



NEWS UPDATE SPRING 2005



Responding to Critics and Misinformation About the Wuskwatim Project

A small number of people are spreading incorrect information that hurts our First Nation

The NCN Future Development Team and Chief and Council are trying to ensure the Wuskwatim project and its benefits are managed for the best interests of our Members, but outside interests and some of our own Members are trying to derail the project by spreading misinformation. NCN Members need to know and deserve the truth.

A lot is at stake. A successful agreement could give NCN a one-third ownership share in the Wuskwatim generating station and provide job, business and economic opportunities for our Members and other Aboriginal people in the north.

Ekosi

Chief Jerry Primrose

Councillor W. Elvis Thomas
Future Development Portfolio Holder

As the historic vote approaches on whether to ratify the proposed Project Development Agreement (PDA) with Manitoba Hydro, there have been stepped-up efforts to derail the project and discredit the leadership of NCN by a group of political opponents, academics and environmental lobbyists in Canada and south of the border.

We are used to criticism and interference in our affairs by self-interested parties, but this has never deterred us from working towards a better life for our community.

Our First Nation is Succeeding Despite Efforts To Discredit and Derail Our Achievements

As just one example of our success, thanks to our efforts to partner with Manitoba Hydro, we are now approaching completion of the \$8.1-million-dollar Atoskiwin Training and Employment Centre (ATEC) facility in our community that will train our people for skilled jobs, including jobs on the proposed Wuskwatim project and other projects. NCN members have

already completed training and are working as part of the effort to prepare for this project.

1996 NFA Implementation Agreement

We are proud of our achievements in the short time since our 1996 agreement has been operating, and we want others to know that when all parties cooperate, fair agreements, such as ours, can be reached – and that we can successfully implement these agreements and govern ourselves.

In addition, we now have a solid process that must be followed before any future hydroelectric dams can be developed or built in our Resource Management Area. These provisions are being honoured. Our people will not have to wait over 18 years to obtain compensation, or the benefits from any future development as we did with the Churchill River Diversion (CRD). We are already reaping the benefits.

Our Future is Not for Sale

Like our ancestors and elders, we are focused on providing for seven generations ahead. All the things we hold sacred will be preserved and passed on to our children. This has always been the way for the Cree. We are looking forward, not back.



MONEY ISN'T THE ONLY THING WE WANT TO LEAVE AS A LEGACY TO OUR CHILDREN'S CHILDREN. THAT IS WHY WE HAVE APPROACHED THE WUSKWATIM PROJECT AS A PARTNER, SO WE CAN INFLUENCE AND HAVE SOME CONTROL OVER WHAT HAPPENS.

Ours is a holistic approach. Money isn't the only thing we want to leave as a legacy to our children's children. That is why we have approached the Wuskwatim project as a partner, so we can influence and have some control over the development project.

Our Traditional Knowledge has been used in the development of the project. This is a first, and an approach that is recognized worldwide as an important part of sustainable economic development and resource management. This is why there will be minimal environmental impact. We have influenced what can take place.

The Critics Want to Take This Opportunity Away From You

It is true that Wuskwatim is only viable because of the CRD, which created a great

river where there wasn't one before. But the CRD is a reality. It won't go away. We didn't ask for it and we didn't want it, but it is there just the same. The construction of Wuskwatim won't make the impact of the CRD any better or worse, but it will provide much needed opportunities for our people and this time, we are in the driver's seat.

To suggest we are being paid off by Manitoba Hydro is ridiculous. No one has more experience than we do in negotiating with Manitoba Hydro. We are in charge of our destiny, and we must be if we are going to grow as a First Nation. We cannot rely on handouts from governments.

Already the needs of our people far outstrip the resources available. Today we need a new high school, 600 homes and money to send our children away to university and college. We have high unemployment, addictions and health problems and unacceptable poverty to deal with on a day-to-day basis. Still we have hope. We have dreams and aspirations and won't allow critics to deter us from our aims and objectives.

