
NORTHERN DEVELOPMENT MINISTERS FORUM

**Initiatives to Maximize Economic
and Social Impacts from Major Projects
in the North**

**Activities Report 2005-2006
and Recommendations**

Whitehorse, Yukon

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Northern Development Ministers Forum

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1. Northern Development Ministers Forum

Founded in 2000, the Northern Development Ministers Forum adopted the following mandate at its meeting in La Ronge, Saskatchewan, in 2001: “to advance the diverse and common interests of Northerners and to raise awareness of the accomplishments, contributions and potential of the North”.

To carry out its mission, the Forum set five objectives, namely:

- Identify, act, and provide leadership on strategic actions that will advance the socio-economic development of the North.
- Strengthen the positioning of the North in provincial, territorial, and national priorities.
- Further enhance the cooperation between Northern provincial jurisdictions, territorial jurisdictions, and the Government of Canada.
- Share information.
- Organize an annual conference as a forum for the Northern development ministers to set priorities.

The priority initiative aimed at maximizing the economic and social impacts of major Northern development projects, which is the subject of this report, seeks to fulfill the mission and objectives of the Northern Development Ministers Forum.

2. Priority Initiative to Maximize Economic and Social Impacts

2.1 Background

At the annual federal-provincial-territorial Forum of Northern Development Ministers, held in Iqaluit, Nunavut in 2003, Québec presented a new priority initiative aimed at “maximizing the economic and social impacts of major Northern projects”.

This initiative was related to the project led by the Northwest Territories (NWT), dealing with the development of Northern infrastructure. When the resulting report was tabled in Iqaluit, the member jurisdictions discovered that more than 241 projects of this type had been identified. The conclusion reached was that the challenge facing the Canadian governments and private partners involved in these investments consisted of maximizing the economic and social impacts of these projects in a way that would enhance the quality of life of Northern residents.

Given the scope of this challenge, it was deemed important to assess the manner in which Canadian governments will take advantage of these major investments for the benefit of Northern inhabitants as well as for all Canadians.

To conduct this assessment, a two-step approach was designed. The first step was to catalogue and analyze ways of doing things that help maximize the economic and social impacts of major investment projects. This analysis of best development practices focussed on natural resource development and looked at examples identified both in Canada and internationally. Following this analysis, the ultimate aim is to develop a model or reference framework that would serve as a “how-to manual” for governments and private-sector partners, such that the major investment projects carried out in the North will have maximum economic and social impacts on the target communities, as well as the country as a whole.

The second step is to examine the impact of Northern investment and development on Canada as a whole. This exercise will identify the effects of Northern economic development on the Canadian economy, but also on the Northern regions themselves, to highlight the gap between the investments made in the North and their impacts on Northerners.

2.2 Approach

The governments of Québec and the Northwest Territories were charged with developing this theme, and a working group was established. This group also includes representatives of British Columbia, Saskatchewan and Yukon.

A detailed work plan was then tabled by the working group and included in the 2004-2006 triennial Action Plan of the Northern Development Ministers Forum. Here are the main steps:

- Develop a template that allows analysis of the strategies and actions that achieved maximum economic and social benefit.
- Identify in each province or territory examples of best practices which maximize the social and economic impacts of major projects.
- With partner agencies, identify examples of international and Northern tools, models, and information that work to maximize the economic and social benefits of projects.
- Develop Northern and international best tools, models, and information, and present these at the Northern Minister's forum in September 2004.

With a view to cataloguing the best Canadian examples, the working group asked each province and territory to provide two examples of maximization of the economic and social impacts from major projects in the North. In this perspective, the Observatoire de l'administration publique of the École nationale d'administration publique (ENAP) was mandated, in April 2004, to identify examples that could guide the governments and private partners in maximizing the economic and social impacts of major Northern projects.

2.3 Assessment – 2004 and 2005 Forums

To guide government and private partners in maximizing the economic and social impacts of major Northern projects, 25 exemplary practices by national governments, intergovernmental organizations or private enterprise have been inventoried at the international level, mainly in Organisation for Economic Co-operation and Development countries, in partnership with ENAP. Nearly 20 exemplary practices by provinces and territories have also been inventoried in Canada.

The work made it possible:

- to provide the Forum with a unique databank of Canadian and international exemplary maximization practices.
- to bring out several success factors supporting maximization.
- to establish a link between maximization and the application of sustainable development principles.

