



## **Socio-economic Impact Assessment in the Mackenzie Valley**

Briefing Material for the Environmental Assessment Practitioner's Workshop, Yellowknife, NWT, March 15-16, 2006

### **SEIA and the Mackenzie Valley Environmental Impact Review Board**

In the Mackenzie Valley, practice of environmental impact assessment (EIA) has shown that social, cultural and economic issues are among those most often causing concerns among potentially-affected populations. Despite this, socio-economic impact assessment (SEIA) has not been fully integrated into the EIA process. Recognizing this, the Mackenzie Valley Environmental Impact Review Board has been working over the past year:

- Developing Socio-economic Impact Assessment Guidelines, a draft of which will be out in Spring of 2006;
- Meeting with a variety of people in focus groups to determine how to better integrate SEIA into the EIA process in the Mackenzie Valley;
- Going to a variety of communities to talk about social, economic and cultural impacts and SEIA process issues;
- Developing a library of SEIA materials; and now
- Devoting the entire annual Environmental Assessment Practitioners' Workshop to "Raising the Bar for Socio-economic Impact Assessment".

### **What we expect from the Practitioner's Workshop**

It is at this Workshop on March 15 and 16 that we want to hear your voices. Share with us your impact and process concerns, as we have shared with you in the attached document - *Community Visits 2005* - the concerns that communities expressed to us in our travels. Attendees should start thinking about:

1. How to conduct good practice for each of the "6 Steps" of SEIA (highlighted below);
2. Where there are gaps in the current practice of SEIA in the Mackenzie Valley; and
3. How we can all work together to fill some of those gaps.

Responses from the Pre-Workshop Questionnaire will be presented on the first morning of the Workshop, but a short list of issues that have come up in the responses received thus far may be food for thought:

- Increased emphasis on community-specific, appropriate indicator development;
- Increased consideration of the trade-offs between large industrial development and alternative economic activities;
- The poor state of practice of cumulative impact assessment on the social, economic and cultural environments;
- Erosion of culture and traditional practices;
- Capacity building at the community and regional level for SEIA; and
- Follow-up and monitoring – enforcement of mitigation.

## SEIA in the Mackenzie Valley

SEIA, in the Mackenzie Valley context, is systematic analysis used during the EIA process to identify and evaluate the potential social, economic and cultural impacts of a proposed development on individuals, families, and communities. Where those impacts may be significant and adverse, SEIA also attempts to reduce, remove or prevent them from occurring, or find compensation for their occurrence.

The Review Board uses an inclusive definition for SEIA recognizing the links between social, economic, and cultural impacts, and the fact they are also intrinsically related to the biophysical environment, especially among Aboriginal populations, for whom the land has been the economic provider for millennia.

There is a great deal of overlap between different “types” of impacts, and many different additional subcategories could be included in each. For example, impacts on cultural maintenance may include loss of language, loss of time on the land, loss of the practice of traditional laws, a changed relationship with the land and animals, and changing relationships between youth and elders, just to name a few concerns. Table 1 indicates just some elements of the socio-economic environment that have been the subject of impact assessment since the passage of the MVRMA.

