁶. Noticeably, Cominco representatives – from the Vice President to the supervisors at the mine site – participated in cross-cultural training which aimed to create an increased understanding of Ross River Dena culture and traditions, and as such, established bridges of respect. Further, communication was recognised as an important factor in retaining good relations. Documentation confirms that Cominco, instead of terminating employees, sought the assistance of the RRDC/RRDDC to solve critical situations.

²⁶ The reports for KZK do not distinguish who ended the employment (the company or the employee). Hence, terms such as termination are not used. There seems to be a greater acceptance by Cominco that people may stop working. In such cases, new employees were hired.

Table 4: *Numbers and Type of Ross River Dena Employment at Kudz Ze Kayah*

Type of employment	Number of people	
	1995	1996
Camp Construction Worker	4	7
Bull Cook	3	3
Cook	1	
Camp Assistant		2
Core Splitter	3	
Prospector		1
Geochemical Assistant		1
Geophysical Assistant		1
Camp Security	5	

Note. As this list is comprised of data from different documents, it may not be comprehensive; however it gives a general overview about the jobs taken by the Ross River Dena in the years 1995-96.

In contrast to the bush work provided at KZK, the employment available to Ross River Dena at the Faro Mine included mainly labouring and truck driving (see Table 5).

Table 5: *Numbers and type of Ross River Dena employment at the Faro Mine (October 1994-96)*

Type of employment	Number of people
Labourer	15
Truck Driver	11
Pit Utility	4
Dewatering	2
Student	3
Apprenticeship	3
Mining Liaison Manager	1

Ross River Dena employment numbers were constantly changing because of their high turnover; however, at no time did Ross River Dena employees account for more than 5% of the Faro Mine workforce (assuming an approximate total workforce of 400 to 500 people). Comparisons between Ross River Dena employees and other indigenous employees offer interesting distinctions between employment patterns of both groups

(Figure 4 and Figure 5). Figure 4 illustrates that Ross River Dena employment termination within the first three months was 39% higher than that of other indigenous employees. Further, Figure 5 demonstrates that Anvil Range terminated 12% more Ross River Dena than other indigenous people while the Ross River Dena participation in full-time positions was 27% lower than that of the other group.

Figure 4: Comparison of work duration between Ross River Dena and other indigenous employees at the Faro Mine (October 1994-96)

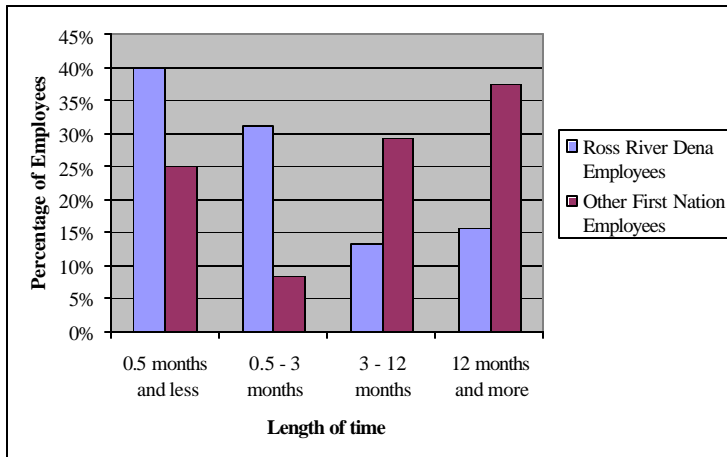
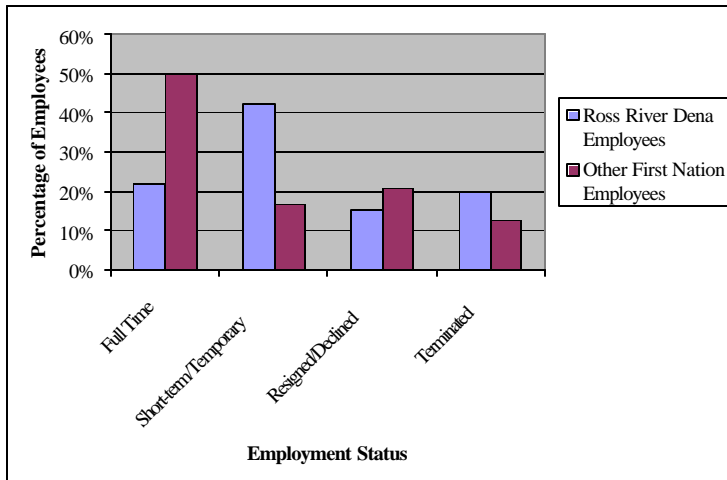


Figure 5: Status of Ross River Dena and other indigenous employees (October 1994-96)



In 1995, special efforts were undertaken to hire Ross River Dena members. An Anvil Range manager was sent to Ross River where he hired 17 people for the mine; however, the majority of people left within the first month. This manager had no knowledge about

why people left, but assumed that they did not like millwork. He further stated that Anvil Range did not go ‘chasing everybody’s heels’, which summarises the general approach taken by the company. After 1995, Ross River Dena had to apply for jobs by resume. Anvil Range terminated 33% of all Ross River Dena employees, mainly because of poor work ethic, including lacking punctuality, absenteeism and inappropriate workplace behaviour (e.g. leaving the workplace during scheduled hours). Major reasons the Ross River Dena gave for not carrying on with a job included high rent payments in Faro and dislike of shift work.

Further motivations were determined through interviews and review of documentation. For instance, the three mining liaison officers working for the RRDC independently stated that one major barrier for carrying on work was the inability of Ross River Dena employees to communicate problems to their supervisors. Once criticized, they would rather leave the job than discuss problems and concerns with co-workers and supervisors. Interviews with the Faro Mine liaison officer and government officials, as well as documentation point to Ross River Dena not feeling accepted by non-indigenous co-workers at the Faro Mine. One of the reasons was the negotiation of a Collective Agreement between the United Steelworkers of America (USWA 1051) and Anvil Range (first signed with Cyprus Anvil) which outlined, among other things, the requirement for workers to join the union, the application of seniority rules for promotions, and special leaves of absence available for indigenous employees to pursue traditional activities. The application of seniority rules had huge impacts on the Ross River Dena as they could not become a truck driver instantly, but had to work as a labourer for at least 2-3 months. However, the average time for Ross River Dena labourers was less than 3 weeks before quitting. To overcome this obstacle, training was offered through Yukon College (paid through the Ross River Training Trust Fund²⁷) which enabled the people to start directly as truck drivers. The result was a significant increase in average work time to more than 35 weeks.

²⁷ For more information on the Training Trust Fund see section ‘Training’.

