

EDITORIAL: Nunavut August 07, 2012 - 9:05 am

QIA's private business?

NUNATSIAQ NEWS

It's likely that many Inuit beneficiaries in the Baffin region will object to the [free Olympic Games trip](#) that Okalik Egeesiak, president of the Qikiqtani Inuit Association, along with two senior officials at the Qikiqtaaluk Corp., accepted recently from [Arcelor Mittal](#), majority owner of Baffinland Iron Mines Corp.

But those who are tempted to condemn that decision might first wish to give it some careful thought.

Yes, if any publicly-elected official — such as Leona Aglukkaq, Eva Aariak or John Duncan — were ever to accept such a lavish gift, especially in exchange for influence, their political careers would end in disgrace.

But Nunavut's Inuit organizations are different. Egeesiak and her colleagues at QC are not the elected leaders of a government. They serve as officers within private corporations.

That's how the Nunavut land claims agreement was intended to be implemented — by private entities acting under the theoretical control of Inuit beneficiaries.

The land claims agreement contains little or no detail about how such control ought to be exercised. This means ethical issues, such as the conduct of elected officers and employees, are essentially private matters to be worked out between Inuit beneficiaries and the organizations created to represent their interests. Whether they like it or not, this is what Inuit beneficiaries accepted when they voted yes in the ratification vote held in October 1992.

There's just one problem. In the eyes of many beneficiaries, leaders like Egeesiak enjoy the same status as public figures who serve in government. For this reason, beneficiaries expect their leaders to conduct their private affairs according to the same standards that apply to public government officials.

And the Olympic Games is a sports competition, created and marketed for mass entertainment and pleasure. A free trip to London to attend this event cannot be construed as anything other than a generous gift.

But in accepting such a gift, are the QIA and QC officials putting themselves into a position where Arcelor Mittal executives may, in exchange for their generosity, obtain favorable decisions on the Mary River iron project?

In her defence, Egeesiak told Nunatsiaq News, and CBC Nunavut, who first broke the story, that her trip to London will have no influence on the Nunavut Impact Review Board's consideration of the Mary River project.

On that point, she's right.

In the board's recent environmental review of Mary River, QIA acted as just one stakeholder among many. At the same time, QIA's staff and consultants exposed many weaknesses within Baffinland's environmental impact statement and showed no hesitation in presenting them to the review board. QIA maintained a position that calls for careful monitoring of the mine at all stages. These are not the actions of an organization that's been bought off.

Besides, it's the NIRB's staff and lawyers, not QIA, who will craft the Mary River mine's recommended licencing conditions. And it's AAND minister John Duncan who will make the final decision.

For her part, the president of QIA appears to hold the honest belief that her trip to London, which was approved by QIA's board, is in the best interests of beneficiaries. As for Qikiqtaaluk Corp., that company has been in business with Baffinland for several years. There's little doubt that QC executives also believe the trip is in the best interests of beneficiaries.

But there are two pieces of business between QIA and Baffinland that remain unfinished.

One is an Inuit impact and benefits agreement. The other is a commercial lease for Inuit-owned lands. Will Arcelor Mittal attempt to influence the outcome of these talks during the QIA-QC visit to London?

It's impossible to imagine that they wouldn't.

Arcelor Mittal is a global behemoth that controls an estimated \$122 billion worth of assets in 60 countries. The Mittal family achieved this because, among other things, they're shrewd, daring negotiators.

Inuit organizations in Nunavut always conduct IIBA and commercial lease negotiations in private. Such agreements, once reached, are never completely disclosed, if disclosed at all. This means most beneficiaries will never be able to tell if the QIA-QC officers were influenced by the gift they received from Arcelor Mittal.

In the end, it's up to the Inuit of the Baffin region to decide if they want their leaders to accept such gifts from mining companies. But the confidential nature of the agreements in question mean beneficiaries will never gain access to the information they need to make the necessary assessment.

On that point, it's worth recalling that [Eegeesiak last won her position](#), on Dec. 13, 2011, by gaining only 36 per cent of the vote in an election during which just 32 per cent of eligible voters cast ballots.

Nearly, 9,000 people were eligible to vote that day. But to claim the QIA presidency, Eegeesiak needed only 1,053 of them.

This reveals that at least two-thirds of the Baffin region's beneficiaries don't care who becomes their organization's president. This suggests they also may not care much about how that president conducts the organization's affairs. **JB**

(19) Comments:

#1. Posted by Tommy on August 07, 2012

QIA was an easy sell. Without giving it a second thought, they went for the bait. Too easy!

Baffin Islanders didn't go to the polls because they lost confidence long time ago. And to say the beneficiaries want this project is like giving the early voyageurs all the pelts they would want without a token to be had.

