# From Nouveau-Québec to Nunavik and Eeyou Istchee: The Political Economy of Northern Quebec

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Abstract: The Inuit and the Crees of Quebec have travelled an impressive path from a self-sustaining economy to a land claims economy based mainly on public transfers. But most importantly, they have created two new regions in Quebec: Nunavik and Eeyou Istchee. This article analyzes the political and economic development of these two Quebec regions. After a look at the legacy of the James Bay development and the James Bay and Northern Quebec Agreement, the first modern Canadian treaty, this article endeavours to assess the new development plan announced by Quebec: the Plan Nord. On the surface, the Plan Nord resembles a new incarnation of the James Bay project, but there are many differences: the development is not spearheaded by the Quebec government and, more importantly, Aboriginal leaders are now involved, a good indication of the changes that have occurred in the last forty years. However, does this mean that the North will benefit from the new development? Since the 1940s, all development in Nunavik and Eeyou Istchee has come from the outside. Plan Nord is simply the latest in a long series of exogenous development projects, making it difficult for people in the North to shape their own fate

The northern region of Quebec has witnessed tremendous political and economic changes in the last forty years. It is the first region to enter into a modern treaty, it has experienced the largest-scale hydro power development in North America, and it has seen the emergence of two new regions—Eeyou Istchee and Nunavik—that are changing political and economic perspectives on Quebec's North as they attempt to shift the pattern of development from a hinterland exploited for the benefit of southern interests to a homeland for Aboriginal peoples and northerners with more locally centered development.

In this article, I will analyze the political and economic development of these two regions and take a look at the legacy of the James Bay development and the James Bay and Northern Quebec Agreement, the first modern Canadian treaty. I will also assess the new development plan announced by Quebec: the Plan Nord. On the surface, the Plan Nord resembles a new incarnation of the James Bay project, but there are many differences. The development is not spearheaded by the Quebec government and, more importantly, Aboriginal leaders are now involved, a good indication of the changes that have occurred in the last forty years. Does this mean that the North will benefit from the new development? I will attempt to answer this question in the following pages.

## From Rupert's Land to Eeyou Istchee and Nunavik

At the time of contact, Algonquian and Inuit hunters and gatherers inhabited the northern region of what is now Quebec. The region had early contact with Europeans through Henry Hudson's exploration in 1610–1611 and the establishment by Des Groseillers of the first fort in 1668 at Rupert River. In 1670, all the land in the Hudson Bay watershed was granted to the Hudson's Bay Company (HBC) in the name of the British Crown. This vast tract, known as Rupert's Land, was transferred to the Canadian dominion in 1870. In turn, the government of Canada ceded huge stretches of this territory to Quebec: first the southern James Bay region up to the Eastmain River in 1898 and then the whole district of Ungava in 1912 (Grant, 2010). This grant completed the territory of Quebec as we know it today. These land transfers were made without Aboriginal people's knowledge, even though they considered this territory as their home. As Zebedee Nungak (1995) put it, his grandfather was born a subject of the HBC, became Canadian in 1870, and finally went on to become a Quebecer in 1912, although he was never aware of any of these changes.

In fact, the land transfers did little to alter the lives of the region's Aboriginal people. Their main contacts were with employees of the HBC and, later, Révillon Frères who bought their furs and, in hard times<sup>1</sup>, provided some relief, but who endeavoured to keep people on the land. In the 1920s, a quarrel arose between the provincial and federal governments about who should be responsible for the welfare of the Inuit (Tester and Kulchyski, 1994). The dispute was the result of the growing cost of relief caused by the quasi-disappearance of caribou herds in the eastern Hudson Bay at the end of the nineteenth century and, later, the collapse of fur prices during the Great Depression (Morantz, 2010). The Supreme Court of Canada finally settled the case in 1939 in *Re Eskimos*<sup>2</sup>: the Inuit were declared to be Indians for the purpose of section 91.24 of the *Constitution Act*, 1867, and therefore were under federal jurisdiction. Once again, the Inuit were not informed of

this decision, and since the federal government had little to do with them, life went on much as before.

Major changes occurred during the Second World War with the establishment of American military bases in Great Whale River (Whapmagoostui/Kuujjuarapik) and Fort Chimo (Kuujjuaq), and after the war, with the extension of the federal social net to the Aboriginal people of Northern Quebec. In Inuit territory, the postwar period was marked by strong incentives (access to social programs depended on resettlement) to move to permanent settlements (Duhaime, 1983; Saladin d'Anglure, 1984) and, in some cases, by relocation in the Far North.<sup>3</sup> Quebec had no presence in the region during this period. In fact, the Inuit of Quebec only noticed that they were part of the province in 1963 when René Levesque, then minister of natural resources, created a new branch in charge of developing this new northern territory—La Direction Générale du Nouveau-Québec (New Quebec Branch). The objective was to occupy the territory that had been totally neglected by previous Quebec governments (Duhaime, 1983).