- to confirm the relevance of developing a reference framework for maximization that should apply to major Northern projects over the coming years.
- to verify the importance of a monitoring system as a key factor in maximization.
- to recognize the monitoring system as a tool allowing Northern development ministers to assess the impact of investments in Canada's North on the entire Canadian economy as well as on Northern regions themselves.

At the pre-conference meeting held in Winnipeg, Manitoba, in February 2005, a review of the Action Plan was conducted by the Senior Official Working Group. To carry out the mandate received from the ministers at the Forum in Chibougamau, Québec, agreement on the following was reached:

- Québec and the Northwest Territories will continue to work together on the project, along with Saskatchewan and British Columbia. Yukon also joined the Committee.
- The Committee will be supported by an Advisory Committee, consisting of Mr. Gérard Duhaime, from Université Laval, and Ms. Heather Myers, from the University of Northern British Columbia. Additional resources from academic and research circles in Canada and elsewhere in the world can join the Advisory Committee, depending on project progress and according to need.

The work first involved developing the proposed reference framework. Supported by the work done in 2003-2004, the reference framework essentially contains the strategic components of a maximization initiative along with certain implementation methods suggested by the international and Canadian examples identified in the Chibougamau Report, October 2004.

The work has essentially led to the conclusion that sustainable maximization initiatives must be based on the following principles, which will be referred to as "the components of the maximization approach":

- Implementation of a monitoring system
- Intention of the promoter
- Integration of innovative practices
- Mobilization of resources
- Increase in the abilities of the community
- Community involvement
- State intervention

These components, in regard to which we have drafted implementation methods focused on achieving the stated goals, comprise the "Framework", as specified in the report tabled at The Pas, Manitoba, in 2005, which we briefly review in the next section.

2.4 Work in 2006

During 2005-2006, the working group's objective was to complete the reference framework, and develop a monitoring system for economic and social impacts from major projects in the North, by suggesting assessment and monitoring indicators.

At the pre-conference meeting held in Montréal, Québec, in November 2005, the members of the Subcommittee updated their work plan. It was proposed that the working group develop a list of maximization indicators, along with a review of the best practices identified in projects underway in Canada, by gathering information from member jurisdictions (Appendices 1 and 2).

The intent was not to obtain an exhaustive list of projects. The examples submitted were selected by the provinces and territories. Therefore, these projects are considered among the most significant by member jurisdictions. They are diverse in both content and presentation. Most of the projects submitted were identified in the 2003-2004 report. In conjunction with international examples, they enabled the working group to develop a reference framework and identify a number of implementation measures.

Section 4 will briefly present the main components of an approach to maximize economic and social impacts, based on the experiences submitted. Finally, section 5 will outline the key elements to consider when setting up a monitoring system.

The answers made it possible to:

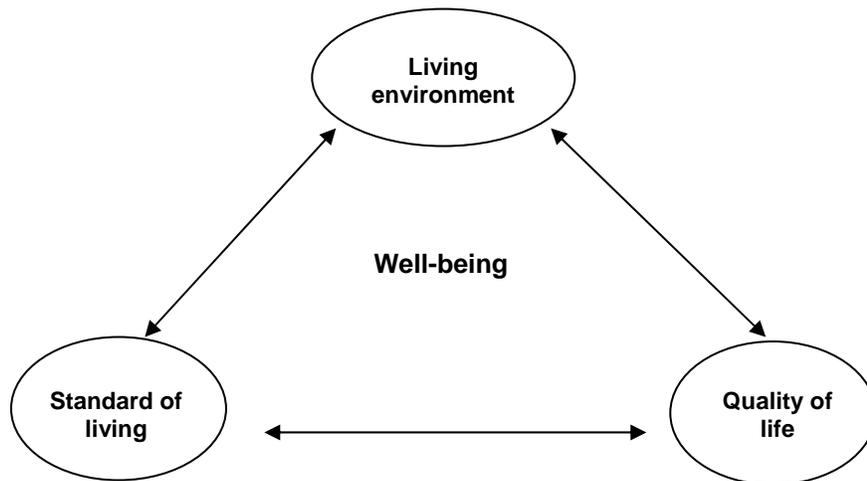
- determine how advanced several projects are after two years and build on the experience acquired.
- identify best practices or the keys to success of the approaches to maximize project impacts, if applicable.
- identify the indicators used for the projects and their impacts in the regions concerned.
- see how the tools used to evaluate the projects have changed.

3. The Reference Framework

3.1 Sustainable Development, the Foundation of a Maximization Approach

The Northern Development Ministers Forum has expressed the opinion that the ultimate goal of efforts to maximize the economic and social impacts of projects is to improve the well-being of communities in general. To reach this objective, it is necessary to act not only on the economic environment, which naturally influences the standard of living, but also on the built and natural environment, as well as on the social environment and quality of life. All of these dimensions are inseparable and must be considered in an approach aimed at maximizing economic and social impacts (Figure 1).