#2. Posted by Eskimo Justice on August 07, 2012

Inuit agreed to have private entities run their lives, when they voted in 1992? that is a loaded question. Inuit did not comprehend the consequences of their decisions. Yet Inuit have to live within a system that from the outset is designed to be foreign and only those that have participated in the process actually really understand it. Look at the white negotiators, they practically run the inuit orgs (consultants, negotiators, etc). Inuit have the power to change this, but the public government is run by those that have authority (qalunaaqs) and thus unwilling to try anything outside what they know. Let's pass disclosure laws, ohh wait that will scare away investment, NTI will fight that. Inuit have no recourse to find out what it's organizations are doing, no access to information act. The system is set up to favor those with knowledge, when we have private entities that hide behind disclosure laws, this does a disservice to democracy. Inuit must stand up to this...

#3. Posted by IceClass on August 07, 2012

No. The system is set up to facilitate development and native corruption. Inuit don't even have the basic rights they'd have if they owned a few shares of bombardier or some other public company. Individual Inuit are NOT shareholders or owners.

This is the central question of the post land claims environment in Nunavut: can we develop resources without destroying the environment and without fostering a culture of corruption.

The answer to the second part seems to be a clear no.

#4. Posted by Think about it on August 07, 2012

#2, seems only fitting that that what I called you because of the crap that you spout. From the beginning of time the Inuit have had to live with the consequences of their decisions. Knowledge that is passed from generation to generation, those who do not listen or learn suffered as a result.

This problem is not in any way a race issue, it is an accountability problem, the organizations need to place in their regulations rules and laws that forbid executives personally benefiting from inside favours. A thousand years ago, what would the Inuit do to people who betrayed their trust? I wasn't there, but I don't think they blamed everyone around them; they just dealt with the problem.

Not every problem is the fault of "Northerneers" (as some person called us during Nunavut Day celebrations), stand up and demand transparency in your organizations, too many back door, under the table dealings. Everything should be out in the open and things will be a lot clearer.

#5. Posted by Taqulik on August 07, 2012

Eskimo Justice wrote: "Inuit did not comprehend the consequences of their decisions"... Wow, quite patronizing... if not colonial! (governments used to pretend that Aboriginal peoples were children that couldn't understand civilization) The Agreement took about 30 years to negotiate and it was explained at length to anyone who was interested and people had a free vote. It's like anything else, until an agreement is implemented it's hard to predict how it will unfold unless there is a similar agreement already in place somewhere else, which was not the case for the Nunavut Agreement. These problems can always be ironed out later.

Opposing "white" negotiators and consultants to Inuit smells ethnic stereotypes and is not useful. Consultants and negotiators were chosen by Inuit authorities at the time because of their qualifications, attempting to reach a satisfactory deal with Canada, period. Some of them were good, other not so good but that's a fact of life.

#6. Posted by Eskimo Justice on August 07, 2012

#4 inconvenient truth. Northerners has severely failed Inuit. Most northerners do not come up with Inuit philosophy of we are all equal. they cloud equality with seniority, education and my fav experience, not to mention greed! Not to say that Inuit do not need those, any society needs new ideas and ways of organizing society for the betterment of that society. Inuit need to learn, have these ideas passed on to them. With the current system, it is already strained by excuses of under capacity, inexperienced inuk's, funding constraints working in the north, etc, thus northerners are unwilling to pass on their knowledge to others, when they feel underwater as it is. Qalunaaqs will always have an 400 year head start on capitalism in the arctic.

laws can be designed to create an open society, there is no willingness by those with authority, because private entities have taken over many faucets of organizing our society.

#7. Posted by eskimo joe on August 07, 2012

given the fact the most of us were not inform prior two months before the facf. this tells me if nunavutmiut had heard this, there would be no junket to london. this tells me that qia board and the executive that they undermined us, screw the little brown guy; the inuk voter.

we would have demanded they do not go, period. they (qia) just have been put themselves into weaker position in the future ventures, negotiations with any mining companies venturing too nunavut, etc. this pretty much tells us we have no right to complain about gn, gn boards, uranium, businesses, etc. we're are just as immoral as they come; even as blood diamonds. infraction is infraction, no matter how you color it.

#8. Posted by janeinuk on August 07, 2012

Interesting article! We should expect no less ethical behavior from our corporate leaders especially from those that are tax exempted. Ethically behavior is not just for elected leaders of government or for public companies. QIA is a non-for profit organization with quasi-regulatory powers. There are no mines without QIA's endowments. Lakshmi Mittal is a great man. http://en.wikipedia.org/wiki/Lakshmi_Mittal Physicians are now prohibited from accepting gifts from pharmaceuticals companies. Colleges' athletes are prohibited from accepting gifts. Many corporate' directors are prohibited from accepting gift above a certain threshold. A simple gift of any amount can influence behavior. In psychology, it is call reciprocity. Even a free soda can influence many of our biggest purchases - elementary psychology. <http://www.psychologyandsociety.com/giftsdonations.html> Acelor mittal is very ethical corporation. <http://www.bloomberg.com/news/2010-08-16/unions-media-say-arcelormittal-south-africa-buying-political-influence-.html>

#9. Posted by Mack Daddy on August 07, 2012

A code of ethics is not required here, it's common sense. From time to time we here politicians say "If elected I will not collect a salary" I am not saying that this would be reasonable in this case, holding a position in the north with no salary is not feasible. But it does send the message that I want this position because I feel I can make a difference and I am not in it for personal gain. It sends the message that I can make life better for the people I represent. By accepting these expensive gifts it gives the perception that they are taking advantage of their positions and putting the needs of the people that they represent second. It doesn't take a code of ethics policy to see that this looks bad, It's common sense.