This sparked another disagreement with the federal government, which at the time was providing schooling and social and medical assistance to the Inuit. The period was marked by competition between the two levels of government. In some villages, Inuit families could choose to send their children to a provincial or a federal government-run school (Saladin d'Anglure, 1984). For the first time, the Inuit became aware that competition existed between two governments that were part of both Canada and Quebec. These were confusing times for everybody.

In Cree territory, Quebec involvement was minimal since the Cree were clearly under federal jurisdiction and only the northernmost Cree community of Great Whale River/Whapmagoostui was affected by military activities. The announcement of the James Bay project by Quebec premier Robert Bourassa in April 1971 signalled the beginning of a new era. Bourassa proposed a major hydroelectric project in the "James Bay Wilderness," a new frontier for the development of Quebec. Nicknamed "the project of the century," it involved massive investments in Cree territory by the Quebec government. There was just one thing: no one had consulted the Crees, who learned about the project at the same time as the rest of the population.

The Crees mobilized to challenge the planned development holding the first meeting of the Cree community of Quebec in Mistissini, a move that laid the groundwork for the creation in 1974 of the Grand Council of the Crees, a federation of the nine Cree communities. The challenge went to court and in 1973 the Crees obtained an interlocutory injunction from Judge Malouf that effectively stopped all work in James Bay. The judgment was overturned a

few weeks later, but it had sent a clear signal to the Bourassa government that the project couldn't go ahead without the negotiation of a treaty. With the hydro project already under way, pressure on the negotiators was tremendous and within two short years the James Bay and Northern Quebec Agreement (JBNQA) was signed—a remarkable achievement given that most land claim settlements in Canada have averaged twenty years in the making. The government also decided to include the Inuit in the negotiations, even if their territory was only marginally impacted by the development. The Malouf ruling had clearly confirmed that section 2(c) of the 1912 *Quebec Boundaries Extension Act* granted Crees and Inuit rights in the territory and that, pursuant to the transfer of territory, Quebec was responsible for settling the Aboriginal rights of the territory's original inhabitants.

The JBNQA, signed in 1975, was the first modern treaty in Canada. It is an atypical treaty since Canadian land claims policy had not yet been established. It is loosely modelled on the Alaska Native Claims Settlement Act (ANCSA), the treaty signed in 1971 to settle Aboriginal land claims in Alaska. It would be far too long to analyze the 200 pages of this treaty here, but in essence, in exchange for the extinction of Aboriginal rights,<sup>4</sup> the Inuit and the Crees<sup>5</sup> received monetary compensation, property rights on 1.4% of the territory (category I land); exclusive hunting, fishing, and trapping rights on 15% of the territory (category II land); and preferential hunting, fishing, and trapping on the rest (category III land).

Economic development was not foreseen beyond the preservation of the traditional way of life (La Rusic, 1983) and in contrast to new treaties, the JBNQA didn't have any provisions for sharing royalties on resource development. However, a specific regime was created to support the hunting and trapping economy with the Cree Hunters and Trappers Income Support and the Inuit Hunter Support programs. The two programs are funded by Quebec but are administered independently. The Cree program is designed to provide a basic income to every individual who spends at least 120 days on the land. The Inuit Hunter Support Program is used to support the purchase of gas and hunting equipment and in some instances is used to pay hunters to provide meat for the communal freezers.<sup>6</sup>

The JBNQA also created a specific environmental regime for each region and established regional institutions. Self-government was not on the agenda and the JBNQA only gave limited administrative autonomy to the Crees and the Inuit. In the Inuit region, a public model was chosen, since the Inuit constitute the vast majority of the population. Three public institutions were created: the Kativik Regional Government (a supra-municipal government), the Kativik School Board, and the Nunavik Regional Board of Health and

Social Services. Subsequent legislation created the Northern Villages status specific to the region. In the Cree territory, where there was a large non-Aboriginal population, the negotiators opted for Cree institutions, creating the Cree Regional Administration, the Cree School Board, and the Cree Board of Health and Social Services of James Bay.

Finally, the JBNQA reallocated government transfers from the federal government to the Quebec government by establishing a new funding formula under which Quebec incurs 75% of the implementation cost and Canada only 25%. This was a total reversal from the pre-JBNQA situation whereby the federal government covered all costs for the Crees and the Inuit. The JBNQA has left a strong legacy in the region, notably by contributing to the emergence of two distinct northern regions—Nunavik and Eeyou Istchee—although these designations only came into common use recently (Dorion and Lacasse, 2011; Canobbio, 2009).