Non-indigenous workers voiced their discontent against a special treatment of the Ross River Dena. Thus, Ross River Dena employees did not like to take special leaves or absences because of the tension it created between themselves and their co-workers. Further, they felt that the union rules were too stringent in terms of work times (shift work) and promotion (the Ross River Dena felt non-indigenous people were favoured). On July 26, 1996, a meeting was held between the RRDC/RRDDC, representatives of Anvil Range and members of the Steelworker's Union to discuss the difficulties arising from the employment practices at Anvil Range for Ross River Dena members. This meeting highlighted the need for greater flexibility and tolerance from Anvil Range and the Union towards the Ross River Dena. The meeting minutes indicate that a decision was made to go ahead with cross-cultural training for the "vice president and their senior managers and down to the exploration guys". However, this training was never undertaken. Reviewing interview transcripts of a study undertaken by Dimitrov (1983), it seems that despite the Faro Mine IBA, many of the reasons for low Ross River Dena employment in the 1980s were unchanged (e.g. challenging conditions to get to work, and poor communication between indigenous and non-indigenous workers).

Comparing the employment provided by Cominco with that of Anvil Range, the former, for its size, was more successful in employing and retaining Ross River Dena workers. This can be related to a number of reasons, such as the type of jobs, the working conditions, and Cominco's commitment to increasing indigenous work participation (cross-cultural training and communication with the RRDC/RRDDC in overcoming problematic situations). However, the impacts of the work and the on-job training provided have been too short to leave good long-term benefits within the community. Thus, the KZK IBA was rated good in the short-term and fair for the long-term. The rating for the Faro Mine IBA took into account the initial effort undertaken by Anvil Range to employ Ross River Dena, as well as the limited effort adopted to sustain this local workforce (cross-cultural training, consideration of RRDC concerns regarding the collective agreement). Consequently, it has been rated as good for the short-term and poor for the long-term.

Summer Jobs (only Faro Mine IBA)

The Faro Mine agreement included the provision of summer jobs for indigenous students from Ross River. The minimum age for acceptance was 18 years. Documentation shows that in 1995 three students were hired: one student quit within the first three weeks, and for the other two, no data are available. In the following years, Anvil Range was open to hiring more summer students; however, nobody applied for the positions. No information is available about why that was the case. Overall, this position has been evaluated as fair for the short-term and uncertain for the long-term as no information is available.

Apprenticeship programs (only Faro Mine IBA)

The Faro Mine IBA outlined opportunities for five Ross River Dena to enrol in apprenticeship programs including heavy equipment mechanic, industrial mechanic, industrial electrician, machinist, industrial instrument mechanic and welder.

Documentation shows that three individuals started apprenticeships: two as heavy equipment mechanics and one as an electrician. One of the heavy equipment mechanics resigned after five months work, the other two were not able to complete their apprenticeships within the lifetime of the mine, yet they completed their certificates on their own (i.e. Trade Ticket). Interview participants mentioned that it was difficult to find applicants with enough education to pass the test for entering the program. One individual further stated that the entry level has been lowered to allow people to start with the program, but he doubted that lowering the level truly helps the Ross River Dena in completing an apprenticeship program. The program assisted at least two individuals to start furthering their professional skills; however, as both were not able to finish the program within the lifetime of the mine, Anvil Range's contribution has been evaluated as fair-good for the short and long-term.

Training

The Faro Mine IBA stated that given available resources and interest, Anvil Range would offer RRDC members training in the area of mining technology, geology and exploration, business administration, accounting, environmental technology, use of computers, resource development planning, purchasing and warehousing, assaying and

contract law. However, except for the mining liaison manager, no other Ross River Dena received formal education from Anvil Range. Instead, the Faro Mine required employees to ‘work up the corporate ladder’, starting with simple labour in the pit and mill. Workers were given the opportunity to become a truck driver only after at least 2-3 months of work. Training for tradesmen was provided through Yukon College. Similarly, Cominco offered on-the-job training opportunities, and relied on further advanced training offered by the Yukon College. The courses at the Yukon College (Ross River Campus) were funded through the Training Trust Fund that was managed by the Ross River Development Society (indigenous and non-indigenous board members) which was in place from 1996 to 1998. This trust fund originated through payments from the RRDDC, YTG Department of Advanced Education, and corporations such as Expatriate, Westmin Resources, Columbia Gold and Cominco. Anvil Range did not contribute to the fund, which was ill-received by the RRDDC who wrote in a letter to YTG “Anvil Range could take a lesson on corporate responsibility”. YTG contributed \$100,000 to the fund in 1996 and 1997 acknowledging that these funds are necessary to prepare the Ross River community members for mining activities in their area. It is uncertain how much money was available in the trust fund overall.

During its lifetime, the college increased its program drastically, offering a variety of courses in the area of human development, mining and other subjects, which were taken by approximate 50-60 people. Interview partners have evaluated the success of this training initiative differently. An employee working out of Whitehorse to facilitate the training at the Ross River Yukon College campus stated that the training offered was highly beneficial for the Ross River Dena in the short and long-term. However the coordinator of the Ross River Yukon College campus, as well as the instructor of life-skill training, doubted the benefits of the training. They stated that the abrupt stop of mining activities in 1998, and the related loss of employment opportunities to local residents, made the training offered ineffective in providing benefits to community members. In particular human development courses, which were designed to prepare people for work environments through improving self-esteem and confidence, were reliant on work accessibility after completion of the courses. As mining activities have

not picked up since the Faro Mine and KZK ceased their operations, the professional skills acquired have not led to better employment in the long-term. Thus, the short and long-term benefits from the courses given are highly dependent upon the time and the subject of the courses offered.

In addition to payments into the training trust fund, Cominco sent three young men to the British Columbia Institute of Technology in Vancouver for a technology program. However, none of these three men stayed for more than one semester, because of low grades and/or homesickness. Cominco representative Tony Keen stated that it is probably better to educate people close to home. The match of the benefits outlined in the agreement with the actual benefits received have been evaluated for the short and long-term as poor for the Faro Mine IBA, and as good and fair for the KZK IBA.

Scholarships

The Faro Mine IBA outlined a payment of \$35,000 which would be used for scholarship payments to Ross River Dena post-secondary students. Cominco negotiated scholarship payments for every year the mine would operate. As the KZK Mine remained an exploration camp, no formal scholarship payments were made. It is difficult to obtain reliable information on matters surrounding the Anvil Range scholarship payments. It is still unclear who managed the scholarship trust fund which was created to oversee the payments. However, it is clear that the scholarship trust fund was set up in 1996 (late, considering that the IBA was signed in November 1994) with payments for two years (\$70,000). Students had to apply to a committee appointed by Anvil Range and the RRDC, and were chosen according to guidelines developed between Anvil Range and the RRDC. Five indigenous students from Ross River received scholarships. However, the amount was so small (approximated \$250 per semester) that at least one student did not consider reapplying for the scholarship. Rather, she decided to rely on student loans. Considering the small number of students receiving scholarships and the limited time they have been paid (up to two years), the question of what happened to the unused money remains. Neither the former RRDDC and RRDC accountants, nor the mining liaison manager were able to give information about the whereabouts of these funds. In

light of the late establishment of the fund and the small benefits it provided for applicants, the benefits for Faro have been evaluated as fair for the short-term and poor for the long-term.