Figure 1: Overall Concept of Maximizing Economic and Social Impacts



In this perspective, the work done by the Forum in 2003-2004 showed that there is a clear convergence between maximization of the economic and social impacts of Northern development projects and the principles of sustainable development as advocated in the final declaration of the 1992 United Nations Conference on Environment and Development, the Rio Declaration. The Rio Declaration underscores the need to:

- meet the environmental and developmental needs of present and future generations.
- achieve equity between development and the environment.
- protect the environment as an integral part of development.
- eradicate poverty as an indispensable requirement for sustainable development.
- give priority to developing regions and those most environmentally vulnerable.
- protect and restore the health and integrity of ecosystems.

- reduce and eliminate unsustainable practices.
- strengthen endogenous capacity-building for sustainable development through exchanges of scientific and technological knowledge.
- provide access to appropriate information to all concerned citizens and give them the opportunity to participate in the decision-making process.
- take preventive measures with respect to environmental dangers despite the lack of full scientific certainty.
- include environmental costs in the development costs borne by polluters.
- include environmental impact assessment as a national instrument subject to a decision of a national authority.
- encourage the participation of youth, women, and Aboriginal people.
- recognize and support the identity, culture, and interests of Aboriginal people¹.

This convergence suggests that the maximization of impacts cannot be ensured solely by the size of a development project; perhaps even more importantly, maximization cannot be considered without a deliberate and explicit effort to involve the local community in the project and without taking into account the impacts of development on the natural and social environments.

3.2 The Proposed Reference Framework

To attain the goal of maximization while reflecting the desire to integrate the projects in the living environment of the communities concerned with a view to sustainable development, it is important to recognize the following prerequisites:

- First, sustainable maximization is a relative undertaking that cannot be achieved without a deliberate, measurable effort.
- Second, it is necessary to take into account the many different players involved in development since, in the approach we are adopting, the developers' point of view must be debated along with those of local governments and representatives, individual citizens, citizens' associations including Aboriginal groups, and corporate citizens.
- Third, sustainable maximization can be an achievable objective if the following conditions are met: mobilization of resources around this objective, the intention of the promoter to attain this goal, state intervention, community involvement, increasing the community's abilities, integration of innovative practices, and implementation of a monitoring system.

The reference framework proposed by the working group was developed with these factors in mind. The following diagram summarizes the components of the proposed reference framework (Figure 2).

¹ Report of the United Nations Conference on Environment and Development. Rio de Janeiro, 3-14 June 1992. Annex I. Rio Declaration on Environment and Development. (www.un.org/documents/ga/conf151/aconf15126-1annex1.htm) (2006-09-06).