In Nunavik, however, the legacy is also one of dissension and fragmented governance. Three communities refused to sign the agreement<sup>7</sup> and to this day, the community of Puvirnituq still refuses to select category I land, since it considers that all the land belongs to Inuit. Although dissension has finally given way to a consensus about a self-government plan that has been in the making since the 1980s (Rodon and Grey, 2009), the results of the April 2011 referendum on the Nunavik Regional Government Agreement in Principle clearly show that the consensus is a fragile one.

Fragmented governance is still an issue with the three public institutions, each of which has its own board of directors and is under the supervision of a different Quebec ministry. The public model has also created a division between the political arm of the Inuit, Makivik Corporation, which is responsible for defending the rights of the Inuit of Nunavik, and the administrative arm composed of the three public institutions responsible for providing services to the Nunavimmiut. All these organizations are totally independent of each other, but collaborate on specific projects on a voluntary basis.

In Eeyou Istchee, the ethnic model of governance has allowed for better integration of the different levels of governance, with the Cree Regional Administration serving as the administrative arm of the Grand Council of the Crees (GCC). However, the Cree Board of Health and Social Services and the Cree School Board remain independent of the GCC.

The principal challenge for the Crees lies in their relationship with the Municipalité de la Baie James. The municipality represents the non-Aboriginal inhabitants of the region, which constitute 50% of the population. Historically, relations have been marked by conflict and competition, especially since 2006, when Quebec implemented a policy of decentralized resource management. This led to the creation of two new regional entities in 2007: Eeyou Istchee, consisting of the nine Cree communities, and Jamésie, made up of four towns (Chibougamau, Chapais, Lebel sur Quevillon, and Matagami) and the Municipalité de la Baie James. Although both regions have an equivalent population, Cree owned land covers only 5,586 km² while Jamésie covers 298,199 km². This situation has created tensions, but the self-government negotiations that we will analyze later in the text are dealing with the issue.

## Renegotiating the JBNQA

As we have seen, the JBNQA has serious limitations, including a very limited land base, no benefits from resource development, and no real self-government arrangements. For the Cree, there were also more specific grievances, notably the absence of provisions governing the development of sport hunting and forestry on the Cree territory. Furthermore, the Crees complained about the failure to implement certain clauses of the JBNQA. This led them to file a total of \$500 million in lawsuits against the Quebec government.

Politically, it was also a very interesting period. In 1995, Quebec held a new referendum on sovereignty. This prompted the Crees and the Inuit to organize referendums of their own on their future within Quebec. In both cases, the results were overwhelming in favour of staying within Canada in the event of the separation of Quebec (Canobbio, 2009). This outcome convinced the ruling Parti Québécois that it needed to take action to secure the Cree and Inuit territories more effectively if it wanted an independent Quebec to maintain its borders (Dorion and Lacasse, 2011).

During this same period, Quebec also planned a new phase of hydroelectric development in James Bay. Although the government was initially convinced that the JBNQA had settled all outstanding Aboriginal rights issues, the Crees were able to put together a strong media campaign in Canada and the US that threatened to derail the project (Tanner, 1999).

The Cree campaign resulted in the so-called "Paix des Braves" signed in 2002. As its official title clearly states, the "Agreement Concerning a New Relationship between le gouvernement du Québec and the Crees of Québec" signalled the start of a new chapter in Quebec-Cree relations. In exchange for abandoning their lawsuit against the Quebec government and allowing the Rupert diversion project to go ahead, the Crees obtained a share in resource development through royalties and partnerships. The Paix des Braves also

established a specific forest management regime for Eeyou Istchee that prescribed an active planning role for trappers and created the Cree-Quebec Forestry Board, which is in charge of overseeing the regime. Finally, Quebec agreed to pay \$4.5 billion over fifty years—a very welcome source of funding for the Cree communities that had run out of JBNQA compensation. The Crees negotiated a similar agreement with the federal government<sup>8</sup> to settle outstanding claims arising from JBNQA implementation (or lack thereof). It also established a framework to negotiate a self-government agreement for Eeyou Istchee.

In order to settle outstanding claims with the Inuit, the Quebec government signed a similar deal with them in 2002 known as Sanarrutik. The parties agreed to a new partnership in order to accelerate the development of the hydroelectric, mining, and tourism potential of Nunavik. Quebec committed to share the benefits of the economic development of Nunavik, to favour economic spinoffs for Nunavik Inuit and to enhance public services and infrastructures in Nunavik. Finally, the Quebec Government provided new funds for economic development and a formula for sharing revenue from the hydroelectric project, and committed to the creation of five provincial parks in the region.

# **Towards Self-Government**

Moving towards self-government has been a priority for the Inuit of Nunavik. It was seen as a way to resolve the dissension created by the JBNQA and to reconnect with the proposals for autonomy promoted by the co-op movement in the 1960s (Rodon and Grey, 2009).