Aboriginal Liaison Officer

Both the Faro Mine and the KZK IBA included provisions for establishing mining liaison positions. While the costs for the Faro Mine position were split equally between the RRDDC and the mining company, the costs for the KZK position were covered by Cominco entirely. These positions were created to facilitate hiring of Ross River Dena, and to improve cross-cultural communication between the RRDC/RRDDC and the mine. The working place of the two managers differed; while the Faro Mine liaison officer worked mainly in the human resources department of Anvil Range, the KZK mining liaison officer worked within the RRDDC office. This had implications on the portfolios held by both individuals. While the Faro Mine liaison officer was engaged extensively in activities outside the IBA, the KZK mining liaison manager worked full-time in the interest of the RRDC. The Faro Mine liaison officer appreciated the widened work spectrum; however, it is questionable if the diversion of focus assisted in improving the working conditions at the mine for RRDC members. Further differences in approaching the job were revealed in independent interviews with both officers. While the Faro Mine liaison officer stated that she treated the position as a '9 to 5' job (hence, she was not available on week-ends), the KZK liaison officer articulated that, disregarding business hours, it was imperative to be available at all times to workers and industry to solve problems.

It is difficult to assess the impacts the different approaches to the position had on the discrepancies between employment conditions at the Faro Mine and the KZK Mine. Yet, taking into account the training received by the Faro Mine liaison manager and the general efforts made to improve the working relations between the RRDC/RRDDC and Anvil Range, the benefits received have been evaluated in the short-term as fair, and poor-fair in the long-term. The evaluation of the KZK mining liaison position took into account the commitment of Cominco to pay the whole position, the commitment of the

officer to put all effort into providing job opportunities for the RRDC members, as well as the fact that the KZK mining liaison officer is still employed to undertake tasks such as property security and environmental monitoring (e.g. water sampling, monitoring caribou). Thus, the benefits received from the KZK mining liaison manager were evaluated as good for both short and long-term.

Management Position (only Faro Mine IBA)

The Faro Mine IBA specified that as soon as a Ross River Dena fulfills the requirements for a management position and a position becomes available, this person would be hired by Anvil Range. Kurt Forgaard (2003) remembers that the RRDDC initiated discussions on this topic. He stated that the Faro Mine liaison was probably the closest to being able to take the job; however, that she was not interested in the job and in learning the mining business. Yet, the Faro Mine liaison officer does not remember having been approached with this subject. Thus this section was evaluated with poor for the short and long-term.

Board of Directors (only Faro Mine IBA)

The Faro Mine IBA included stipulations that if the RRDC held 2% of Anvil Range shares or more, they would receive a seat on the Board of Directors. As the RRDC did not own any shares, this provision was not applicable.

Environment

Both the Faro Mine and the KZK IBAs outlined that Anvil Range and Cominco would follow environmental policies set out by government; in particular, the regulations specified in the water licenses for each mine. The question of the protection of the environment versus the operation of mines is a highly contentious topic for RRDC. A history of more than 30 years of environmental degradation on mine sites and the mines' surroundings all through the Ross River Dena traditional territory, and carelessness about local people's views and concerns, has left Ross River Dena knowledgeable and, at the same time, suspicious of mining impacts on the environment. This is especially true for matters concerning the Faro Mine. The RRDC insisted that the Faro Mine water license did not include sufficient conditions to protect the environment. Consequently, any

incident at the Faro Mine was treated with suspicion. The former Anvil Range senior environmental engineer stated that environmental standards at the Anvil Range were very good compared to those of other mines. He added that Anvil Range was committed to good environmental standards. However, he also recalls two controversial issues over time: raised ammonia levels, which were resolved through amending the water license; and small spills occurring when refilling heavy trucks, which was finally solved through the use of a new fuel dispenser and the development of proper procedures.

Documentation revealed further environmental failures at the mine. On February 18, 1996 the Metafina Chemical building²⁸ was found containing rusted barrels with very toxic chemicals leaking into the soil. While the barrels with the most toxic substances (carbon disulphide) were shipped to Alberta, 23,000 litres of other chemicals were dissolved (10%) and put into the Faro Mine tailings. A further spill occurred around August 17-18, 1996, “when a pipeline broke in a building used for producing explosives. Thousands of litres of water poured through the plant and then into a ditch beside Rose Creek”. After first disregarding the severity of the spill, a federal civil servant later stated “the spill was more harmful than his officials first believed”. The RRDC was greatly concerned about effects on drinking water, effects on fish and other animals. Further, as some Ross River Dena members still used the area for hunting and trapping activities, the Council was upset that Anvil Range neglected to contact them about the issue. In a letter to the RRDC, Anvil Range stated “we accept your comment that Anvil was negligent in advising RRDC of the spill of copper-contaminated water. However, in no way was this meant to reflect our commitment to the co-operation agreement between Anvil Range Mining Corporation and the RRDC”. For the RRDC this incident was additional proof of the disregard for their concerns regarding the environmental viability of the land.

In addition, during the four years of operation, the Ross River Dena have not been engaged by Anvil Range in any environmental study at the mine site. Except for \$10,000 paid in 1997 to the RRDC to review a water license application for the Grizzly project (a new pit planned on the Faro property), the community have not been involved or

²⁸ This building was not owned by Anvil Range, but was located on Anvil Range property.

consulted on any environmental issue. A RRDC official added that, at the time Anvil Range intended to start up the Grizzly project, company representatives came to the community to give presentations on the environment; however, the vocabulary of the oral and written presentation was highly scientific and thus alienated people from the meetings. After discussing the matter with Anvil Range representatives, efforts were made to present information in a more understandable way, yet with only limited success. Considering the numbers of spills which occurred, the inability of the RRDC to participate in studies and the frustration in communicating with Anvil Range on these matters, the short and long-term environmental benefits have been evaluated as poor.

The cooperation in environmental matters at KZK was perceived differently by the Ross River Dena than that at the Faro Mine. A management advisory committee was established with representatives from Cominco and the community. This board offered an avenue to discuss concerns and answer questions regarding the environment, employment, training and business opportunities. The two main concerns regarding the environment at the KZK site were the health of the caribou whose calving grounds are near to the mine site, and the water quality of the streams which are connected to one of the largest lakes in the Ross River Dena traditional territory; Frances Lake. At least one study on caribou has been undertaken using scientific as well as traditional knowledge. Cominco seemed to be responsive to the concerns of the RRDC and incorporated measures into their design to avoid environmental hazards. Further, a heritage study has been conducted to investigate traditional use and artefacts in the mining area. A questionable undertaking is a proposed airstrip, which is strongly opposed by the RRDC. As the project was put on hold, this matter is still outstanding. Because of their commitment (demonstrated through including Ross River Dena concerns in the overall project design and the undertaking of studies important to the indigenous people) Cominco's environmental cooperation with the RRDC has been evaluated in the short and long-term as good.