Figure 2: Components of the Maximization Process

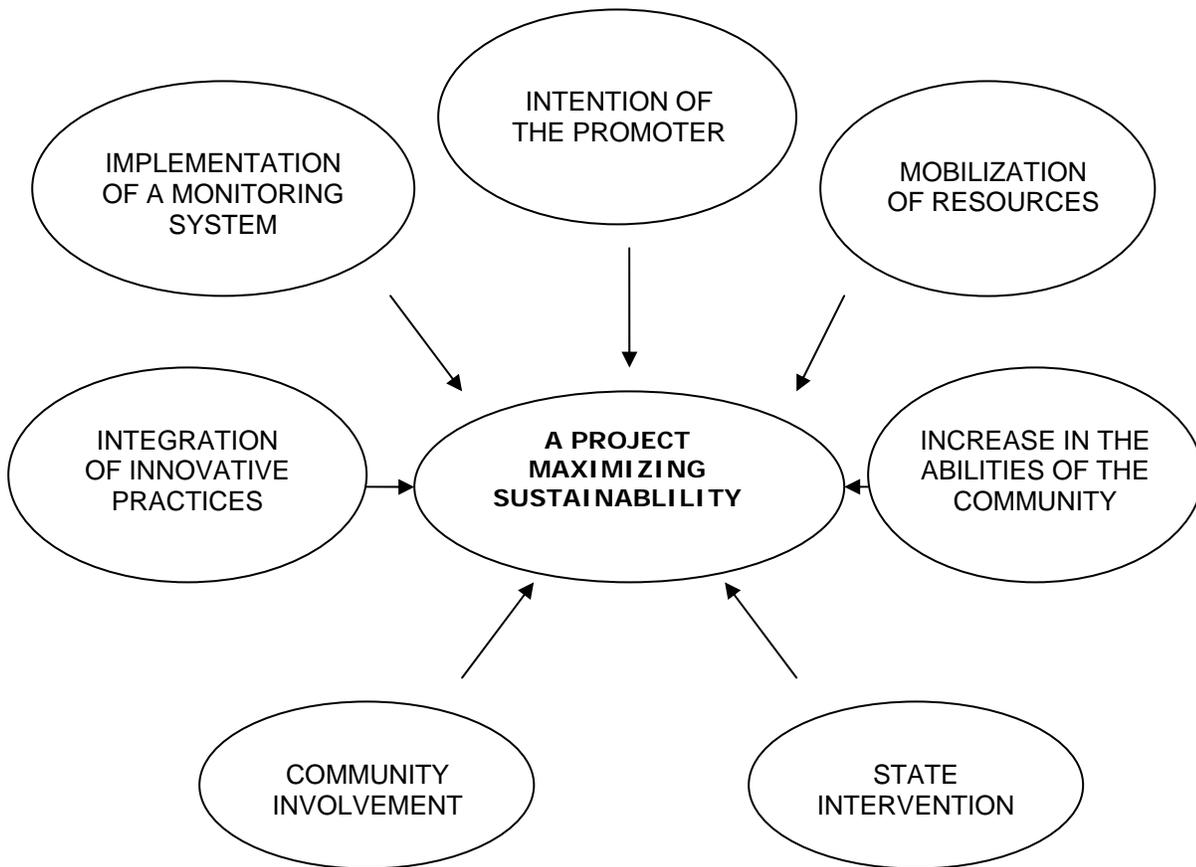


Table 1 lists the components of the reference framework and provides, for each one, a series of implementation methods proposed by the working group. These practices, which are not intended to be exhaustive, may be improved by the stakeholders. They will give governments and promoters the means to apply an approach for maximizing the economic and social impacts of major northern projects.

TABLE 1 – REFERENCE FRAMEWORK

COMPONENTS	IMPLEMENTATION METHODS
1. Mobilization of resources	<ul style="list-style-type: none"> ▪ Explicit statement in writing of the intention to endorse the maximization objective ▪ Formal creation of a joint, multilateral maximization committee ▪ Planning of operations ▪ Planning of management practices ▪ General planning ▪ Planning to maximize impacts that are useful to the local community ▪ Planning for the effective use of resources ▪ Signing of cooperation and partnership agreements for committing the resources ▪ Definition of human, natural, financial, and other resources required by the project ▪ Definition of such resources required by, or available from, the promoter(s), government(s), and civil society
2. Intention of the promoter	<ul style="list-style-type: none"> ▪ Explicit statement in writing of the promoter’s intention to endorse the maximization objective from a sustainable development perspective ▪ Validation of the intention expressed by the promoter through consistent attitudes and behaviour ▪ Signing of cooperation and partnership agreements for committing the resources ▪ Planning of measures to mitigate negative impacts on the environment and on the local community ▪ Implementation of policies and programs to maximize advantages for the region
3. State intervention	<ul style="list-style-type: none"> ▪ Validation of the expressed intention through appropriate interventions ▪ Explicit statement in writing of the public authorities' intention to endorse the maximization objective from a sustainable development perspective ▪ Set goals, expectations, policy, and legislative frameworks for development and the management of development in the North ▪ Ensure information and financial resources to access and use such information are available ▪ Regulatory readiness in terms of planning, arbitration, monitoring, regulation, and enforcement
4. Community involvement	<ul style="list-style-type: none"> ▪ Explicit statement in writing of the local community’s intention to endorse the maximization objective from a sustainable development perspective ▪ Commitment by the local community to roles and responsibilities at all stages of the project’s development, including the statement of opinions, concerns, questions, requests, claims, and requirements ▪ Set-up of communication networks between the community representatives