In order to overcome their differences, the dissidents and the organizations stemming from the JBNQA agreed to set up a joint working group, called Ujjituijiit, to consult Inuit communities and propose a plan for self-government. At the time, the working group recommended the creation of a Nunavik constitutional committee. The Nunavik constitutional committee visited all communities to hear people's opinions and drafted a constitutional proposal that was approved in a referendum held in 1991, the third one since 1975. The Inuit were now reunited behind a common process and negotiations could take place. The proposal was based on the creation of a public regional government that would respect both provincial and federal laws. It was also at this time that Quebec agreed to use the name Nunavik instead of Nouveau-Québec, a very symbolic and significant change.

After an agreement was concluded between the federal and Quebec governments and the Nunavik organizations, the Nunavik Commission got

to work in December 1999. The Commission travelled to all the Nunavik communities and in its final report recommended the creation of a public government in Nunavik. Real negotiations began and an agreement in principle (AIP) for the creation of a Nunavik Regional Government was signed by the negotiators in the summer of 2007. The three political parties represented in the Quebec National Assembly supported the deal and the agreement in principle was signed on December 5, 2007. A final agreement on the Nunavik Regional Government was accepted by all parties in December 2011, but was rejected by the Nunavimmiut in a Nunavik-wide referendum held on April 27, 2011. The reasons for the outcome are complex, but an analysis of discussions held in the social media show that many felt that the agreement didn't establish genuine self-government and that Inuktitut was not protected. The rejection has to be understood in the context of the social crisis occurring in many Nunavik communities that we will discuss later. It also shows that the new generation of Inuit is not aware of their history, since those debates were conducted thirty years ago.

In spite of the negative referendum outcome, the Inuit have overcome deep divisions through a very democratic process. Nunavik is the only Inuit region to have experienced open dissension and to have openly resolved it in a democratic fashion through five referendums held since 1975. The Inuit have also had to contend with Quebec nationalism and federal politics and have gradually shifted their focus toward the Quebec government. Furthermore, they could eventually create a new type of jurisdiction in Canada: a regional government inside a province that allows for political decentralization and provides a model for the decolonization of the Provincial North.

The Crees are also trying to establish self-government for their region. In contrast to the Inuit, they have been able to maintain strong political unity among Cree communities. Tensions did arise around the Paix des Braves agreement and the Rupert diversion project, but despite vigorous internal debate, the Crees remained united. Their challenge lies in the fact that they constitute only 50% of the region's population: a public model of governance would threaten their control of their institutions, whereas a purely ethnic model would relegate them to ruling only community land, a mere 1.4% of Eeyou Istchee. Negotiations around self-government started after an agreement<sup>10</sup> was signed in 2007 between the federal government and the Crees. A Cree governance working group was set up to travel to all the Cree communities and draft a governance proposal that would form the basis for negotiating with Quebec and Ottawa. A final agreement was signed between the Cree Grand Council and the Government of Québec in the summer of 2012. The agreement put into place a mixed governance

model, with the Crees holding exclusive control over category I and II lands and co-governing with the Jamesians<sup>11</sup> at the regional level on category III lands. Cree and Jamesian representatives will be equally represented in the regional government to reflect the demographic composition of Eeyou Istchee–James Bay. This representation will be re-evaluated in ten years to take into account demographic change.

## From Land-Based Economy to Land Claims Economy

The traditional economy of Cree and Inuit societies was based on hunting, fishing, and gathering and on social networks that ensured efficiency, role sharing between the sexes and generations, and redistribution among kin and community. Land-based activities were not merely economic activities; they also contributed to reinforcing social capital through exchange and helped strengthen Cree and Inuit values and culture.

Early contact with Europeans through the fur trade introduced new products and some market activities, but had little impact on the socio-economic patterns of Cree and Inuit communities, since it encouraged land-based activities and left the culture and social networks intact (Morantz, 2010). However, it did signal the birth of a mixed economy with an influx of cash generated by the fur trade. The policy of the government of the time toward the Crees and the Inuit was to "let natives be natives" and only intervene in case of extreme necessity; this drastically changed in the 1950s with the redefinition of the role of the state.