Trapline Support

Both mines contributed to a trapper's trust fund: Anvil Range was supposed to pay \$25,000 per year while Cominco agreed to two annual payments of \$35,000. By January 1996, Anvil Range had contributed \$25,000 and Cominco \$105,000. Documentation gives no further indication of payments made. Further, considering Anvil Range's shut-down from December 1996 to October/November 1997 and the financial difficulties encountered by the end of 1997, it is highly possible that Anvil Range did not make any more contributions to the fund. The fund was set up by the trapping committee in 1996, which was accountable to the RRDC. During its two-year lifetime, the trust fund served a variety of purposes: annual payments of \$1,500 to approximately 30 elders, supplements to Ross River Dena trappers, training, education of children, hunting trips to provide meat for elders and wages for coordination of the fund. To justify elders and trapping supplement payments, the recipients had to provide receipts for purchased trapping and hunting equipment. The fund was set up to slowly accumulate money for future use; however, as the mines closed during 1997-1998, all money was spent within the two years the fund was in place. Given the differences in commitments to the contributions made for the fund, the benefits received from the Faro Mine project were evaluated for the short-term as fair whereas those from KZK were considered to be good. The ratings for the long-term are uncertain because of the lack of data.

Community project supports

According to the Faro Mine IBA, in the years when Anvil Range was profitable, the company would provide community support services based on best effort. According to documentation, Anvil Range contributed \$2,700 from November 1994 to January 1996. Asked about donations from Anvil Range and Cominco for social and cultural purposes, staff of the Margaret Thompson Centre²⁹ in Ross River could not recall any donations from Anvil Range, but several contributions from Cominco on different occasions. Documentation shows that Cominco contributed to run a Community Treatment Centre in Ross River, (affirmed by personal conversation with D. Parker, January 19, 2004). The contributions from both companies have been evaluated for the short-term as fair for

²⁹ Centre for social activities and assistance as well as health matters.

Anvil Range and good from Cominco. The long-term benefits from both agreements are uncertain.

Housing (only Faro Mine IBA)

The Faro Mine IBA outlined the equal sharing of costs for 25 new trailers (\$28,000 per trailer) for the RRDC. The trailers were transported and set up in Ross River. Mike Rawlings (November 2002, personal conversation) states that these houses were of great benefit to the RRDC. Still, at least one Ross River Dena member maintains that the costs for installing the trailers were unexpectedly high (more than three times the cost of the trailers), creating a huge financial burden on the community. Thus, he argued, the houses had little positive impact on the community. However, the high instalment costs were caused by a Ross River Dena contractor. Further, to this point in time, Ross River experiences a constant housing shortage. The 25 trailers provided by Anvil Range are a predominant sight in the community. The trailers have must alleviated RRDC housing pressure considerably, in the past as well as at the present. Thus, the provision of housing has been evaluated as good in the short and long-term.

Tax Advice (only Faro Mine IBA)

The RRDC/RRDDC was offered the sharing of cost for tax advice with Anvil Range through the Faro Mine IBA. According to Kurt Forgaard (former president of Anvil Range, personal conversation, 2003) an offer to share tax advice had been made, but the offer had not been taken up by the RRDC/RRDDC. Mike Rawlings (2002) confirmed that this offer had not been taken; however, there is no information available about why (e.g. if it was not wanted, if it was too expensive). Hence, the rating uncertain was given.

Payment for Activities to retain Right of First Proposal (only Faro Mine IBA)

The Faro Mine agreement set out that Anvil Range, given its profitability, would make annual compensation payments of \$100,000 to the RRDDC on December 31 of every year³⁰ to retain the “Right of First Proposal”³¹. As of January 30, 1996, only one payment

³⁰ The first payment was due on January 24, 1995.

of \$100,000 had been made to the RRDDC³². No documentation about further payments is available. The Faro mining liaison officer does not recall any further payments. Further, given the financial difficulties encountered by Anvil Range (see above) it is highly possible that Anvil Range paid only \$100,000 to the RRDC between the signing of the contract in November 1994 and the closure of the mine in February 1998. Therefore, the benefits received through these payments have been evaluated as poor-fair for the short-term and poor for the long-term.

First Call on Exploration Activities (only Faro Mine IBA)

Anvil Range reserved the right for first bids for any exploration work in a 50 mile radius of the Faro Mine area through annual payments (see above). However, as no new exploration activities took place outside the Faro Mine, this clause has not been taken advantage of by Anvil Range.

The ratings given in the above sections have been summarized in Table 6. As the table indicates, the benefits received through the Faro Mine IBA in the short-term are evaluated as mainly fair and in the long-term as mainly poor, whereas the benefits received through the KZK IBA were evaluated for the short-term as good, and for the long-term as fair. Considering that the survey of the Ross River Dena's perception was undertaken at a time when long-term benefits can be observed, it is striking that this perception coincides with the analysis summarised in the Table 6. The above results of community perception, and comparison of IBA content and the benefits received is further supported by statements of the mining liaison officers for the Faro Mine and KZK and industry representatives. While both the Faro Mine liaison and the president of Anvil Range agreed that the Faro Mine IBA was unsuccessful, the KZK mining liaison officer and Cominco managers closely involved with the KZK IBA expressed their satisfaction with the success of the KZK agreement. This leads to the question of why the agreements have been evaluated so differently.

³¹ The Right of First Proposal means the right to have priority for any new exploration activity in the Faro Mine area (see below).

³² According to a report by the aboriginal mining liaison officer for the Faro Mine from January 23, 1996, Anvil Range had already missed one of the two payments at this point in time.

Table 6: *General overview of the benefits received through the IBAs*

Benefits	Faro Mine IBA		KZK IBA	
	Short-Term	Long-Term	Short-Term	Long-Term
Cooperation	Fair		Good	
Contracting opportunities	Fair	Poor	Fair-good	Poor
Employment opportunities	Fair	Poor	Good	Fair
Summer jobs	Fair	Uncertain	n/a**	
Apprenticeships programs	Fair-good	Fair-good	n/a**	
Training	Poor	Poor	Good	Fair
Scholarships	Fair	Poor	n/a*	
Aboriginal Liaison Officer	Fair	Poor-fair	Good	Good
Management position	Poor	Poor	n/a**	
Board of directors	n/a*		n/a**	
Environment	Poor	Poor	Good	Good
Trapline support	Fair	Uncertain	Good	Uncertain
Community project supports	Fair	Uncertain	Good**	Uncertain
Payment to retain Right of First Proposal	Poor-fair	Poor	n/a**	
Housing	Good	Good	n/a**	
Tax advice	Uncertain		n/a**	
First call on exploration activities	n/a*	n/a	n/a**	

* Part of agreement content but not obtained because conditions were not met.