Our vision is to exercise sovereignty that sustains a prosperous socioeconomic future for Nisichawayasihk Cree Nation in a way that will strengthen our culture and our identity as Cree people. You can't do that when you are confined spiritually, physically and economically. And it can't happen if we are divided and misinformed about our reality.

Correcting Misinformation and Fuzzy Thinking

Over the past few months critics of the project have made a number of incorrect statements and unreasonable requests regarding the Wuskwatim project. We want to make sure you know the real story.

The critics say: A delay of a few months has increased the proposed Wuskwatim construction cost by \$130 million.

The real story: *This isn't true. The Agreement in Principle (AIP) and estimated development costs expressed in the Summary of Understandings (SOU) anticipated construction would begin in the winter of 2003/04. This represents a delay of a full year, not a few months and the start date may now be delayed until late 2005.*

The one-year delay is a result of the time it has taken to move through the regulatory process. We are still waiting for federal and provincial approvals, and the PDA approval.

The critics say: The vote on the Project Development Agreement (PDA) should be delayed two years to give the community adequate time to consider the proposal.

The real story: *We cannot afford a further two-year delay. The proposed cost of the project is rising in line with the costs of construction. The longer it takes to build Wuskwatim, the more it will cost and the less*

our First Nation can earn. Delay could end the project for us and opponents know this.

This Wuskwatim planning process has taken seven years. NCN's membership has been consulted every step of the way and if people have a basic understanding of the SOU they will quickly understand the basics of the PDA. Once the PDA is finalized there will be another round of consultation with Members so you will have adequate information to make an informed decision before the vote.



THE WUSKWATIM PLANNING PROCESS HAS TAKEN SEVEN YEARS. NCN'S MEMBERS HAVE BEEN CONSULTED EVERY STEP OF THE WAY. IF PEOPLE HAVE A BASIC UNDERSTANDING OF THE SOU THEY WILL QUICKLY UNDERSTAND THE BASICS OF THE PDA

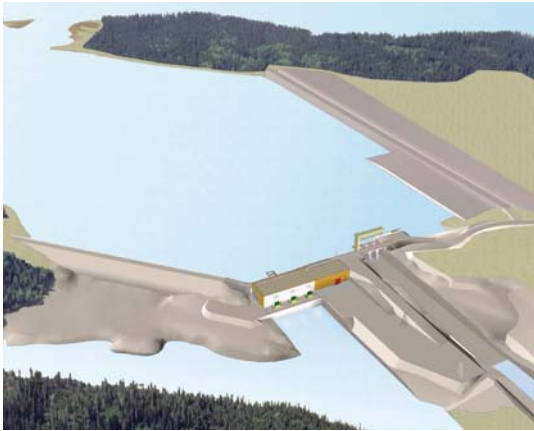
The critics say: NCN's leadership is purposely delaying the vote on the Wuskwatim Project Development Agreement until after South Indian Lake gains its own reserve status, to prevent these NCN Members from voting on the PDA.

The real story: *This is not true. It isn't in NCN's interest to delay the vote on the PDA. The project has already been delayed one full year. The vote on the PDA will take place once it is finalized and Members have had an opportunity to consider and ask questions about the proposed agreement.*

We have been working together to achieve independence for SIL for many years. It seems to be closer than ever, but it is hard to predict when the governments will give their approvals and a separation agreement is in place.

The critics say: NCN hasn't negotiated a good deal for Members, compared with what the Quebec Cree negotiated for hydroelectric development in their Resource Management Area.

The real story: *The critics continue to compare our proposed agreement to the Quebec Cree's, even though they know the two agreements aren't comparable. The comparison was presented to the Clean Environment Commission, which determined no meaningful comparison could be made between the two. It is like comparing a muskrat to a herd of caribou. Besides, the Cree in Quebec are facing flooding that would be greater than the CRD all over again. Who would want that deal knowing what we know?*



NCN DECIDED TO PROCEED WITH A LOW-HEAD DAM TO LIMIT THE DAMAGE TO THE ENVIRONMENT AT THE EXPENSE OF MORE REVENUE.