The Canadian welfare state emerged after the Second World War, when post-war prosperity allowed the government to redefine its role and become a direct provider of health care, education, and social welfare services. Government transfer payments were also introduced during this period. Access to money became easier, compounding the challenges to the land-based economy. Transfer payments significantly undermined the Cree and Inuit exchange network by providing a means of subsistence independent of the local environmental and social networks. From this point on, the economy was no longer defined solely in terms of access to local resources and the strength of community and social networks, but was also tied to the global economy, essentially through government transfers, and later through employment. There were attempts to create an alternative economy, however, as the federal government in Kangiqsualujjuaq and an Oblate priest in Puvirnituq, each acting independently, tried to develop local co-operatives. These initiatives started in the 1950s and were based on an effort to market local resources (Arctic char and Inuit art) in order to create employment and access to cash. The co-op movement was consolidated in the 1960s and has since evolved to provide a wide range of services in all the Inuit communities of Nunavik. It has also helped forge the region's political leadership (Beaulieu and Minguy-Dechêne, 1981; Tulugak and Murdoch, 2007).

The JBNQA was seen as a way to protect the Cree and Inuit way of life, but in reality it accelerated the pace of Cree and Inuit integration into the wage economy and the welfare state. One of the most profound impacts of the JBNQA has been the growth of public sector employment under the local governments that are the main employers in Eeyou Istchee and Nunavik today (La Rusic, 1983; Duhaime, 2007). The economy of both these regions could now be summarized as mixed, with a public sector wage and transfer economy and a declining land-based economy supported by the publicly funded Cree Hunters and Trappers Income Support and Inuit Hunter Support (IHSP) programs.

The financial compensation awarded by the JBNQA has also allowed the Crees and the Inuit to invest in their development using strategies that are similar in some respects, but that differ in others. Both chose to invest in transportation, for example, and created their own airline—Air Creebec and Air Inuit—to provide services to their communities. These companies still exist and are only marginally profitable, but they play an important role in social and economic exchanges across the territory. Air Inuit even has a policy of transporting land resources (game or fish) between communities at no charge; this policy allows for redistribution of resources that can become scarce in some communities.

Makivik, the Inuit organization in charge of the settlement money, has been quite successful in developing subsidiary companies (First Air, Air Inuit, Nunavik Creations, Nunavik Furs, Halutik Enterprises, Nunavik Biosciences) and participating in four joint ventures (Cruise North, Nunavik Eastern Arctic Shipping and Nunavut Eastern Arctic Shipping, Uunaq Fisheries, Pan Arctic Inuit Logistics). These ventures fall into two categories: profit-based economic ventures based primarily on profit and social ventures based primarily on social benefits. First Air, a northern commercial airline that has been quite profitable, falls squarely in the first category whereas Nunavik Creations, a company producing Inuit-styled garments and accessories, depends on Makivik for financial support, but provides work to Inuit seamstresses who use their traditional skills. Nunavik Creations also has a program to train a new generation of seamstresses (Rodon, 2015). However, beyond this dichotomy, all the Makivik subsidiaries play a social role.

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The Paix des Braves and Sanarrutik agreements have changed the perspective on economic development since both agreements allow the sharing of royalties from resource development projects initiated by Quebec. Furthermore, with demand for minerals growing fast in the emerging economies of India and China, numerous mining projects are in the works in both regions to capitalize on soaring mineral prices. The Plan Nord, as we will see in the next section, is an effort to take advantage of this situation. At this point, however, there is only one mine in operation in the region, the Raglan nickel nine. Mines are not covered by the Paix des Braves and Sanarrutik sharing agreements, but because of several rulings from the Supreme Court of Canada on Aboriginal land rights<sup>12</sup> and the need to obtain social licence, mining companies are compelled to negotiate impact and benefit agreements (IBAs). IBAs usually cover royalties for the community as well as preferential employment and local subcontracting obligations (O'Faircheallaigh, 2005). In some instances, they also include measures to promote education, notably by prohibiting recruitment of students who have not finished school, for example, or by providing scholarships. The Crees recently negotiated two IBAs, one for the Eleonore gold mine near Wemindji and another for the Renard diamond mine near Mistissini.

Nunavik and Eeyou Istchee share numerous economic development challenges, although there are also important differences as we shall see below. For example, both regions depend extensively on public sector wages and transfer payments. Mines will ease this dependency to some degree, but mining is a boom and bust industry that is not very reliable. Economic leakage is another issue the two regions face, but at different levels of intensity. In Nunavik, virtually everything is imported from the south; only the land-based economy and sewing industry can be described as local, but they are mostly outside the financial realm. Even in the Cree communities, most of the money goes to urban centres, although in this case, much of it is re-injected into the region through the city of Val d'Or. Indeed, Val d'Or provides a strong argument for settling land claims, since the once-declining resource town has thrived on the wealth generated by the JBNQA.

Low educational attainment is also an issue in economic development, with the drop-out rate estimated at 75% in both Nunavik and Eeyou Istchee (Ministère de l'Éducation, du Loisir et du Sport du Québec, 2004). Even though there has been some improvement over the years, the level of educational attainment among the Inuit and the Crees (24.5% and 29% respectively) remains significantly lower than for the province as a whole (53%).

