



Executive Council
November 18, 2011

A New Dawn for the Labrador Innu

Canada, Newfoundland and Labrador and the Innu of Labrador participated today in a signing ceremony for a trio of agreements which hold the potential to profoundly and positively impact the future of the Innu of Labrador and the Lower Churchill Project.

Innu Nation's Grand Chief, Joseph Riche, and Deputy Grand Chief, George Rich, joined Deputy Chief of the Mushuau Innu First Nation, Simon Pokue, and Chief of the Sheshatshiu Innu First Nation, Sebastian Benuen to welcome guests to Natuashish.

Guests included the Honourable Peter Penashue, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada; the Honourable Kathy Dunderdale, Premier of Newfoundland and Labrador; and Ed Martin, CEO of Nalcor Energy. They were also joined by the newly appointed Honourable Nick McGrath, provincial Minister of Intergovernmental and Aboriginal Affairs and Minister Responsible for Labrador.

"The Innu of Labrador have been waiting for this moment for a long time," said Minister Penashue, the former Innu leader who now serves as the first Innu in the federal Cabinet. "I am here today to congratulate all the leaders in the communities who, throughout the years, have believed in this accomplishment which is so significant for the future of Natuashish and Sheshatshiu."

The three documents signed during the ceremony included the Land Claim and Self-Government Agreement-in-Principle, the Upper Churchill Redress Agreement and the Lower Churchill Innu Impact and Benefits Agreement which, collectively, have become known as Tshash Petapen or the New Dawn Agreements.

Innu Nation Grand Chief Joseph Riche recognized the contribution of elders and past leaders. "Today as we celebrate this moment in our history, I want to recognize and acknowledge the courage and wisdom of the elders and the leaders who went before us. Many of them did not live long enough to see this day, but it is their vision that we will carry forth as the foundation for future generations of Labrador Innu."

Chief Sebastian Benuen of Sheshatshiu Innu First Nation expressed the appreciation of the Innu people to the federal and provincial governments and to Nalcor. "It has been a long road for us to get to this day and many times we questioned whether it would ever happen. But we are here and I want to thank Minister Duncan, Premier Dunderdale and Mr. Ed Martin for their leadership and their confidence in the Innu people. We look forward to working with you as we implement the agreements being signed today."

"These agreements will change the course of Innu history," said Mushuau Innu Deputy Chief Simon Pokue. "We can see a future now where Innu once again will control our lives and our communities. The benefits from these agreements will be felt in our communities for literally hundreds of years."

Innu control over their lives and their communities is taking a giant step forward with the signing of the Tshash Petapen Agreements. Today the Innu of Labrador have enhanced their ability to take responsibility for their own future, to provide for the health and well-being of their society, and to contribute to the broader provincial and Canadian societies.

"This signing is a proud moment for the Province of Newfoundland and Labrador, for Canada, and especially for the Innu people," said Premier Dunderdale. "Our government and the Innu have worked together to build an effective partnership to ensure that the interests of the Innu are respected. The signing of the Innu AIP and other New Dawn Agreements will secure important benefits for the Innu and represents another major step forward towards the development of Muskrat Falls, which is a significant project with benefits for this province and for our country."

"We are proud to be part of this historic event for the Innu of Labrador," stated the Honourable John Duncan, Minister of Aboriginal Affairs and Northern Development. "This Agreement-in-Principle provides the basis for us to pursue negotiations towards a Final Agreement and helps build a foundation for economic growth for the Innu people, for the Province, and for this important region of Canada. All the leaders, past and present, in Sheshatshiu and Natuashish have contributed to this accomplishment that will shape the future of the Innu people of Labrador, a promising future based on partnership and opportunities."

"The settlement of land claims brings clarity to ownership of land and management of resources, creating a more stable environment for the economic, social and cultural development of Labrador," said Minister McGrath. "This government acknowledges the weight of responsibility that rests with the Innu as they consider historic land claims agreements that will shape the future of their children while paying tribute to their ancestors. We have made a firm commitment to negotiate a land claims and self-government agreement with the Innu Nation and we continue to offer support and encouragement as they work to secure a final agreement."

The signing of the three agreements is another important step towards the development of the Lower Churchill Project.

"Nalcor Energy is focused on building partnerships that will provide long-term benefits for the people of the province. The company's commitment to a productive partnership with the Innu Nation will provide great benefit to all parties involved," said Ed Martin. "We are developing relationships with our new partners as we move forward with Phase One of the Lower Churchill Project – Muskrat Falls."

On June 30, 2011, the Innu of Labrador voted in a referendum on the Agreement-in-Principle. A strong majority of the eligible members (70 per cent) of the two Innu communities voted. Of those who participated, 88 per cent voted in favour of the Agreement-in-Principle.

The Innu of Labrador have a population of approximately 2,400 members living in the communities of Sheshatshiu and Natuashish, located respectively 55 kilometres outside of Happy Valley-Goose Bay and 300 kilometres north of Happy Valley-Goose Bay.

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Photo 1: Premier Kathy Dunderdale signs New Dawn Agreements in Natuashish. To the Premier's left are Innu elders Sebastien Penunsi and Ponas Nuke. – November 18, 2011

Photo 2: Holding signed documents of the New Dawn Agreements are left to right: Gilbert Bennett, Nalcor; Premier Kathy Dunderdale; Peter Penashue, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada; and Joseph Riche, Innu Nation Grand Chief – November 18, 2011

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BACKGROUNDER

Highlights: Land Claims and Self-Government Agreement-in-Principle with the Innu of Labrador

Historical Context

The Labrador Innu assert Aboriginal rights and title throughout a large area of central Labrador and Eastern Québec including the North Shore of the Gulf of St. Lawrence. No treaty has ever been signed with the Innu of Labrador. The Land Claims and Self-Government Agreement-in-Principle being signed today only addresses their claim in Labrador.