Unlike the Quebec Cree, NCN decided not to proceed with a project that would result in massive flooding. NCN had the option of developing a high-head dam, which would have created more flooding, and more revenue. But, NCN decided to proceed with a low-head dam to limit the damage to the environment at the expense of more revenue.

The critics say: NCN should secure independent legal advice to review the PDA.

The real story: We already have independent, trustworthy legal advice – some of the best legal professionals in Canada. Our legal team was chosen for their experience and their professional qualities. Our legal advice comes from more than one firm to ensure balance.

The critics say: NCN's last general election was tainted.

The real story: The Federal Court of Appeal doesn't accept this view and dismissed the allegations made by a group, which includes people who ran in the last election, but failed to win the support of our Members.

There are always winners and losers in any democratic election. If the critics don't like the outcome of the last election, they will have an opportunity to run for office in the next general election. That is democracy.

The critics say: The vote on the Agreement in Principle was questionable.

The real story: Our membership overwhelmingly supported the vote on the AIP. There isn't anything questionable about the result.

The critics say: Wuskwatim hydroelectric project is a lose-lose for Aboriginal people.

The real story: This is false. Our First Nation is involved in the project because there are very clear benefits in both the short- and long-term. These include training, jobs, business opportunities, the potential for millions of dollars from power revenues and the spin-off economic benefits for the wider region in the north. This is not just speculation.

There are job preferences and contracts for work being finalized and included in agreements being negotiated prior to development work on the Wuskwatim project.

We have also been negotiating contracts to create additional business opportunities and employment for our Members. These contracts include:

- Access-road construction
- Transmission-line clearing
- Site infrastructure construction
- Construction-camp catering
- Security for construction
- Cross-cultural awareness training, on-site counselling and ceremonies during construction (Manitoba Hydro has enthusiastically embraced this).

The critics say: Manitoba Hydro has never apologized or asked permission to build in our Resource Management Area.

The real story: This is untrue. Ed Wojczynski, Manitoba Hydro Power Planning Manager, last year restated Manitoba Hydro's apologies to large general community meetings of NCN Members at Nelson House and South Indian Lake for the damage caused by the CRD, built over 30 years ago. He told NCN Members that Manitoba Hydro acknowledges earlier hydro projects had a major adverse impact on NCN's environment and its people and

that the impacts had been greater than expected. "We regret the harm that these impacts caused to your Nation, elders, resource harvesters and community," he said in part. His apology was translated into Cree to ensure everyone heard and understood.

Manitoba Hydro has been working in partnership with NCN for the past seven years to develop the Wuskwatim project, as part of the provisions for cooperative development set out in Article 8 of the 1996 Northern Flood Implementation Agreement. This Article requires Manitoba Hydro to consult with us.

NCN and Manitoba Hydro have nearly completed a PDA and ultimately it will be up to the membership of NCN to decide whether the project proceeds or not.

The critics say: Wuskwatim is like the CRD all over again.

The real story: This is not true. The Wuskwatim project isn't remotely like the CRD. Thirty years ago, Manitoba Hydro built the CRD without the cooperation of our First Nation.

There wasn't proper consultation, environmental laws were not stringent and the attitudes of Crown corporations and governments were different back then.

Unlike the CRD, where implementation agreements were made after the fact, NCN has been involved in the planning of the Wuskwatim project from the beginning and has had significant input into the design of the generating station, the routes of the transmission corridor and access road, and the negotiations for workers on the site.



MANY NCN MEMBERS HAVE ENROLLED OR COMPLETED TRAINING IN SKILLED TRADES AND ARE ELIGIBLE FOR JOBS ON THE PROJECT.

Throughout the process we have used our Traditional Knowledge to minimize any impact on our environment, people and traditional ways.

In addition, the Wuskwatim project will cause a very small amount of flooding compared with the CRD (roughly 760 square kilometres of CRD flooding compared with less than half of one square kilometre of flooding, about the size of a small golf course, in the immediate area of the proposed dam).

And, the proposed Wuskwatim project is not a diversion project. It is a modified-run-of-the-river operation, which means there will be minimal changes to flow of the water and no changes to the CRD.