Infrastructure quality is one area where the two regions differ more significantly. All but one of the Cree communities are connected to the Quebec road network and, more importantly, to the power grid and highspeed Internet. In contrast, none of the Inuit communities have a land link to the rest of Quebec. All transportation is by airplane and boat in the summer, and the only deep sea port, Deception Bay, was built exclusively to serve the Raglan Mine, not the local communities. Electricity is provided by diesel fuel generators and Internet service by satellite, which is unreliable, expensive, and slow.

The Nunavik and Eeyou Istchee economies clearly bear the stamp of the JBNQA and the successive agreements. In Nunavik, Makivik has endeavoured to establish businesses in many fields and has had some success in diversifying the economy, but the region is far from flourishing, and poverty and unemployment remain very high (Duhaime, 2007). In Eeyou Istchee, private enterprise is fairly limited and most income derived from public money. Mine development could change this pattern by bringing outside capital into both regions; however, if local economies remain so prone to economic leakage, the main benefits are likely to accrue to individuals, leaving the regions behind.

To sum up then, economic development is fairly limited in both regions. It is driven primarily by land claims compensation and the subsequent Paix des Braves et Sanarrutik funding agreements, and supplemented by a landbased economy that's outside the market economy, but contributes to a more healthy lifestyle and helps ensure the transmission of values and cultures. Obviously, this is not enough to create a thriving economy, especially when human and financial capital is so scarce. Mining will undoubtedly create some wealth—and the Inuit and Crees are in a better position to capture part of it—but it is by nature a relatively short-term activity that depends totally on outside markets.

#### Social and Health Conditions

Nunavik and Eeyou Istchee have also undergone important social changes that create challenges of their own. Both regions have seen vigorous demographic growth, with the Cree population going from 6681 in 1981 to 13,625 in 2006, and the Inuit population from 4420 to 9770, an increase of 104% and 121% respectively. This also means that the population is very young; 35% of Crees and 39% of Inuit were under 15 years old in 2005 (Papillon, 2008).

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The population boom has created huge pressure on housing. Nunavik has the highest rate of overcrowded dwellings in Canada at 49%, compared to 33% in Eeyou Istchee, and only 2% in Quebec as a whole. This overcrowding has many detrimental social and health impacts on the community and affects the level of domestic violence, infectious and respiratory disease, and the dropout rate, to name only a few.

Health indicators are especially worrisome in Nunavik. Life expectancy, which is among the lowest in Canada, actually declined between 1991 and 2001, and stood at 66 years in 2006—fourteen years lower than for Quebec as a whole<sup>13</sup>. This can be explained by the suicide rate, one of the highest in the world, and by the increase in chronic health conditions, especially heart disease and diabetes. Tuberculosis has even reappeared in Nunavik; in 2012, an epidemic struck in Kangiqsualujjuaq, with sixty-seven cases reported in a community of 800 people (George, 2012). Health indicators are somewhat better in Eeyou Istchee. Life expectancy stands at 77.2 years, fairly close to the Quebec average, but diabetes and hypertension are more prevalent than in the rest of the population (Légaré and Dannenbaum, 2008).

The impact of the JBNQA on quality of life has been less than impressive, despite some improvements. A study on the impact of the JBNQA conducted by Papillon (2008) has shown that the Eeyou Istchee Crees are not significantly better off than other northern Aboriginal communities, and that the Nunavik Inuit are significantly worse off than most Aboriginal communities:

The living conditions of the Crees and Inuit have certainly improved in the past 30 years, but comparative data suggest that they might well have improved without the JBNQA. In fact, the state of Cree and Inuit communities under the JBNQA is today only slightly better than or comparable to that of similar Aboriginal communities in other northern regions of the country— and, treaty or no treaty, Aboriginal peoples in Canada, and especially those in northern regions, endure far more difficult living conditions than non-Aboriginal Canadians. (Papillon, 2008: 18–19)

# Plan Nord, Plan Nunavik, and the Cree Vision of Plan Nord

Quebec has announced a vast new development project known as Plan Nord. Plan Nord has been dubbed:

... the project of a generation. It first offered a perspective of sustainable development in Québec and is now one of the biggest economic, social and environmental projects in our time. The Plan Nord will be carried out over a period of 25 years. It will lead

to over \$80 billion in investments during that time and create or consolidate, on average, 20,000 jobs a year, equivalent to 500,000 man-years. The Plan Nord will be to the coming decades what the development of La Manicouagan and James Bay were [sic] to the 1960s and 1970s. (Gouvernment du Québec, 2011: p. 4)

Plan Nord encompasses all lands north of the forty-ninth parallel, a vast area that stretches 1.2 million km<sup>2</sup>—72% of Quebec's surface area—and includes Eeyou Istchee and Nunavik as well as the northeastern part of the province. Plan Nord was put on hold during the Parti Québécois government (2013-2014), but with the election of a Liberal government under the direction of Premier Couillard, Plan Nord has been relaunched. At first glance, this project looks like a new James Bay, but this is a fundamentally different project.