	<ul style="list-style-type: none"> ▪ Set-up or existence of public meeting venues ▪ Support for representation and participation ▪ Development of career and ad hoc education ▪ Support for starting up businesses ▪ Support for business conversion and growth ▪ Access to information about business opportunities ▪ Encouragement for joint management ▪ Access to information, knowledge resources, financial resources, and decision-making
5. Increase in the abilities of the community	<ul style="list-style-type: none"> ▪ Signing of cooperation and partnership agreements for committing the resources ▪ Access to information on best practices in relevant fields of activity ▪ Willingness to question conventional practices ▪ Design, experimentation, fine-tuning, and application on an ongoing basis of a monitoring system, including a maximization index ▪ Identify issues, monitor development, express ideas and concerns ▪ Education ▪ Contracts and employment for local residents ▪ The capacity to undertake contracts and jobs, as well as to develop additional or spin-off opportunities ▪ Ad hoc and customized education
6. Integration of innovative practices	<ul style="list-style-type: none"> ▪ Access to information on best practices in relevant fields of activity ▪ Willingness to question conventional practices ▪ Signing of cooperation and partnership agreements for committing the resources ▪ Include human, natural, and economic perspectives ▪ Alternative models or relationships ▪ Partnership with academic circles and the education sector
7. Monitoring system	<ul style="list-style-type: none"> ▪ Design, experimentation, fine-tuning, and application on an ongoing basis of a monitoring system, including a maximization index ▪ Signing of cooperation and partnership agreements for committing the resources ▪ Social, economic, environmental, and cultural indicators ▪ Allow adjustments to projects ▪ Identify and mitigate negative impacts ▪ Identify and enhance positive impacts ▪ Monitor medium- and long-term impacts

4. Lessons Learned from Recent Canadian Experiences

There is diversity in the projects identified by the member jurisdictions. Analysis of these projects makes it possible to establish certain facts and identify factors to maximize economic and social impacts of major northern projects. One of the first conclusions is that the components of the reference framework have been confirmed once again. However, their implementation may vary depending on the partners involved and the project. To review, these components are mobilization of resources, intention of the promoter, state intervention, community involvement, increase in the abilities of the community, integration of innovative practices, and implementation of a monitoring system.

Without listing every single means used to implement the components of the reference framework, we should mention those that seem to be essential for maximizing the benefits from projects for host communities, which are found in the majority of the exemplary practices submitted by the member jurisdictions.

State intervention is one of the necessary conditions for guaranteeing that local populations and communities are taken into account as part of the maximization of the economic and social impacts of projects. State intervention must go beyond the transmission of information and the allocation of human, material or financial resources. Public authorities must also play a regulatory role, in particular by means of laws and regulations. The objective is to effectively play the role of arbitrator and mediator between project promoters and local partners. Various arbitration mechanisms can be set up, often within the framework of the environmental assessment process. Such mechanisms ensure that projects are properly documented, that they take the social and economic concerns of the communities involved into account, and that they include measures for mitigating and attenuating the impacts of the project.

Environmental impact assessment is relatively well developed throughout Canada's North. There is ever-increasing concern about generating social and economic benefits in the regions where the projects are carried out. Though decisions with regard to the development of a project are made on the basis of profitability, effects on the physical, human, and social environments in regions affected by the project are increasingly being considered.

The promoters' clearly stated intention is also an essential condition for maximizing benefits. This factor can be imposed by way of government restrictions at the project approval phase, or by market conditions or the necessity of improving a corporate image. Regardless of the reason, major efforts are being made by promoters to maximize the economic and social benefits of projects.

The formal signing of a partnership or cooperation agreement promotes the maximization of impacts. Within these agreements, the promoters can even support initiatives allowing individuals, businesses, and communities to benefit

from the opportunities generated by the development of a project. These agreements also encourage:

- cooperation between the partners (promoters, local populations, governments, Aboriginal communities, etc.).
- ongoing consultation and dialogue between the partners.
- consensus-building regarding objectives that, at the outset, can be different, even contradictory.
- the identification of shared maximization objectives.
- the search for solutions to attenuate the negative impacts of the project.
- the identification of means to maximize the positive impacts of the project.
- community involvement in carrying out the project, because community members feel it affects them.
- smoother integration of a project into the region affected.
- the establishment of a monitoring system that is flexible enough to allow projects to be modified to mitigate negative or enhance positive impacts and to adapt to the new objectives of the stakeholders, when necessary.
- government evaluation of the cumulative impacts of projects in a specific region or territory.

The creation of a project monitoring committee involving as many stakeholders as possible is also key to succeeding in efforts to maximize benefits. Creating such a committee makes it possible to:

- facilitate appropriate development of the project.
- identify objectives shared by the partners.
- deal with problems and find solutions acceptable to a majority of partners.
- attenuate negative impacts on the development of the region.
- identify maximization objectives by consensus and thereby identify monitoring mechanisms and indicators for the project.
- produce reports and share them with the populations involved.
- adjust maximization objectives and indicators as the project progresses and on the basis of the benefits involved.