The critics say: Manitoba Hydro is promising jobs, but none have been provided.

The real story: Again this isn't true. In addition to the many Members (elders and resource users) who were employed during the environmental assessment process, many people are currently employed with NCN's Future Development Office, working directly on the Wuskwatim project.

Others are working on the construction of the ATEC.

Many more Members have completed training in skilled trades and are eligible for jobs on the Wuskwatim project.



The critics say: Aboriginal people do not have the previous training or experience to work at Wuskwatim, and the jobs will go to union workers. They will end up doing all the 'dirty work.' Rather than helping them learn, Manitoba Hydro takes advantage of the situation, knowing the people are uneducated.

The real story: This attitude is offensive to our people, particularly those who are in training or have completed training and are working or anticipating employment in their career of choice.

Nearly 170 of our Members have already completed training through ATEC, which has been offering training programs since 2003. And all have had work experience or full-time employment as a result, including over 70 who are still employed. They have found jobs as plumbers, carpenters, electricians, labourers and heavy equipment operators, in clerical work and in security. Currently there are 46 people in training and ATEC is keen to see more NCN Members enroll in programs.

Many of our Members will be ready and qualified for jobs on the Wuskwatim project. NCN workers on the Wuskwatim project will be union workers covered by the Burntwood Nelson Agreement (BNA), an agreement that will cover the entire project, including our Members and other Aboriginal people.

Manitoba Hydro has also contributed a significant level of funding towards training and employment initiatives for Aboriginal people. The first people employed on the feasibility part of the project in fact were NCN Members.

The critics say: NCN will 'give' Manitoba Hydro \$73 million to be a partner.

The real story: There is a significant difference between giving something and buying something, which results in an investment to be jointly owned by Manitoba Hydro and NCN that will produce revenues for the First Nation, that may be as high as \$56 million annually. This is a first: it is unprecedented in Canadian history for a First Nation to own part of a hydro project.

The critics say: NCN's community programs have been negatively impacted by the investment in the Wuskwatim project.

The real story: These programs have not been affected and funding for community or other programs must be approved.

The critics say: NCN is paying Manitoba Hydro for the project using compensation the band was given by Manitoba Hydro.

The real story: Manitoba Hydro will lend NCN two-thirds, or \$49 million of the estimated \$73 million needed. NCN will need to raise the balance of about \$24 million from other funding sources and NCN's own cash contributions. This money will be paid back with the profits made from the sale of electricity.

Through the Nisichawayasihk Trust Community Approval Process (CAP), we have already set aside over \$1.5 million and we can set aside more before 2010 or 2011, when the construction is expected to be completed. No community programs will be affected and any allocations have to be approved and voted on by the community.

The critics say: NCN will not see any benefit from the Wuskwatim project for many, many years.

The real story: NCN is already receiving benefits from the proposed Wuskwatim project, and will continue to, whether or not the project goes ahead. These immediate benefits include ATEC, jobs for the Future Development Team and training of many NCN Members for skilled trades. In the near-term there will be jobs for our skilled and unskilled workforce. There will be opportunities for NCN businesses and the economic spin-offs that will benefit not just Nelson House, but other northern communities, in particular Thompson.

Update on the Wuskwatim Project

The Project Development Agreement is nearing completion and expected to be released soon. We hope to have it finalized very early this summer. We will keep you up-to-date on developments.

Regulatory Approvals

The Wuskwatim project still needs approvals and licences from both the federal and provincial governments to proceed. These licences haven't yet been issued, but are expected in the near-term.

The provincial and federal governments are awaiting the final report of the regulatory authorities, regarding the protection of our treaty and Aboriginal rights covered by Section 35 of the Canadian Constitution and other matters related to the project. We hope their report will be released soon.

CEC Recommendations

The Clean Environment Commission has recommended the project go ahead and be approved by government.

Training, Jobs and Business Opportunities

NCN Members have continued to register with ATEC for jobs and training opportunities in anticipation of the Wuskwatim project. There has been a significant increase in the number of people enrolled in ATEC.