First, Plan Nord is not state driven, but market driven; it seeks to capitalize on mineral development sparked by rising mineral prices and surging demand from China and India. Although Plan Nord also covers energy, forestry, bio-food, transportation, tourism development, and biodiversity preservation, the focus at this point is clearly on the mineral development that is bound to occur, with or without government intervention. Essentially, then, Plan Nord is an attempt by the Quebec government to benefit from this sudden mineral development boom, although its role to date seems to have been largely confined to providing support for the construction of infrastructure needed to exploit and export northern mineral resources. It should, however, be noted that with lower prices of the main minerals, it's hard to talk about a boom; and there are fewer projects on the table, so even at the project level we see a boom and bust cycle that is bound to be repeated.

Second, the Aboriginal leadership was invited to participate in the design of Plan Nord through a year-long consultation process. The Crees and the Inuit have been quite active during these consultations<sup>14</sup>. In fact, the Inuit and the Crees have each produced their own vision of northern development, Plan Nunavik and in a second phase Parnasimautik, and the Cree Vision of Plan Nord.<sup>15</sup> Plan Nunavik (Kativik Regional Government and Makivik Corporation, 2010) was an effort by all the Nunavik organizations to set a development agenda for Nunavik; the second version, Parnasimautik, is based on a consultation of all the Nunavik communities led by the Nunavik organizations. Those plans hardly question Plan Nord, but it is clearly an effort to refocus priorities on the northern needs. The Cree Vision of Plan Nord takes a similar approach, but also calls for a new Paix des Braves in order to secure Cree approval of Plan Nord.

Third, Aboriginal rights are now well-established by the courts. In this context, mining companies eager to avoid lengthy court challenges ensure that they have negotiated impact and benefit agreements with Aboriginal organizations in order to obtain a social license to operate.

The result of these differences is clear in the way Plan Nord was announced. In contrast to the James Bay project, where Robert Bourassa acted alone, the Plan Nord was announced by Jean Charest in the company of Matthew Coon-Come, Grand Chief of the Crees of Quebec; Pita Ataami, president of Makivik Corporation at the time; and Maggie Emudluk, chair of the Kativik Regional Government. Philippe Couillard has followed the same approach and has met with all the Aboriginal leaders from Nunavik and Eeyou Istchee (Rogers, 2014).

However, the support of the Cree and Inuit leadership hasn't prevented some communities, especially in Nunavik, from being very wary of the project, which they see as an invasion of their territory and a threat to Inuit culture and livelihood (George, 2012b). In contrast to the Crees, the Inuit have not been as significantly impacted by the James Bay development, so this could explain their reluctance about Plan Nord.

Plan Nord promises the creation of numerous jobs and local spinoffs, but many issues are left unanswered. As we have seen above, the northern economies are subject to extensive leakage that wages and royalties do little to offset. Furthermore, development is largely exogenous and controlled by outside capital, with little local say over the type of project, but some input into operating condition. Finally, resource development, especially the mining sector, is very prone to boom-and-bust cycles that can devastate communities. This is especially worrisome in the case of Aboriginal communities, which, by definition, are not mobile. The question therefore is how to transform a cyclical industry in a manner that will foster sustainable development. The answer of Plan Nord is to promote other sources of development. "The Plan Nord must be an exemplary sustainable development project that integrates energy, mining, forest, bio-food, tourism, and transportation development, the development of wildlife, environmental protection, and the preservation of biodiversity. It will foster development for the benefit of the communities concerned and Québec as a whole, in a spirit of respect for cultures and identities" (Gouvernement du Québec, 2011: p. 7). This could be a solution, but it means that the Quebec government needs to invest in these alternative sources of development. So far, however, Quebec investments have mainly focused on infrastructure for mining and mineral exports.

#### Conclusion

The Inuit and the Crees of Quebec have travelled an impressive path from a self-sustaining economy to a land claims economy based mainly on public transfers. But most importantly, they have created two new regions in Quebec: Nunavik and Eeyou Istchee. This achievement is more than a mere symbol, since the Eeyou Istchee Cree have signed the creation of a regional government in July 2012 (Gouvernement du Québec and Grand Council of the Cree, 2012) and the Inuit of Nunavik are negotiating their own self-government agreement. These agreements will strengthen the economy and the governance of these two regions.

Nunavik and Eeyou Istchee are politically strong. They have both made their voices heard in provincial and federal politics and have shown an ability to negotiate with government and private sector interests in order to secure their share of development. However, in spite of this political strength, both regions have significant challenges in the years ahead.