With the experience gained over time, economic and social impacts can be improved and diversified, not only for promoters but also for local communities. Several projects have involved partnership or cooperation agreements or agreements in principle. The signing of these agreements committed the various players affected by the projects. They included maximization objectives as well as methods to monitor changes in economic and social impacts. It has been noted that in cases where stakeholders have acquired some experience, maximization objectives have been diversified and amount to more than environmental impact studies. More and more economic and, to a lesser extent, social considerations are being included.

The following section outlines strategic elements to ensure the adequate implementation of a monitoring system, based on cases presented by member jurisdictions.

4.1 Summary of Responses to the 2006 Maximizing Survey

The Maximizing survey sent to each jurisdiction is included in Appendix 1. It asked each jurisdiction to identify two important major projects in their jurisdiction that are under development or have been completed.

The projects covered a range of industries including mining, forest products, oil sands, hydro development, and government-owned infrastructure. The diverse nature of projects, regions, and stakeholders has resulted in a wide range of maximizing indicators being used, for example:

- The Alberta oil sands and NWT diamond mines place emphasis on community sustainability. This may be because the Fort McMurray region is having difficulty coping with growth. In the NWT, Aboriginal communities may be concerned about the impact of development on the traditional economy and cultural identity.
- The Alberta forest products example has established a forest management task force with representation from many stakeholders. This is logical given that the forest industry requires access to an extensive publicly owned forest land base.
- Saskatchewan leads the world in uranium production with seven licensed uranium developments. While individually the mines leave a small footprint, the government monitors both accumulated and the cumulative effects of the operations. As well, socioeconomic performance factors, committed by industry in Surface Lease and Human Resource Development Agreements, are measured, and include northerners in different mine-skill categories and place of residence of over 1,100 northern mine employees.
- Several jurisdictions including Newfoundland and Labrador and the NWT mentioned that project proponents directly negotiate and sign Impact and Benefit Agreements with Aboriginal groups. These confidential agreements provide benefits to those impacted by development. They typically include measures to optimize economic benefits for Aboriginal individuals and firms including preferential employment and contracting, training, revenue sharing, and environmental protection measures.
- The Yukon and British Columbia submissions featured public sector investments. Diverse ranges of indicators are included for these projects. In addition, the BC submission includes a Capital Programming Process document, which is a tool for evaluating public sector investments.

- The Manitoba and Québec submissions feature major hydro projects. These projects typically have long construction times and a long life. The indicators used for these projects feature a mix of macroeconomic variables (gross domestic product, employment, labour income, tax revenue) and indicators designed to track the impact on communities and individuals such as training outcomes, community capacity building, and regional economic spin-offs.

The Maximizing Committee also asked for each jurisdiction's experience with indicators. Some of the comments were as follows:

1. Are the indicators designed to help your jurisdiction maximize benefits?
 - The jurisdictions that responded stated that the indicators are designed to maximize benefits for their regions and communities.
2. What are the difficulties in broadening the base of maximizing indicators?
 - The interests and needs of Aboriginal and non-Aboriginal stakeholders may differ.
 - It is sometimes challenging to maximize benefits in the North when the center of government is based in the South.
 - It can be difficult for government to ensure maximization given that Impact Benefit Agreements are confidential.
 - Broadly defined indicators are influenced by other factors that are not related to the specific project.
3. Does your jurisdiction monitor maximizing indicators over the life of the project? How do you accomplish this?
 - Most jurisdictions indicated that monitoring is done over the life of the project. Often it is accomplished through industry or government reporting.
4. Do you have any advice for other jurisdictions on how to develop and implement best practices for maximizing the benefits from major projects?
 - Collaboration of all stakeholders in developing indicators and allowing for continuing communication and feedback is crucial for any development.
 - Allow communities to take an active role in monitoring at the community level.
 - Incorporate regular reporting over the life of the project.
 - Adjust indicators as the need arises.
 - Using the same indicator for similar development projects creates a consistent framework for monitoring and helps to facilitate the monitoring of cumulative resource development impacts.

5. Monitoring System

To achieve greater effectiveness and to influence the practices of both public and private promoters, the reference framework must include a project-monitoring system. Developed in the form of a guide and used on a voluntary basis, this system for measuring maximization based on social, economic, environmental, and cultural indicators will track the progress of projects throughout the execution and follow-up phases. Integrated into a trend chart and designed during the project-planning phase, these indicators will enable promoters to keep constant watch over the economic, social, environmental, and cultural impacts and to make adjustments along the way in order to maximize those impacts. The goal is not to compare projects with each other but to examine each one individually.