The new training year began April 1 with 46 students enrolled with ATEC.

There are 19 people enrolled in Life Skills, one in Catering, two in Electrical Levels 1 and 2, four in Carpentry Level 4 and 20 South Indian Lake residents enrolled in Upgrading.

In addition, 14 are currently working on the construction of ATEC.

ATEC has a total of 295 training seats available for the current year ending March 31, 2006, including trainees on work experience.

A Story of Opportunity and Hope

One of the greatest challenges facing our people today is from those claiming to be "Indian Experts" and others who are trying to dictate our children's destiny.

These so-called experts are for the most part well-educated people and university professors who have no real understanding of the Nisichawayasihk people. They ignore the fact that colonialism is still active and even more aggressive than ever before, and they are part of that process that aims to confine us to the bottom of the economic ladder of society.

These people, and even some of our own people, don't look beyond the confines of a reservation and our status quo to see what is possible.

Today there are people who claim to be our elders, traditionalists and even traditional leaders or headmen. Others also claim to be mediums and channel messages from the spirit world and God to our people. We can only wonder what God they are talking about, that would promote hatred and spread confusion amongst our people.

There are old people in our community who aren't very pleasant or respectful to others, especially our leadership. They have filled their lives with their own self-interest and have allowed themselves to be used by others. They want you to consider their needs and feelings with little concern for the present or future generations. They also portray biased views about our people and incline their hearts towards ignorance, hatred and darkness.

If elders or mediums don't show respect to others, can they truly be a reflection of our morality? Aren't they supposed to offer hope and promise for the future and the destiny of our children? What wisdom are they passing on?

True traditional elders and spiritual communicators are supposed to offer a glimpse into our future. They are us and we will be them. We are part of them.

Let us not be blinded by their unpleasantness and hatred, because they are only being used by others with their own agendas, political or otherwise.

We must stand against this! Let us not lose our dignity because of a handful of individuals. Let us continue to value our dignity and fight for what is right for our children. Let us not cast aside a world that our ancestors fought and died for and the wisdom that we have gained because of their sacrifice.

We have before us an opportunity to explore new partnerships, which will amount to progress for our children. We can create a new relationship between developers, the governments, and ourselves, where we are part of any economic development that is to occur within our territory.



WE WANT TO CREATE ECONOMIC FREEDOM AND THE CULTURAL SPACE WE NEED TO INTEGRATE OUR NEHETHO CONCEPTS ON OUR TERMS. ONLY WHEN WE HAVE ACHIEVED THIS FREEDOM, WILL WE BE ABLE TO OVERCOME THE TRAUMAS WE HAVE SUFFERED.

We can overcome 100 years of colonialism through a greater understanding of the past. Unless we do, unresolved historic trauma and grief will continue to impact on individual people, families and our community.

Colonialism had a major economic impact and violated our nehetho stewardship of the land, with the forced removal of our people from a natural habitat to a confined environment. This was the first stage of colonialism and we continue to feel the affects of this.

The second stage of colonialism was religious transformation and cultural destruction along with the destruction of our nehetho social structures. These colonial social structures were foreign to us and still affect our children.

The third stage of colonialism was the psychological or cultural oppression where our people were considered unimportant, and pushed to the bottom of the ladder in Canadian society.

These are the realities that the "Indian Experts" and some others fail to understand. We can educate these people. If we can create a better understanding of the social and cultural diffusion that has disrupted our people and our community for so many years, we will then be able to address the mentally, emotional, physical, spiritual and economic trauma we have suffered.



We are trying to promote this healing by maximizing the real tangible benefits offered by the Wuskwatim project. We want to create economic freedom and the cultural space we need to integrate our nehetho concepts on our terms. Only when we have achieved this freedom, will we be able to overcome the traumas we have suffered.

We must see the world as our ancestors have. They saw the world from which we came. Their legends are the blood in our lives that ran through their hearts.

No matter what negative people say, let us continue to want to exist and honour our ancestors. If we do that, we will gain the knowledge of our past and wisdom to understand our future.



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