** These sections were not applicable to the KZK IBA.

Process

The process used to negotiate and implement the agreements was similar, though with some distinctions. The negotiation of both agreements happened within the same year along with the negotiation of at least one other IBA for the Ketza River Mine. Chapter 22 of the Umbrella Final Agreement stipulates that Yukon First Nations should be given economic opportunities, and therefore be included in planned projects. However, the chapter is open for interpretation, and thus difficult to rely on. Therefore, IBA negotiations are generally initiated through the water licensing process; companies must obtain such a license, and First Nations can threaten to oppose them. It is uncertain what,

in particular, triggered the negotiation of the IBAs under investigation. As stated earlier, a court order (*R. v. Curragh Inc.*; May 7, 1994) designated that any future buyer of the Faro Mine had to negotiate an IBA with the RRDC and report on the agreement to the court. Yet, Kurt Forgaard (2003) stated that the negotiation of the agreement was independent of any court decision, but initiated by the need to receive a water license. Meanwhile, Tony Keen (2002) stated that, in the case of the KZK mine, it was not the need for the water license, but the desire of the company to have an agreement with the RRDC that promoted the negotiations. Hence, in the absence of land claim agreements, the means to negotiate an agreement are uncertain; however, there seems to be a general trend that the need to obtain water licenses is a leverage tool for First Nations.

The negotiation of the agreements was undertaken by a negotiating team comprised the Ross River Dena Chief and councillors, the CEO of the RRDC and a further community member. The team was established to negotiate economic benefits from planned developments on Ross River Dena traditional territory. The usual approach taken by the team was to approach the companies to discuss main points of the agreement and then to communicate the offer in community meetings so as to receive advice from the members. Then, the negotiating team went back to the negotiating table and so forth. Usually, the agreement was accepted by community members when reviewed for the third time and consequently signed. In the case of the KZK Mine, Cominco insisted that 75% of all community members had to sign the agreement to ensure members' approval of the agreement. This has not been the case for the Faro Mine³³.

The amount of funding available for the IBA negotiations differed greatly. While for the negotiation of the first agreement (Ketz River Mine) money was accessible from different government funds, the negotiation of the Faro Mine agreement was funded through the Resources Access Negotiation Program, which offered approximately

³³ Question number 7 of the community survey intended to investigate the degree of RRD input into the negotiation of the IBAs. From a scale of 1 (not at all) to 5 (very good) people stated that the KZK IBA offered more opportunities to give input to the IBAs than the Faro Mine IBA. Unfortunately, no information is available for why Ross River Dena perceived differences in their input to the negotiation. One explanation is Cominco's requirement of 75 % of the people having to sign the agreement. Another explanation is that Cominco hired a person to go to elders' houses to seek information for a heritage study.

\$84,000 for the negotiation of the agreement. As the funding received through the Resource Access Negotiation Program was limited to an annual amount, no money was available from government to negotiate the KZK IBA. However, with the signing of the Faro Mine IBA, the RRDDC received an annual payment of \$100,000, which then was used to negotiate the KZK agreement. Further, Cominco contributed funds to negotiate the agreement, and, after signing, paid a \$250,000 signing bonus. One major difference, in terms of the process used to negotiate the IBAs, concerns the completion of complementary studies. Whereas no detailed socio-economic studies have been completed for both projects to investigate the impacts of the mine on the Ross River Dena, at least a traditional use and a caribou study have been undertaken for the KZK project to investigate the presence of culturally important sites and the condition of the Finlayson caribou herd.

As for the implementation of the agreements, mining liaison officers were appointed for both mines to oversee and assist in the implementation of the agreements. Both officers had to monitor and report the benefits received by Ross River Dena members on a monthly basis to the RRDC and the RRDDC. Furthermore, as mentioned earlier, meetings were held with both companies at a more or less regular basis. In summary, according to the data available both processes were fairly similar except for the Traditional Use Study (TUS) undertaken for the KZK project. Thus, it is questionable if the process itself could have caused the differences in the IBA outcomes.

Content

Analogous to process, the content of both IBAs is very similar. As presented in Table 6, the agreements are composed of the same core elements: employment, training, business opportunities and compensation payments. These elements are typical for a wide number of IBAs negotiated in the 1990s³⁴. The Faro Mine IBA includes a few more benefits including scholarship payments, apprenticeship programs and housing. It is interesting to notice that the provisions for apprenticeships and housing were the few rather successful benefits received by the community.

³⁴ (see Henderson & Voogd, 2001; Kennett, 1999a)

In the survey completed with Ross River Dena and community members closely involved with the management of the IBAs, participants were asked about their opinion with regard to which benefits should be included in future IBAs. Noticeably, the three most common answers (provision of employment, training, and community involvement in the project) have been fulfilled by Cominco to a much higher degree than by Anvil Range. Further, survey respondents were asked how they would like to see development going ahead. The most common response was that it should include: the protection of the land, water and animals; the requirement for reclamation after mine closure; respect for their traditional landownership; the use of traditional knowledge in the design and operation of the mine; and respectful communication and understanding of cultural differences. Here again, Cominco has met these criteria (applicable to this point of mine exploration), whereas, from RRDC perspective, Anvil Range did not. The fact that both IBAs were similar in content (Cominco actually provided less benefits on paper than Anvil Range), but were evaluated differently in terms of their success, indicates that in the above discussed case studies, it was not the content or process of the agreements which influenced their overall success, but additional factors.

Additional Influences

As explained earlier, the success of the IBA is further shaped by additional influences. These can be grouped into three types: project-related influences, community-related influences and industry-related influences. These types are not exclusive, but may merge at occasions.

Project Related Influences

Project related influences are an important factor for the success of the IBA. This study demonstrated that the success of the Faro Mine agreement was influenced by the history of the mine development. The RRDC had, at the time of signing the IBA, a twenty-five year history of being ignored by government and industry regarding their concerns for the well-being of the environment and their community. Further, commitments were made in the past which influenced the management of the IBA such as the Collective Agreement

and the IBA negotiated (but not signed) with Curragh Resources. The Collective Agreement limited RRDC/RRDDC ability to adapt working patterns at the mine to accommodate for cross-cultural challenges. The IBA negotiated with Curragh complicated matters as it occasionally led to confusion about the content and intent of the Faro Mine IBA. Further, many survey and interview participants pointed to their negative experiences with racism and the deterioration of the environment at the Faro Mine, which, arguably, may pre-date the signing of the Faro Mine IBA. Finally, the working conditions offered at the Faro Mine (e.g. shift work, low paying jobs, need to commute between Ross River and Faro and need to pay rent in Faro) were financially less favourable than those offered at KZK. These project related factors influenced negatively the success of the Faro Mine agreement.

In comparison, the KZK project with Cominco as owner was new in Ross River Dena traditional territory. Cominco had the opportunity to build good relations right from the ground. This included the completion of TUSs on caribou migration and historic sites in the KZK area. Further, the work at the KZK camp was mainly related to bush activities which suited people's skills and life style. In contrast to the Faro Mine shifts (4 day shifts, 4 days off, 4 night shifts) the schedule at KZK (two-weeks-in, two-weeks-out of the camp³⁵) better fit the needs of the workers. Also, Ross River Dena employees made up the majority of the KZK workforce, which assisted in them feeling accepted by co-workers. It was of financial assistance to the workers that living expenses were low in the camp as accommodation and food were provided. Also, as the employment was organised directly through the RRDDC, Ross River Dena members did not pay income taxes. Additionally, living in the camp limited the amount of alcohol consumption, and assisted punctuality as less travel to work was required. Finally, there are indications that many Ross River Dena preferred short-term work over long-term commitments, offering the opportunity to pursue traditional activities while being able to earn wages which pay for hunting and trapping equipment.