#10. Posted by Sandra Inuitq on August 07, 2012

Inuit political representation by elections is done through corporations because the Canadian constitution does not allow for a third order of government. Every governing power in Canada within the scope of the Canadian constitution must derive either from the Federal or a Provincial government, leaving no room for recognition of the aboriginal "third order of government". Even though Aboriginal People have an inherent right of self-government under section 35 of the Constitution, the 'how' it's done is not so clear. So the exercise of these rights, including land claim rights, is done through corporations.

That is why development corporations are separate arms of these corporations. These corporations are meant to be the business arms.

Those elected would then be expected to follow the same code of conduct as other elected officials.

Anything less would undermine the principle of Aboriginal self-governance.

#11. Posted by ben on August 07, 2012

is she going to post pictures in their website? i want to see. hahaha

#12. Posted by sled dog on August 07, 2012

perhaps QIA could have said, we accept but would rather you made an equivalent donation to local food banks on Baffin Island. I wonder how much good some \$ 30000 worth of food would benefit the masses versus benefiting three.

and before you jump all over the number, it is a best guess

#13. Posted by Putuguk on August 07, 2012

At the end of the day, the Inuit orgs are simply Societies governed by territorial legislation.

If there is a need or desire to make these organizations more accountable to their members, or to make them act according to certain ethical standards, the way to do it is change the Societies Act or create regulation under that Act to do so.

If you want this to happen, write a letter to your MLA and get this brought up in the legislative assembly.

#14. Posted by Beneficiary on August 07, 2012

How is this free trip to the Olympics going to benefit Nunavut?

Clout sold for a personal trip.

A donation to the breakfast program would have been appreciated by the many students who use this service or even a gift to the wonderful volunteers who take time to help with it.

#15. Posted by Opinion on August 07, 2012

At the outset...YES I am cynical but nothing will come of this just like nothing was ever mentioned about the direct links between the NTI pres and issue relating to NNI and the coral contract OR QEC and the relations between the NTI pres and some of those she was outraged about. So.....when we grow up and realize we have no integrity on a lot of these issues MAYBE things will change.

#16. Posted by sled dog on August 07, 2012

to # 13, i gather that change in legislation would be under fred schell's portfolio?

I am not surprise this is the attitude of the editor that this is ok since a NN journalist/write recently took trips to greenland , courtesy of air greenland then chirped about it in not one, but two glowing articles.

I bet though this last bit will be edited rather than put to public debate

#17. Posted by Crystal Clarity on August 08, 2012

Conflict of interest is never a problem for us in Nunavut. We have no problem wearing your logo, furthering your cause, influencing the awarding of contracts, as long as we can derive some personal benefit out of doing so. In a moral, ethical world we would turn down such offers because the public would perceive it as somehow "crooked", giving the impression that a company was buying our favors with gifts and bribes and justifying those actions under the cloak of "private". How many regular Joe's wakling around Nunavut were given such gifts...zero....why?.....because they have no influence worth purchasing. Conflict of interest is not a problem for us.

#18. Posted by Regular Joe on August 08, 2012

Nunavut is a land of opportunity. A person with no education, job or particular standing can get elected or appointed to a position of great standing, authority and influence and suddenly see their personal value skyrocket. The Inuit Org's prove this consistently and continuously. They thumb their nose at any request for information or transparency and hide behind the invisibility cloak otherwise known as private corporation. With billion dollar mining interests courting Inuit Org's for "cooperation" to further their interests we should expect to see a lot more of it. We have no one to blame but ourselves. We are very good at holding our hands out for the next free thing. We are easily bought and paid for and the structures of the LCA guarantee us the right of non-disclosure when it matters most. May the Olympic spirit live on in all of us!

#19. Posted by Walter Bagehot on August 08, 2012

To #18, Regular Joe, quote: "A person with no education, job or particular standing can get elected or appointed to a position of great standing, authority and influence and suddenly see their personal value skyrocket."

Excellent point, because the Inuit leaders of Nunavut have never had to struggle or work hard to earn their positions. What has the president of QIA ever done or accomplished at any time in her life to prepare or qualify for her high-flying job besides being the worst ITC president ever? I think her big problem is does not have the education or experience to understand the problem she has created for herself.