

POWER STRUGGLES

HYDRO DEVELOPMENT AND FIRST NATIONS
IN MANITOBA AND QUEBEC



THIBAUT MARTIN AND STEVEN M. HOFFMAN, EDITORS

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Thibault Martin
and
Steven M. Hoffman
Editors

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To the First Nations of Quebec and Manitoba who must cope with the losses occasioned by hydro development.

—TM and SMH

To my sons, for whom my admiration and respect are without limits, and to Denise, for coming into my life; how fortunate can one person be.

—SMH

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POWER STRUGGLES

INTRODUCTION

Thibault Martin

Steven M. Hoffman

THE GOAL OF THIS BOOK is to reflect on the evolution of the new agreements signed or in progress between First Nations and hydro corporations in Quebec and Manitoba. These two provinces share much in common, including a decades-long history of hydro development and a significant interest in exporting electricity to the United States. In the mid-1970s, the two provinces and the relevant First Nations also signed so-called “modern treaties,” i.e., the *Northern Flood Agreement* (NFA) and the *James Bay and Northern Quebec Agreement* (JBNQA), which allowed several large hydro projects to be developed in Aboriginal territories. Finally, both provinces postponed their hydro projects in the 1990s only to resume them in recent years in order to take advantage of the anticipated soaring demand for electricity in the United States.

However, both provincial utilities, Hydro-Québec and Manitoba Hydro, have diverged in their relationships with Aboriginal communities. Hydro-Québec, at one time heavily criticized by Aboriginal leaders, scholars, and international institutions, has signed agreements with the Grand Council of the Crees and with Innu communities that some have characterized as “groundbreaking” in establishing a new social contract between the state and the First Nations (Saganash 2002). This compares with the approach taken by Manitoba Hydro, which continues to develop what might be called “business-only partnerships.” In 2007, for instance, Manitoba Hydro initialled the *Project Development Agreement* (PDA) with the Nisichawayasihk Nation, or Nelson House community, for purposes of building the Wuskwatim hydro project. While many commentators and some First Nation

leaders have argued that this type of deal is the best way to involve Aboriginal communities in the inevitable development of their natural resources while simultaneously generating revenues and employment for northern populations, others have criticized Manitoba for continuing a colonial tradition characterized by inherently exploitive relationships.

This book debates the relative merits and limits of these approaches. Notions of “fair deal,” “partnership,” and “nation-to-nation relationship” are scrutinized and a core set of questions revolving around the different approaches towards hydro development in traditional Aboriginal territories are examined. In sum, the book raises a crucial question: Is Canada, or at least Quebec and Manitoba, on the eve of a new relationship with the First Nations or is the country still dominated by the colonial mindset that has long characterized Canadian-Aboriginal relations, especially in terms of land and resource exploitation?

A second organizing theme for this book concerns the sustainability of the hydro enterprise. Sustainability is a multi-dimensional concept that seeks to call attention, in equal proportion, to environmental, economic, and social impacts associated with development schemes. There is no doubting the enormous environmental impact of large dams and long-distance transmission corridors, particularly in the ecologically sensitive boreal North. While this fact makes the absence of environmental review during the early stages of hydro development all the more remarkable, it is fair to say that in recent years the environmental effects of hydro development have received significant attention. Nonetheless, the growth imperative underlying the behaviour of contemporary utilities companies, including Canadian utilities, makes the primacy of environmental protection problematic despite formal agreements that indicate otherwise. Whether the new agreements provide long-term environmental protection or whether they offer primarily short-term mitigation measures is a central question taken up by a number of authors.

If there is a greater acknowledgement and understanding of the ecological footprint created by large-scale hydro development in the North, the literature regarding the economic and cultural implications of re-engineering landscapes that have been home to human communities for many centuries

is still relatively sparse. Given the economically desperate conditions faced by many northern Aboriginal communities, whether and to what extent the various agreements will facilitate viable economic opportunities for these communities are enormously important questions. A number of essays in this book take up this issue, offering conclusions that range from the hopeful to the pessimistic.

Economic viability is only one dimension of social sustainability; equally significant is the viability of culture. Elsewhere, several authors, most notably Richard Salisbury, have suggested that among the important outcomes of the JBNQA was the political empowerment of the Crees, the development of a strong sense of Cree nationhood, and the construction of a modern political leadership (1986). Similarly, Martin (in this volume) stresses the role played by the negotiation of an agreement for the Great Whale project in creating a sense of empowerment for the different Inuit leaderships. At the heart of several essays in this book, therefore, are the questions of whether and to what extent the new agreements facilitate or work against the long-term maintenance and reinvigoration of First Nation culture.