³⁵ The shifts varied if a contractor provided the work. One person recounts that the working times in the first year were 21 days in the camp, 21 days off, and in the second year 6 weeks in the camp and 1 week off.

Community Related Influences

Community related influences had tremendous implications on the limited success of the agreements. As the influences are numerous, they have been sorted into two categories: (i) challenges created by the nature of mining operations and (ii) challenges faced by the community. Mining operations are defined by certain elements, such as the fast start-up and shut-down of mining operations due to dependency on changing metal values, the exhaustion of the resources, and the high costs of mining. Changing metal prices on the world market trigger the fast pace of the start-up and closure of mining operations, which causes difficulties to effectively prepare for mining developments for example in terms of acquiring the necessary information for the project for assessment work and preparing for job opportunities. Also, fast and unexpected mine closures can cause tremendous financial stress on communities which are accustomed to receive regular payments from mine operations, and which fail to prepare for sudden mine closures. For example, the RRDC was unprepared for the swift opening of at least 5 mines in the early 1990s and with the falling of metal prices, the unexpected closure of these within about 3 years. The RRDC took advantage of those developments through the swift development of different ventures and other business opportunities; however, as no emergency measures for sudden mine closures were developed the corporation was unable to account for the missing incomes. This resulted in the crash of the RRDC and its associated businesses in 1997-98. Long-term planning for mining ventures requires an indigenous community to be highly flexible and dynamic as skills and business ventures must be transferable to economic sectors other than mining.

Also, mining operations such as the Faro Mine are reliant on the use of large-scale, expensive equipment, which requires their constant use to retrieve the costs. The poor punctuality and absenteeism of Ross River Dena employees at the mine site accrued high costs on Anvil Range, which in turn limited the success of the IBA. Therefore, it is imperative to increase people's understanding of the cost of doing mining business, paired with fallback mechanisms in the case of a worker being unable to attend work (e.g. waiting list for workers in case of no-shows).

The challenges faced by the community include the lack of professional training, formal education and work experience, lack of work ethic and lack of political stability within the community. The lack of skills and higher education had huge implications on the job levels available to them and employment continuation, which was especially severe at the Faro Mine where, aside from the mining liaison position, nobody had higher positions than truck driving and simple labouring³⁶.

The lack of skills and experience had repercussions on the ability to efficiently manage the RRDDC. In 1998, Poushinsky Consulting, Whitehorse was asked to prepare a Management Review report for the RRDDC, which incorporated an investigation of financial matters of the corporation. This report outlines the lack of effective accountability structures. Zanasi (1998) stated “important decisions were often made without the formal sanction of the Board or shareholders and possibly without their knowledge” (p. 6). Other problems leading to the financial difficulties of the corporation were the accumulation of high debts of some of the businesses (e.g. Dena Petroleum and Sah Dena Cho Hardware), the failure of charging cost recovering prices (e.g. trailers were rented for significantly less than the costs incurred), the lack of book keeping for businesses (e.g. Dena Petroleum), and the payment of high overhead business costs in times of little business (Zanasi, 1998). Further, funding opportunities available through the IBAs were not managed properly by the RRDDC. For example, YTG paid twice into a training trust fund to increase Ross River Dena participation in the mining activities on their traditional territory. However, the RRDDC was unable to provide reports for the monies spent. YTG undertook investigations to trace financial actions undertaken by the RRDDC, but this proved impossible because of poor and/or missing data. Consequently, the Department of Education rejected subsequent funding to the RRDC.

Further, a challenge repeatedly mentioned throughout the investigations for this study is the missing work ethic of Ross River Dena workers, specifically poor punctuality, absenteeism and a long-term commitment to employment. Social factors related to this

³⁶ One Ross River Dena member worked at the mine in the human resources department on his own terms without being formally recognized as an indigenous person. Thus he is not accounted for in any statistic.

challenge are alcohol and drug abuse, and a history of dependency on social assistance payments. However, it would be simplistic to reduce poor work ethic to social factors as they also include cultural factors, such as the apprehension of many indigenous workers about communicating problems with co-workers and supervisors. Instead, people prefer to quit work. The RRDC strove to overcome these obstacles through life skill training courses which aimed to prepare people for jobs, including building self-esteem and communication skills. However, data indicate that these courses were offered too late in the process to truly benefit the Ross River Dena members in pursuing and maintaining job opportunities. Instead of applying their new skills in the workplace, people experienced the downfall of the local economy due to the crash of the mining sector. Additionally, the trend of quitting jobs after a few months of work indicates that not all Ross River Dena may be interested in full-time employment, but rather appreciate the opportunity to make some cash and then continue on with traditional activities, thus merging the traditional and modern sectors of community economics.

The lack of political stability of the Ross River Dena First Nation added to the complexity of the challenges faced by the community. As a result of the financial problems faced by the RRDDC in 1997, voices became loud to replace its management. In the same year the biannual Council elections took place at which the political leadership of the community was almost completely replaced, and because of the strong ties between the political and business leaders, the management of the RRDDC too. This had implications on the efficient continuation of business and relationship with the mining operators as new trust had to be built between the partners. Furthermore, the contradictions about financial matters of the RRDDC and the inability to rebuild a financial history of the corporation contributed to tensions within the community and created further economic challenges, such as competition of businesses without market support.

Finally, the merging of political and economic ambitions by the RRDC created further problems. For example, members of the Council were also decision makers in the RRDDC. One interview participant mentioned that it was difficult to ‘change hats’ when

going from one office to another and to separate political ambitions from the necessities of running a successful business. Interview participants from government and industry, as well as literature in the field (Wolfe, 2001) underline the importance of separating business from politics in order to pursue successful business enterprises.

Industry Related Influences

The sum of industry related influences on the success of IBAs can be traced back to the companies' commitment to honour the intent of the IBAs, which is mainly to provide employment, training and business opportunities to Ross River Dena to allow them to benefit from economic activities on their traditional territory. This commitment can be expressed in different ways, for example, through respectful and effective communication, considering and learning about indigenous communities' culture and customs, ensuring communities' input into decision-making at the mine site, creating and offering maximum employment, training and business opportunities for indigenous community members, and making efforts at overcoming challenging situations throughout the IBA process.

Cominco has demonstrated this commitment. Experienced in working with indigenous communities, Cominco made efforts in responding to questions and concerns of community members and incorporating these into KZK's design and operation (e.g. exploration start and finishing date is dependent upon the migration times of the Finlayson caribou herd). Cominco's commitment to the IBA was further demonstrated in the participation of managers and supervisors in cross-cultural training, the completion of a TUS, and the steady communication efforts taken by Cominco with the RRDC/RRDDC to clarify obstacles.

In comparison, little effort has been undertaken by Anvil Range to overcome cultural differences, and 'to go the extra mile' to build a respectful partnership with the RRDC. This may have been affected by three factors: the little experience Anvil Range has in working with indigenous people as it is a junior company; the negative history the Ross

River Dena had with the Faro Mine; and the financial difficulties Anvil Range had to face from its start.