Overview of the Agreement-in-Principle and Lands

The Agreement-in-Principle (AIP) sets out jurisdictions, rights, benefits and limitations for the Labrador Innu in a variety of subject areas. These include the harvesting of forest resources and plants; fish; migratory birds; and wildlife. All rights and benefits are directly tied to specific geographically-defined lands

There are four types of lands referenced in the AIP:

- Labrador Innu Lands are lands within the Labrador Innu Settlement Area comprising 5,000 square miles (12,950 square kilometres) which would be held by the Labrador Innu and under the administration and control of the Labrador Innu government as of the effective date of the Agreement.
- The Labrador Innu Settlement Area (LISA) comprises 14,000 square miles (36,260 square kilometres) of lands and waters that include Labrador Innu Lands. Within LISA, the Labrador Innu will be entitled to a

variety of rights and benefits, including the right to harvest fish and wildlife for domestic purposes and the right to representation, along with the federal and provincial governments, on a resource management board. The land and waters of the Mealy Mountains National Park Reserve of Canada would be included in the LISA.

- The Permit-Free Hunting Area comprises 13,000 square miles (33,670 square kilometres) of lands and waters where the Innu would have the right to harvest wildlife and migratory birds without obtaining a licence or permit and without paying any fee associated with such a permit or licence.
- The Economic and Hydroelectric Major Development Impacts and Benefits Areas would give the Innu the right to Impact and Benefit Agreements for Major Developments as defined by the AIP.

Other Key Aspects of the AIP

- The AIP is not legally binding and does not define, create, recognize, abrogate, derogate, deny or amend any of the rights of the parties;
- It preserves to the Government of Canada and to the Government of Newfoundland and Labrador all lawmaking authorities in relation to Canadian national interest powers and provincial interest powers respectively;
- It sets out eligibility criteria for determining who will be enrolled as a beneficiary of the Agreement and outlines the procedures for enrolment by applicants;
- It sets out subsurface resource revenue sharing for the Voisey's Bay mining project as well as the status of the lands in the Voisey's Bay area; and,
- It sets out a dispute resolution process detailing the steps to be taken, how and when.

Federal Financial Package and Financing Arrangements

The proposed agreement includes a financial package which is subject to the following conditions:

- \$118 million to be paid out once the Agreement comes into force (the period of time over which this payment is to occur is to be negotiated with the Labrador Innu);
- \$10 million for an economic development fund, \$10 million for a heritage fund and \$10 million for a capacity building fund, all of which are one-time payments to be provided once the Agreement receives Royal Assent.

BACKGROUNDER

Execution of Agreements with the Innu Nation November 18, 2011

Negotiations have been ongoing between the Innu Nation and the Province of Newfoundland and Labrador in separate forums for many years. On September 26, 2008, Nalcor Energy, the Government of Newfoundland and Labrador and Innu Nation signed the Tshash Petapen (New Dawn) Agreement. This agreement resolved key outstanding issues in relation to land claims, the Lower Churchill Innu Impacts and Benefits Agreement (IBA) and Upper Churchill redress.

Since that time, the parties have worked to complete three agreements:

- A tripartite Innu Land Rights Agreement-in-Principle between Canada, Newfoundland and Labrador and Innu Nation (AIP)
- The Lower Churchill Project Innu Impacts and Benefits Agreement (IBA)
- The Upper Churchill Redress Agreement (UCRA)

These three agreements were ratified by the Innu on June 30, 2011, and signed by the parties on November 18, 2011. The IBA and the UCRA come into effect immediately upon signing. The AIP will form the basis for ongoing treaty negotiations between the Innu, Canada and Newfoundland and Labrador.

HIGHLIGHTS

Lower Churchill Project Impacts and Benefits Agreement

- Financial benefits:
 - Five per cent of net project revenue.
 - Five million dollars per year payable upon Lower Churchill Project sanction until commercial power.
- Employment and training participation objectives in place for construction and operations.
- A target of \$400 million in contracts for Innu businesses.
- Joint Nalcor-Innu Environmental Management Committee responsible for:
 - Environmental policies
 - Environmental Management System
 - Review and consideration of Innu knowledge
- Innu Nation will provide Nalcor with a comprehensive release and indemnity relating to any adverse effects associated with the development of the Lower Churchill Project.

Upper Churchill Redress Agreement

- The Agreement provides compensation to the Labrador Innu for impacts associated with the Upper Churchill Falls development over the full project lifecycle.
- The compensation structure is an annual settlement payment of \$2 million per year (indexed annually at 2.5 per cent) upon execution of the final agreement until August 31, 2041, after which the Labrador Innu will be entitled to an annual dividend share of three per cent of Nalcor's revenue from the existing Churchill Falls development.
- Prior to September 1, 2041, the Innu Nation has the option to convert the annual settlement payments into an annual dividend share or percentage of revenue from the existing Churchill Falls development. This option is triggered if the revenue from the Power Contract between Churchill Falls (Labrador) Corporation and Hydro-Quebec changes.
- The Agreement provides the Province of Newfoundland and Labrador and Nalcor with a comprehensive release and indemnity against claims by the Labrador Innu relating to the Churchill Falls development.

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