**Table 1: Mackenzie Valley EIA Has Considered Socio-economic Impacts on...**

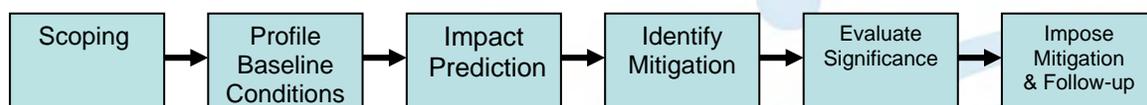
SOCIO-ECONOMIC THEME	VALUED COMPONENTS
<b>Quality of Life and Population Health</b>	<ul style="list-style-type: none"> <li>• Individual and population health</li> <li>• Community cohesion and maintenance of values</li> <li>• Family cohesion</li> <li>• Cultural maintenance</li> </ul>
<b>Wildlife Harvesting, Land Access &amp; Usage</b>	<ul style="list-style-type: none"> <li>• Hunting, trapping and gathering – traditional economy</li> <li>• Recreational and traditional economy – access to land</li> <li>• Valuation of alternative land uses (i.e. tourism vs. hunting vs. industrial)</li> </ul>
<b>Heritage Resources and Culture</b>	<ul style="list-style-type: none"> <li>• The aesthetic, cultural, archaeological and/or spiritual value of places</li> <li>• Maintenance of traditional language, education, laws and traditions</li> </ul>
<b>Employment and Business</b>	<ul style="list-style-type: none"> <li>• Local vs. outside business competitiveness</li> <li>• Employment opportunities for local people</li> <li>• Career development opportunities for local people</li> <li>• Boom and bust cycles and economic diversification</li> </ul>

SOCIO-ECONOMIC THEME	VALUED COMPONENTS
Population and Demographics	<ul style="list-style-type: none"> <li>In- and out-migration effects</li> <li>Community social and cultural makeup</li> </ul>
Infrastructure and Services	<ul style="list-style-type: none"> <li>Pressures on services</li> <li>Housing pressures – affordability, availability, appropriateness</li> <li>Traffic and road safety – pressures on physical infrastructure</li> </ul>
Political Empowerment	<ul style="list-style-type: none"> <li>Level of community input in decisions</li> </ul>
Income and Lifestyle Changes	<ul style="list-style-type: none"> <li>Overall money in community</li> <li>Uses of money in the community – disposable income</li> <li>Local and regional cost of living</li> <li>Distribution of money among community members – equity</li> </ul>

## The Six Steps of the SEIA Process

At its core socio-economic impact assessment (SEIA), like all environmental impact assessment (EIA), is a process with a series of steps for *identifying, assessing and mitigating impacts*. The steps are identical in name and concept to the process required in biophysical environmental impact assessment but require different data collection methods, information sources, expertise and analytical tools. The emphasis is always on asking questions about the impacts of development on the socio-economic environment – residents and communities.

**The EA Practitioners' Workshop agenda will be focused on learning more about good practice, and identifying gaps in the current practice and how to fill them, of each of the six steps of SEIA highlighted in the following figure:**



1. **Scoping:** Preliminary analysis to determine the elements to be considered in the SEIA and information requirements. This includes defining the components of the proposed development, the communities and groups that may be impacted, an initial assessment of how they might be impacted (issues), and identification of Valued Components of the socio-economic environment groups want to protect and bolster.
2. **Profiling Baseline Conditions:** Baseline conditions are the existing conditions and past trends associated with the socio-economic environment in which the development is

proposed to take place. Without this socio-economic context, the level of potential changes caused by the development and their significance could not be later predicted.

3. **Impact Prediction:** A wide variety of predictive methods can be used to take data from scoping, baseline data and knowledge of previous developments, and identify socio-economic impacts that likely to occur as a result of the proposed development.
4. **Identification of Mitigation Measures:** Any adverse impacts predicted require mitigation (fixing), which can consist of strategies, plans, and programs focused on reduction, removal, management or compensation for losses to affected parties.
5. **Evaluation of Significance:** Under the MVRMA, the Review Board is required to determine the significance of any found likely adverse impacts, including an assessment of all proposed mitigation. It does so using its combined values, experience and knowledge in a subjective test on individual impacts.
6. **Imposition of Mitigation, Follow Up and Monitoring:** It is usually the responsibility of other parties (developers, government, regulators, for example) to impose those measures into terms and conditions of development licenses and permits. In the case of mitigation for socio-economic impacts, there may not be a regulatory instrument available, and therefore creative mitigation must be developed such as socio-economic agreements, development of government policies or special programs. The effectiveness of that mitigation can be determined (and the mitigation altered, if necessary) via follow up and monitoring programs.