A monitoring system usually makes it easier to integrate projects into the economic, social, environmental, and cultural life of communities. It also constitutes a way, adapted to needs and expectations, of mitigating and attenuating impacts, as part of mediation with local players, should impacts need to be minimized rather than maximized. It also measures and validates the short-term impacts of projects planned for the Canadian North, both on the northern regions themselves and on the Canadian economy as a whole. Medium- and long-term impacts are taken into account to a greater extent in order to ensure the continuity of a project that has positive impacts or to make adjustments in the case of a project that fails to make the grade in terms of sustainable development.

Monitoring of initiatives is therefore an important key to the successful maximization of impacts. In the current state of affairs, monitoring mechanisms usually relate to economic impacts (e.g., the number of jobs created, how many are held by local residents). The effects of projects, especially those relating to social aspects and to integration into the community's way of life, are the most difficult to predict and are usually poorly documented. In fact, it is difficult to anticipate the social impacts of a project on a community, since many factors can influence its social environment. A causal connection between the project and social impacts cannot readily be assumed.

The imbalance observed between the economic and social aspects of projects is no coincidence. Generally speaking, we assume that positive economic impacts from projects will automatically result in social impacts that are just as positive. An increase in the standard of living is expected to bring about an improvement in living environment and quality of life. But this is not always the case. There is considerable literature on the identification and monitoring of social impacts of projects in Northern regions which provides evidence that an increase in the income in these communities can lead to deterioration in family living conditions, increased social differentiation, crumbling of social cohesion, amplification of exclusion, increase in stress, and other similar phenomena.

The monitoring system includes a series of indicators selected on the basis of maximization objectives related to economic or social benefits or to mitigated negative impacts. Though no comprehensive list of possible indicators exists, it is easy to deduce some of the characteristics sought.

5.1 Choosing Indicators

In the monitoring system, certain characteristics must be taken into consideration when choosing indicators, specifically:

- They must be simple and relevant.
- They must be understandable to stakeholders.
- They must not require too many resources in terms of monitoring.
- They must be comparable over time.
- They must be available for the geographic area under consideration.

The Maximizing survey results suggest that some elements to consider when developing a monitoring system include the following:

- Collaborate with relevant stakeholders and local communities. It should be noted that promoters develop indicators on the basis of community expectations and of specific projects. The key to success is community involvement in the maximization approach and the promoter's intention to endorse it. Indicators should be selected on the basis of knowledge of the project and the environment as well as by consensus between parties.
- Establish the monitoring system at the beginning of the project, but allow flexibility to adjust and fine-tune indicators as the need arises.
- Incorporate regular monitoring and reporting throughout the life of the project.
- While monitoring systems may be flexible to meet project/industry/regional needs, a comprehensive framework with core indicators may enable cumulative impact monitoring.
- Securing adequate resources (staff, time, technology) continues to be a challenge associated with monitoring. Signing partnership agreements to commit to monitoring may be one solution.

One potential area of improvement is to increase information sharing related to developing monitoring systems, including accessing new research and approaches related to this field.

Table 2 presents a summary list of indicators taken from the examples submitted. It is not exhaustive but includes those most frequently mentioned. Of course, the project promoters and stakeholders must identify indicators relevant to their situation and objectives.

TABLE 2 – SUMMARY OF INDICATORS

CATEGORIES	INDICATORS
<p>1. Community Consultations / Collaborative Partnerships <i>* includes qualitative and quantitative indicators</i></p>	<ul style="list-style-type: none"> ▪ Public consultation / acceptability ▪ Number of collaborative partnerships ▪ Amount of money spent on consultations and monitoring ▪ Number of people reached by public awareness campaign
<p>2. Economic</p> <p>a. Business Development / Procurement</p> <p>b. Capacity Building / Training</p> <p>c. Employment</p>	<ul style="list-style-type: none"> ▪ Number of new business start-ups ▪ Number of joint ventures ▪ Number of business bankruptcies ▪ Number of registered businesses / types of services by category ▪ Amount and percentage of goods and services purchased from Northern and/or Aboriginal businesses/suppliers ▪ Contracts awarded to Northern and/or Aboriginal organizations, contractors or workers <p><i>Short term</i></p> <ul style="list-style-type: none"> ▪ Participation in collaborative training partnerships with educational institutions, businesses, industry associations, and governments ▪ Number of training programs offered ▪ Graduation/completion rates ▪ Number and percentage of work hours dedicated to training and development ▪ Number of trainees who become employed; number of trainees who enter apprenticeship and progress to journeyman level ▪ Employee satisfaction with trainee skills <p><i>Long term</i></p> <ul style="list-style-type: none"> ▪ Educational attainment – number of people 15 years old or older with less than grade 9; high school diploma; post-secondary certificate or diploma; university degree <p><i>Short term</i></p> <ul style="list-style-type: none"> ▪ Number of jobs or person-years of employment created ▪ Number or percentage of Northerners and/or Aboriginal employees hired ▪ Number or percentage of males and females hired ▪ Employment by skill level / job classification <p><i>Medium to long term</i></p> <ul style="list-style-type: none"> ▪ Employment participation rates ▪ Unemployment rates