First, their institutional development is incomplete. In the case of the Cree, they agreed to put into place a co-governance model with the Jamesians; this will be, in fact, the first hybrid government mixing ethnic and public characteristics, an interesting experience after years of tension between Cree and Jamesians. In the case of the Inuit, they must overcome the impacts of their referendum rejection of the self-government agreement-in-principle, which has set back self-government negotiations for years.

Economically, both regions remain strongly dependent on government transfers and have failed to develop a regional economy. The small population living in isolated communities scattered across a vast territory, the lack of communication infrastructures, and the distance from markets makes it difficult to develop a thriving economy, even if the Crees are somewhat in a better situation. The land-based economy is still present in both regions, but is supported in part by government transfers and the wage economy. It is often underestimated since it's hard to put a value on it, but it should be part of any economic development planning since it is the only commodity that is produced locally.

Since the 1940s, all development in Nunavik and Eeyou Istchee has come from the outside, as the Crees noted in their response to Quebec. Plan Nord is simply the latest in a long series of developments that started in the 1940s with the arrival of the military base and early warning system, followed by the James Bay project in 1971. This exogenous development makes it difficult for people in the North to shape their own fate.

Which leaves us asking once again whether Nunavik and Eeyou Istchee will be in a better position to benefit from the new development plan this time around. For now, it is still too early to tell. As we have seen, the political developments spawned by the JBNQA have provided valuable tools to Aboriginal leaders. The Paix des Braves and Sanarrutik agreements are good examples of their ability to renegotiate old agreements. At the same time, however, northern social and health indicators pose a daunting challenge. For the Crees, the main issue is dealing with the impact of a sedentary lifestyle linked to high rates of obesity, diabetes, and heart disease. The situation is worst in Nunavik, where major overcrowding linked to social and health issues translates into one of the lowest life expectancies in Canada. Nonetheless, Nunavik and Eeyou Istchee are here to stay and will continue to shape the future development of Quebec.

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#### Notes

- 1. Relief was distributed by the fur traders, but billed to the federal government (Tester and Kulchyski, 1994).
- 2. Re Eskimos [1939] SC.R 104.
- 3. For example, Inuit from Inukjuak were relocated to Grise Fjord and Resolute Bay, thousands of kilometres north of their traditional territories. See Tester and Kulchyski (1994) for more details.
- 4. The extinction clause has been challenged, and since the *Constitution Act*, 1982, Aboriginal rights cannot be extinguished, but only defined and agreed upon.
- 5. The Naskapis were added in 1978 by a supplementary convention, the North Eastern Quebec Agreement (NEQA). However, the Innus that also have a claim on this territory were not considered.
- 6. Communal freezers are present in all the Nunavik communities and are used by families who don't have access to country food (Martin, 2003).
- 7. The three communities of Puvirnituq, Ivujivik, and Salluit refused to sign the agreement because of the extinguishment clause and the lack of real self-government (Rouland, 1978).
- Agreement Concerning a New Relationship Between the Government of Canada and the Cree of Eeyou Istchee; it was signed in 2007 and is available at http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ/STAGING/texte-text/ agrnr\_1100100031945\_eng.pdf.

- A report on the analysis of the referendum Facebook page is in preparation and should be published later this year.
- 10. This agreement is similar in many respects to Paix des Braves: the parties agreed to settle outstanding issues and set up a process for negotiating a self-government agreement (Government of Canada and Grand Council of the Crees, 2007).
- 11. The Jamesians are the inhabitant of the Jamesie Region, which covers all the non-Cree municipalities north of Abitibi (Chibougamau, Chapais, Matagami, Radisson).
- See for example Delgamuukw (Delgamuukw v. British Columbia, [1997] 3 SCR 1010) on Aboriginal title; and Haida Nation (Haida Nation v. British Columbia (Minister of Forests), [2004] 3 SCR 511); and Taku River (Taku River Tlingit First Nation v. British Columbia (Project Assessment Director), [2004] 3 SCR 550) on the Crown's duty to consult and accomodate.
- 13. According to Statistiques Québec, the combined life expectancy for Quebec is 80: http://www.stat.gouv.qc.ca/salle-presse/communiq/2007/juin/juin0705b\_an.htm.
- 14. The Innu, on the other hand, have taken a more backseat role—that is, when not opposing the plan outright—a position attributable to the fact that they have not signed a treaty and that their rights are thus not as secure as those of the JBNQA signatories.
- 15. Plan Nunavik is published by Avataq Institute and is available at http://www.makivik.org/wp-content/uploads/2012/06/Plan-Nunavik-06\_20.pdf. The Cree Vision of Plan Nord is available at http://www.gcc.ca/pdf/Cree-Vision-of-Plan-Nord.pdf.

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