Government related Influences

As explained earlier, YTG supported the negotiation of the Faro Mine IBA with funding from the Resources Access Negotiation Program, which was not available for the negotiation of the KZK agreement. However, as the Faro Mine IBA provided financial resources for the negotiation of the KZK IBA, the lack of government funding had no direct implications on the success of the IBAs. Further, YTG provided funding for economic activities resulting from the IBAs of the RRDC/RRDDC with contributions to the training trust fund. While this funding contributed to some extent to successful economic activities, the funding was provided too late to take full advantage of the employment opportunities which were available. Aside from the funding for the negotiation of the Faro Mine IBA and the contributions to the training fund, the government had no association with the relationship of the RRDC with Anvil Range and Cominco. Thus, the influence of government on the success of the IBA is very limited, and can be, in the overall scheme of things, be neglected.

Conclusion

IBAs are arrangements negotiated between indigenous communities (or governments) and industries, which aim to mitigate adverse development impacts on indigenous communities and their traditional ways of life, their cultures and environments, while providing local short and long-term benefits to the affected indigenous communities, and thus stimulating their economic development. While IBAs can be used for different resource development ventures, this study focused on IBAs for large-scale mineral development projects since these developments have been identified as being of special importance to the economic development of remote indigenous communities.

Despite the high number of IBAs negotiated throughout the world, there is only a small body of descriptive and analytical IBA literature available, because of the often limited time available to people who typically negotiate IBAs to publish their experiences,

confidentiality provisions of the agreements, and the short lifetime of many mining ventures. With the exception of work undertaken by O’Faircheallaigh, no framework for the analysis of IBAs is available. O’Faircheallaigh’s work is recent and focuses specifically on the content of IBAs. However, this project demonstrated that this approach is not sufficient to evaluate the success of IBAs as the content may not necessarily match the benefits received by the community. Hence, this report proposes a new general framework for the evaluation of IBAs. This framework is based on work undertaken by O’Faircheallaigh, and is expanded through the use of additional IBA literature and knowledge gained through the case studies. The framework determines the main factors for successful IBAs, such as content and process, as well as additional factors, such as those related to the community, government, industry and the project itself. This framework is broad, as no initial criteria for the different elements of the framework are available.

A first attempt to develop such criteria has been undertaken for the purpose of this project as it analysed two IBAs negotiated by the Ross River Dena; a small indigenous group located in a remote part of the Yukon Territory. In the 1990s, the RRDC negotiated several IBAs for resource development projects on their traditional territory, including the Faro Mine and KZK Mine agreements. These two IBAs were chosen for analysis because of their importance to the community.

Recommendations

Despite the challenges of the case studies, such as the short lifetime of the IBAs, their confidentiality clauses and the lack of documentation) it was possible to identify a number of limiting as well as encouraging criteria for successful IBAs and offer recommendations for future IBA negotiations and implementation of the RRDC. These recommendations have been categorized according to the IBA framework into process, content and additional influences.

Process

- Develop a set of community goals before negotiating an agreement as this fosters community involvement with the IBA, and offers a reference tool to communicate the negotiating achievements to the community.
- Carry out studies which investigate the socio-economic impacts of the proposed project, and document the heritage artefacts and use of the area.
- Make sure that the community understands and accepts the negotiated agreements before signing it.
- Establish effective communication processes between the negotiating team and community to keep communities constantly involved in the process. If community participation in meetings is low, find different ways to keep people involved, such as going from house to house to talk to people.
- Focus implementation efforts on the provision of benefits for the membership.
- Keep effective and ongoing communication between the indigenous community and industry to improve relations and create understanding for each others concerns and limitations.

Content

Ensure that the agreement contains provisions for:

- employment, business, training and advanced education opportunities;
 - cross-cultural training of the non-indigenous (i.e. learning about indigenous history and culture) and indigenous workforce (i.e. Life Skills training, learning about needs of mining business);
 - a mining liaison officer position which strictly focuses on the integration of indigenous community members into the workforce, training and other educational programs;
 - the consideration and use of Traditional Knowledge in the design and execution of the project;
 - the participation of the indigenous community in the monitoring of direct and indirect environmental, social and economic impacts by the mining development;
- and

- effective communication and dispute resolution processes which foster a positive partnership between the indigenous group, industry and government.

Additional Influences

Project related influences

- Be prepared for the short lifespan of a mine. Do not exaggerate the creation of businesses associated with the mining development.

Community related influences

- Separate business and political goals and objectives.
- Prepare community members for positive as well as negative socio-economic effects of the mine. Offer training that prepares community members for mining activities. Investigate which areas of employment and business are transferable to other business sectors, and thus, foster long-term benefits from the development.
- Require community members to join an orientation which teaches prepares community members for successful participation in a mining workforce.
- Keep open and effective communication with industry and government to foster positive partnerships.

Industry related influences

- Commit to the success of the IBA.
- Seek the input of indigenous people in the design and management of the mine.
- Keep communicating with the community on all aspects of the mining venture with relevance to the indigenous community.
- Require from the workforce participating in cross-cultural training with the goal to minimise conflicts and increase the understanding between the indigenous and non-indigenous workforce.
- Employ the mining liaison officer to advance the employment and training of the indigenous workforce and increase the overall capacities of the community.

Government related influences

- Create incentives for industry (e.g. legislation) to foster the negotiation of IBAs to increase indigenous participation in large-scale mining ventures.
- Make available sufficient funding for indigenous communities to participate meaningfully in IBA negotiations.

- Provide assistance for capacity building before project start-up to allow for maximization of benefits sought through indigenous community members.

This study demonstrates that the single most important criterion for successful IBAs is the commitment the different parties bring to the negotiation and implementation of the IBA. This seems to be especially true for indigenous groups that have not completed land claims and, thus, are not supported by government regulations in their quest to steer development on their traditional lands. Given the lack of legislative support, indigenous groups are highly dependent upon the good will industry brings to a project. Thus, one of the key questions is how commitment from industry can be achieved. One prerequisite is the respect by industry of cultural differences between the indigenous and non-indigenous communities, and an understanding of the interest indigenous people have in the protection of their land base and their communities. Further, it takes organisation and responsibility from the indigenous group to demonstrate a willingness to cooperate with industry on issues such as indigenous employment and training, and the protection of the environment and cultural sites. Cooperation between industry and indigenous communities cannot be created without trust; however, this trust is not easily achieved but is the product of a constant effort to engage in communication and openness about each other's challenges and limitations. This study indicates that senior companies, such as Cominco, seem to be willing to take extra efforts to make the agreement work. This increased effort can be attributed to the need of major companies to practice corporate responsibility in order to increase market compatibility and avoid conflict. The study further indicates that junior companies, which struggle with basic financing of their operations, are less inclined (or are even unable) to demonstrate commitment towards the development of indigenous communities affected by their mining operations.