<p>d. Local / Regional Economy</p>	<ul style="list-style-type: none"> ▪ Wages and salaries, by employees from region ▪ Average income overall and by age category; portion of high income earners ▪ Number of social assistance cases ▪ Gross domestic product ▪ Tax revenue ▪ Affordability Index – median (or modest) family income and cost of living compared to other comparator communities
<p>3. Social</p> <p>a. Direct Contributions</p> <p>b. Community Involvement</p> <p>c. Health</p> <p>d. Housing</p> <p>e. Public Safety</p> <p>f. Recreation</p>	<ul style="list-style-type: none"> ▪ Amount of investments in local charities, non-profit organizations, local projects, and communities ▪ Level of participants, by residents accessing funding ▪ Number of active volunteers in community ▪ Health centre / clinic availability (size, programs, participation, number and types of services available, health demographic of clients served) ▪ Number of physicians per “X” population ▪ Teen birth rates ▪ Number of children in care ▪ Number of suicides ▪ Life expectancy ▪ Types and frequency of communicable diseases ▪ Number of households ▪ Number of residents per household ▪ Percentage of social housing ▪ Vacancy rate ▪ Household demographics (married, common-law, single, divorced, etc.) ▪ Percentage housing with full plumbing and heating systems ▪ Overall crime rate; number and types of crimes ▪ Recidivism rates ▪ Number of police officers ▪ Caseload of probation officers ▪ Number and type of victim services available, percentage change of use ▪ Number of recreational programs; participation rates ▪ Number of recreational/cultural facilities per “X” population

4. Environmental	<i>**depends on project / region</i>
5. Cultural	<ul style="list-style-type: none">▪ Ratio of home-language use to mother tongue, by major age groups▪ Number of people, by ethnicity▪ Percentage of workforce-aged group engaged in traditional activities

6. Conclusion and Recommendations

The objective of the Maximizing Committee is to study and help guide government and private partners in an approach to maximize economic and social impacts from major projects in the North. The group's work in 2003-2004 led to the creation of a unique bank of 25 exemplary Canadian and international practices related to the priority project's theme. Analysis of these examples made it possible to establish a link between them and the application of sustainable development principles, in order to define the key success factors of these practices. The conclusion reached is that a sustainable maximization approach must be based on the following principles, which constitute the reference framework:

- Implementation of a monitoring system
- Intention of the promoter
- Integration of innovative practices
- Mobilization of resources
- Increase in the abilities of the community
- Community involvement
- State intervention

During the past year, members of the group completed the work begun in 2004-2005 to define a reference framework and integrate the essential components of a monitoring system. The lessons learned from experiences submitted by the provinces and territories made it possible to conclude that the reference framework was relevant and, in particular, allowed analysis of the methods used to monitor projects and choose indicators.

It must be acknowledged that developing a monitoring system that includes every possible parameter and every type of project does not seem to be relevant at this stage. As the survey results have shown, many efforts are being made to increase the economic and social benefits from a diverse range of projects in Northern regions. It has also been noted that monitoring systems are often tailored to the specific needs of partners and to targeted objectives in an approach that maximizes the economic and social benefits of projects. Industry, communities, and governments should utilize this wealth of experience.

Finally, the reference framework is a perfectible tool. Working group members are convinced that, with time, in varied contexts and projects, it will be possible to assess its qualities for maximizing economic and social impacts of major projects implemented in the North.

That is why the group proposes that its work be suspended for two years, to leave time for projects to be carried out and to evolve. Following that hiatus, a new request will be sent to member jurisdictions, asking them to identify the results of approaches to maximize the impacts of major projects in the North. It will therefore be possible for promoters to use the reference framework, at their discretion.

Consequently, the working group recommends that the Northern Development Ministers Forum should:

1. suspend the project for two years, to allow member jurisdictions to consider testing the reference framework.
2. produce an update of the information received from member jurisdictions in two years, inventorying best practices again, and note the advancement of projects and their impacts in Northern regions.

