

GOVERNANCE OPTIONS FOR A CANADIAN NORTHERN CORRIDOR*

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SUMMARY

Governance issues deserve to be considered at an early stage of CNC development in order to facilitate decision-making processes on substantive questions, such as corridor routing, Indigenous consultation and oversight. Since CNC implementation will include a large stakeholder network, developing different governance scenarios is essential to creating a broad consensus on key policy issues.

In this paper, the governance process is divided into four main stages: i) Developing the initial policy framework; ii) Deciding on a corridor route; iii) Reviewing and implementing project proposals; and iv) Managing ongoing operations and oversight. For each stage, different governance options are outlined and then critically examined.

The analytical lens throughout the paper concentrates on the broad stakeholder network which informs the policy options, thus considering several scenarios with a significant focus on the inclusion of Indigenous Peoples and communities. In order to ground the discussion, the paper develops five operating principles which also serve as best governance practices in the context of the CNC. These principles are based on the policy implementation conditions presented by Sabatier and Mazmanian (1979); namely, a sound initial policy framework; unambiguous implementation processes and transparent policy directives; an inclusive stakeholder network recognizing different interests; awareness of time-frames in the sense that CNC development will transcend electoral cycles; and project implementation is not undermined by changing political or socio-economic circumstances.

The analysis of policy options is supported by an examination of previous existing, planned or cancelled infrastructure projects throughout Canada and internationally. The analyzed case studies include the Mackenzie Valley pipeline and the Aboriginal Pipeline Group, the Grays Bay Road and Port project, the Mackenzie Valley Land and Water Board (MVLWB), the International Joint Commission (IJC), the Columbia River Treaty, the St. Lawrence Seaway Commission, the Pilbara Corridor project in Australia and the Scandinavian-Mediterranean (ScanMed) corridor in the European Union. All of these projects reflect a variety of different characteristics in the sense that they offer a broad overview of different uni- and multi-modal infrastructure models. Furthermore,

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The case studies presented in the Annex were prepared with the assistance of Liam Plunkett, currently a research intern at the School of Public Policy and pursuing a bachelor of commerce at McGill University.

the MVLWB and the IJC represent key authorities in several infrastructure projects. The MVLWB in particular unites a number of other Indigenous organizations (such as the Sahtu Land and Water Board) and functions as an umbrella organization for the land and water use planning in several Indigenous territories in the Northwest Territories (NWT).

The paper first introduces the broader Canadian political context which significantly determines stakeholder engagement. For example, road and railway projects are often implemented and managed by Transport Canada and the Canada Energy Regulator (CER) is responsible for energy transmission lines. Thus, the federal level will also carry a key role in the initial policy framework decision-making process. Indeed, federal leadership is essential in facilitating consensus-building among governments, Indigenous groups and industry stakeholders for a multi-faceted and multi-year infrastructure development plan in the North and near-North. The governance options available at each of the four stages need to reflect on-the-ground reality with a clear need to adopt approaches that are sustainable over the long term.

The second stage, corridor routing, can be decided upon by establishing a federal Crown corporation, not-for-profit organization or special committees. The previous two carry the advantage that existing legislation would guide their set-up. The stakeholder committee would be more informal but would also guarantee stakeholder participation across the breadth of interested parties. It could make sense to divide the CNC into separate geographical segments in order to facilitate stakeholder engagement as well as regulatory and legislative procedures regarding, for example, environmental impact assessment and Indigenous consultation. In this way, it would also be easier to recognize different jurisdictional responsibilities across Canada's provincial and territorial boundaries. The CNC can be developed in a segmented manner, effectively concentrating relevant stakeholders according to geographical regions and to maximize consensus-reaching potential.

The third and fourth stages of CNC governance, reviewing and implementing proposals as well as managing ongoing operations and oversight, are somewhat linked. If a Crown or not-for-profit corporation were chosen for project review and implementation, it would also make sense to have it responsible for managing ongoing operations and accountability. Another option would be to use existing institutions and regulatory processes (i.e., Transport Canada for roads and rails; CER for electricity transmission lines). This may save time on certain aspects of CNC implementation because capacity for managing certain infrastructure modes already exists at the federal, territorial, provincial and municipal levels.

A CNC can only be successful if it operates from a pan-Canadian perspective rather than following a piecemeal approach of separate projects. This does not mean, however, that the CNC cannot proceed in different stages. Certain infrastructure modes may be already in early development, and the establishment of a CNC right-of-way would facilitate their construction. Infrastructure needs differ across the provinces and territories. For example, Alberta is currently focusing on the approval of pipeline

projects. Eastern provinces such as Quebec focus on energy security through the development of hydroelectricity. Across the three territories, communities may face unique challenges due to climate change and accelerated melting of the ice, leading to, for example, premature melting of ice roads.

Consultation and consensus-seeking among all relevant stakeholders, and particularly Indigenous communities, are key aspects of CNC governance. The emphasis must be on the fact that the CNC envisions a multi-modal character, avoiding pivoting toward one infrastructure mode in particular. Indigenous consultation strategies will have to be designed to recognize the variety of land and treaty rights of First Nations, Inuit and Métis. Yet, previous research has often emphasized that the current piecemeal approach to Canadian infrastructure development does not work (Everingham et al. 2013).

The paper puts forward a potential hybrid approach to governance, combining centralized and decentralized elements through the four stages of CNC development. The main rationale for this approach is that it is practical and flexible enough to cope with what may prove to be initially diverse views among stakeholders. Indeed, an early next step to test stakeholder preferences would be to organize a symposium on governance options. The paper closes with four proposed topics for further research that would be informed by the symposium's results.