Future Research

This report presents a new framework with an initial set of criteria for successful IBAs. However, as these criteria are based on the analysis of only two agreements negotiated by one indigenous community, more studies of this kind must be performed in order to verify the framework and expand on the criteria presented in the study. This task is

challenging as such research projects demand extensive field work in terms of the variety of data sources and the length of the study process³⁷, as well as the restrictions that confidentiality clauses put on access to, and publishing of, information. Moreover, analysing IBAs is complicated because of the high number of variables (outside influences and variances in process and content).

This research project focused specifically on IBAs negotiated between two specific parties: an indigenous community and industry; hence, no regard has been given to the influence other players would bring to the negotiating table. Besides an investigation of increased stakeholder participation on the success of IBAs, questions arise about the effects governmental regulations could have on improving and clarifying the negotiating and implementation of IBAs for indigenous communities without land claim settlements.

³⁷ It can take more than a decade from the initiation to a point in time where one can analyze the long-term benefits of an agreement on the community.

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Questionnaire for Process Participants

Success

How would you describe the purpose of a socio-economic agreement?

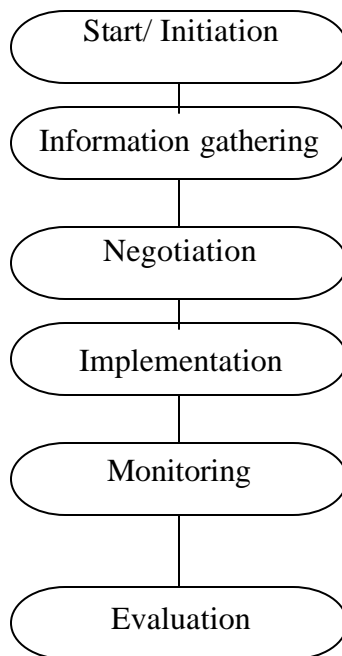
How do you think one can recognize a successful socio-economic agreement?

Do you consider the socio-economic agreements with Anvil Range and Teck Cominco to be successful or non-successful?

What do you think are the factors for the success or non-success of these agreements?
Can you tell me why?

Process

The process of negotiating agreements generally is described in literature as consisting of different steps:



Using this diagram, can you describe to me the process used by the Ross River Dena to negotiate the KZK and Faro Mine socio-economic agreement? If you have not taken part in all of the steps, please tell me about the steps you have been involved with. What were the goals and objectives of the Ross River Dena community for the socio-economic agreements with Anvil Range and Teck Cominco?

How have these goals and objectives of the Ross River Dena been determined?

How did the Ross River Dena try to achieve these goals and objectives?

Could you please comment on how the community has been involved in negotiating the socio-economic agreements?

How important do you think is the process used to negotiate a socio-economic agreement for the actual success of this agreement?

Content

Do you think that the content of the socio-economic agreements reflected the goals and objectives of the community for the Kudz Ze Kayah and the Faro Mine Project? Can you tell me why you think so?

Do you think the content of the socio-economic agreements was sufficient to provide long-term benefits from resource development for the Ross River Dena community?

How important do you think is the content used to negotiate a socio-economic agreement for the actual success of this agreement?

Conclusion

Do you think socio-economic agreements are a suitable tool for providing benefits from resource development for the Ross River Dena? Please tell me why you think so.

If you had no financial or legal limitations, how would you approach resource development in order to benefit your community members?

Appendix B: Survey for Ross River Dena Community Members

Questionnaire for Ross River Community Members

Important: To answer the questions please mark off the right square.

Are you a Ross River community member? ? yes ? no
 Are you Ross River Dena? ? yes ? no
 If no, are you member of another aboriginal group? ? yes ? no
 Sex: ? female ? male
 Age group: ? 24-34 ? 35-44 ? 45-54 ? 55-64 ? 65-74

Did you live in Ross River (or Faro) during the following years?

? 1994 ? 1995 ? 1996 ? 1997 ? 1998

1.a) Which benefits did you get through the **Kudz Ze Kayah** Socio-economic Agreement?

? none ? job ? training/apprenticeship ? scholarships
 ? trapper support ? business opportunities ? others

1.b) Which benefits did you get through the **Anvil Range** Socio-economic Agreement?

? none ? job ? training ? scholarships
 ? trapper support ? business opportunities ? others

2.a) When and for how long did you work for the **Kudz Ze Kayah** Mine?

Year	for how long	what kind of job
.....
.....
.....
.....

2.b) When and for how long did you work for the *Faro* Mine? (between 1994-1998)

Year	for how long	what kind of job
.....
.....
.....
.....

3.a) When and which business opportunities did you get through the *Kudz Ze Kayah* Socio-economic Agreement?

Year	what kind of business
.....
.....
.....
.....

3.b) When and which business opportunities did you get through the *Anvil Range* Socio-economic Agreement?

Year	what kind of business
.....
.....
.....
.....

4.a) In how many on-job training/off-job training/apprenticeship programs did you participate organized by **Teck Cominco**?

On-job training program	off-job training program	apprenticeship program
? one	? one	? one
? 2	? 2	? 2
? 3	? 3	? 3
? 4 and more	? 4 and more	? 4 and more

4.b) In how many on-job training/off-job training/apprenticeship programs did you participate organized by **Anvil Range Ltd.**?

On-job training program	off-job training program	apprenticeship program
? one	? one	? one
? 2	? 2	? 2
? 3	? 3	? 3
? 4 and more	? 4 and more	? 4 and more

5.a) For how many semesters did you receive scholarship money from **Teck Cominco**?

- ? 1 semester
- ? 2 semesters
- ? 3 semesters
- ? 4 semesters
- ? 5 semesters
- ? 6 and more semesters

5.b) For how many semesters did you receive scholarship money from **Anvil Range Ltd.**?

- ? 1 semester
- ? 2 semesters
- ? 3 semesters
- ? 4 semesters
- ? 5 semesters
- ? 6 and more semesters

6.a) On a scale from 1 to 5 please tell me if the ***Kudz Ze Kayah*** Socio-economic Agreement gave enough benefits for the Ross River Dena community members?

Not at all		fair	Yes, very much			I do not know
1	2	3	4	5		
?	?	?	?	?		?

6.b) On a scale from 1 to 5, please tell me if the ***Faro Mine*** Socio-economic Agreement gave enough benefits for the Ross River Dena community members?

Not at all		fair	Yes, very much			I do not know
1	2	3	4	5		
?	?	?	?	?		?

7.a) On a scale from 1-5, please tell me if you had an opportunity to discuss concerns and wishes related to the ***Kudz Ze Kayah*** Project when it was negotiated?

Not at all		fair	Yes, very much			I do not know
1	2	3	4	5		
?	?	?	?	?		?

7.b) On a scale from 1-5, please tell me if you had an opportunity to discuss concerns and wishes related to the ***Faro Mine*** Project when it was negotiated?

Not at all		fair	Yes, very much			I do not know
1	2	3	4	5		
?	?	?	?	?		?

8.) What would you negotiate for future socio-economic agreements with resource companies?

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9.) Which are important values which should guide resource developments on Ross River Dena traditional territory?

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Do you have any further question or comment?

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