A number of the essays in this book were first developed for a conference held at the University of Winnipeg in 2003. A primary goal of the conference, entitled *New Agreements or Old Relationship: Hydro Developments on Aboriginal Lands in Quebec and Manitoba*, was to analyze two recent agreements: first, the *Paix des Braves* (2002), which was signed between Hydro-Québec and the Grand Council of the Crees of Quebec; and, secondly, the *Summary of Understanding* signed between Manitoba Hydro and the Nisichawayasihk Cree Nation of Manitoba (2003) regarding the proposed Wuskwatim dam. (The *Summary of Understanding* has been superseded by the 2006 *Wuskwatim Project Development Agreement*.)

Speakers from different backgrounds and perspectives, including scholars, environmental activists, Aboriginal leaders and Elders, as well as spokespersons from the utilities, were invited to speak on these agreements. Hydro-Québec agreed to send a representative to explain the new hydro projects in northern Quebec and the anticipated economic benefits for the Cree communities. The Council of the Crees of Quebec was represented by Romeo Saganash, Jurist and Director of Governmental Relations

and International Affairs for the Grand Council of the Crees; his comments are presented in this volume. Unfortunately, Manitoba Hydro turned down a request for a representative to speak at the conference. The province, however, was represented by the minister responsible for Manitoba Hydro, the Honourable Tim Sale, who participated in a debate before a large public gathering.

The second goal of the conference was to bring together Crees from Manitoba and Quebec to provide them with the opportunity to exchange information about hydro development in their respective territories. This was an important element of the conference since, despite the media coverage of hydro developments in Canada, Aboriginal people from various provinces are not well connected and are oftentimes unaware of the nature and economic implications of hydro agreements signed in the other provinces.

The book is divided into three sections, the first of which provides a theoretical perspective to hydro development in general and a number of comparative analyses of developments in Quebec and Manitoba. John Bonner, a resident of South Indian Lake (Manitoba), offers a moving and emotional foreword to this section. Bonner's testimony is rooted in his life experiences before and after the dam development that necessitated his relocation from his long-time family home to a now impoverished community on the shores of Southern Indian Lake.

Thibault Martin then introduces the general theme of the book, which is whether the agreements signed since the 1990 are, in fact, an expression of the new type of social contract between Aboriginal peoples and the state suggested by the Royal Commission on Aboriginal Peoples, i.e., a process of devolution granting at least some broad self-governing powers to Aboriginal peoples. If they are part of a new era, asks Martin, how do they differ from treaties, such as the *James Bay and Northern Quebec Agreement* or the *Inuvialuit Final Agreement*, signed before the work of the Royal Commission?

While many of the papers in this book use colonialism as a starting point for their analysis, Gabrielle Slowey locates hydro developments in the context of globalization. Slowey argues that the opportunities for self-determination "as it emerges under the auspices of globalization,

increasingly raises issues of unequal relations, not only between Indigenous people and the state or between Indigenous people and corporations but also between Indigenous groups themselves.” The result of this process is the increased stratification of First Nations.

Globalization and colonialism provide useful theoretical reference points for the historical reviews provided by Wera and Martin as well as by Tremblay and Dufour. Wera’s and Martin’s chapter achieves two goals: first, it outlines the events that contributed to the creation of the respective utilities; and, second, it provides an overview of the treaties and agreements enacted between the Aboriginal communities and the provincial and federal governments. In this respect, the chapter is a useful overview of issues that subsequent chapters discuss in much greater detail.

Whereas Wera and Martin focus on the history of the ‘hydro giants’ and the agreements that made their development possible, Tremblay and Dufour offer an account of the Aboriginal struggle towards empowerment and self-determination. The authors discuss a number of thematic periods, beginning in the early 1950s, each of which reflects a particular aspect of the so-called ‘Long Walk’ to gain full rights over ancestral lands and meaningful self-determination. Their survey is intended to answer several questions, including: who were the main promoters of initiatives; under what circumstances and by which mechanisms were Aboriginal leaders’ views shared by Aboriginal communities; what positions on various issues have been taken by non-Aboriginal leaders and their communities; have Aboriginal views been accepted piecemeal or as a whole by Canadian governments and the public in general; and what strategies and techniques were used by both governments and Aboriginal communities to make sure that steps were undertaken in the most efficient manner possible?

The second and third sections of the book move from a general framework to the specifics of hydro development in Manitoba and Quebec. By way of introduction to Manitoba, the second section begins with the text of two speeches delivered by members of the Pimicikamak Cree Nation before the Manitoba Clean Environment Commission hearings in the matter of the Wuskwatim generating station project and transmission project. Both these texts reveal the fear Aboriginal people have regarding the potential

impacts of hydro projects. These fears are not necessarily proportional to the expected outcomes of a proposed project, but, rather, are the result of prior bad history between the Aboriginal communities and state and hydro authorities (see Hoffman 2002; Chodkiewicz and Brown 1999; Waldram 1988). Thus, Peter Kulchyski argues in this volume that the general attitude of Manitoba Hydro and its unwillingness to fulfill its commitments made through previous agreements such as the *Northern Flood Agreement* contribute to a lack of trust that fuels these fears.

Some insight into the basis of these fears is provided by Steven Hoffman in his brief history of hydro development in Manitoba. Hoffman argues that colonialization is helpful in explaining the historical continuities underlying hydroelectric development in Manitoba. While colonialism provided a basic foundation necessary for the historical expansion of the Canadian state, perhaps its most important contribution for hydro development was a mindset that saw displacement as an opportunity and relocation as a means to move Aboriginal communities out of what one government-sponsored report referred to as a "dead-end way of life." Hoffman explores the implications of this mindset and concludes that recent agreements represent not the "end of colonialism but its zenith."

Hoffman's paper focuses primarily on the historical past; Hoffman and Ken Bradley follow this up with a review of the future that examines Manitoba Hydro's efforts to cement its relations with an expanding range of new, extraprovincial markets. Using Slowey's notion of globalization as a starting point, they discuss the physical necessities of the globalizing impulse, pointing out that "institutionalizing a neo-liberal regime in law and policy is only one part of a sustained process of globalization. In addition to the rules of trade and non-interference in the actions of global corporations physical infrastructure is also required." Recent actions by the company, ranging from the Wuskwatim proposal to working with American and Canadian partners to provide increased transmission capacity to service eastern US and Ontario markets, all speak to a remarkably consistent vision that has been guiding corporate activities for over half a century.

Lydia Dobrovolsky concludes this section on a somewhat more optimistic note, taking as her point of departure another element in the provincial/

US relationship addressed by Hoffman and Bradley. There is, argues Dobrovolsky, an opportunity to make up some of what has been lost over the last half-century if the parties can agree on a basic framework for aggressively monitoring the effects of dam operations. She is hopeful that the recent order by the Minnesota Public Utilities Commission ordering Xcel Energy to report on the implementation of the *Northern Flood Agreement* will provide such a foundation.

The final section of the book traces hydroelectric development in Quebec. Romeo Saganash introduces the section with optimism based on the *Paix des Braves* agreement, which, according to Saganash, represents a “real partnership.” A partnership demands a “genuine equality of status, and equity of outcomes” between the province and the Cree. According to Saganash, the partnership embodies “a common set of goals [and] shared objectives with equitable results, which require the respectful cooperation of the parties.”

Saganash’s perspective is representative of the positive attention that has been directed towards the *Paix des Braves*. However, as Renée Dupuis, Chief of the Indian Claims Commission, cautions, whatever new perspectives are represented by the agreement, it is important to note that this new deal does not completely supplant the JBNQA. Since whatever social changes might be associated with the *Paix des Braves* will occur within the context of the JBNQA, it is critical to look at a whole series of governance-related questions that have largely been neglected up to this point. Dupuis urges all parties, including Inuit, the Crees, and the provincial and federal governments, to carefully consider whether the results of JBNQA are, in fact, improving Cree and Inuit socio-economic conditions and the role played by the new governance structures in bringing about these results. These same bodies must also be committed to determining whether the structures have improved the operations of local and regional political authorities from the point of view of the responsibility, imputation, and transparency expected today from government administrations.

The impact that dams can have on a given population is well illustrated in Thibault Martin’s examination of Hydro-Québec’s Great Whale project, which, despite several years of preparatory studies and negotiations, was never realized. Yet, even the preliminary work on the project produced

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