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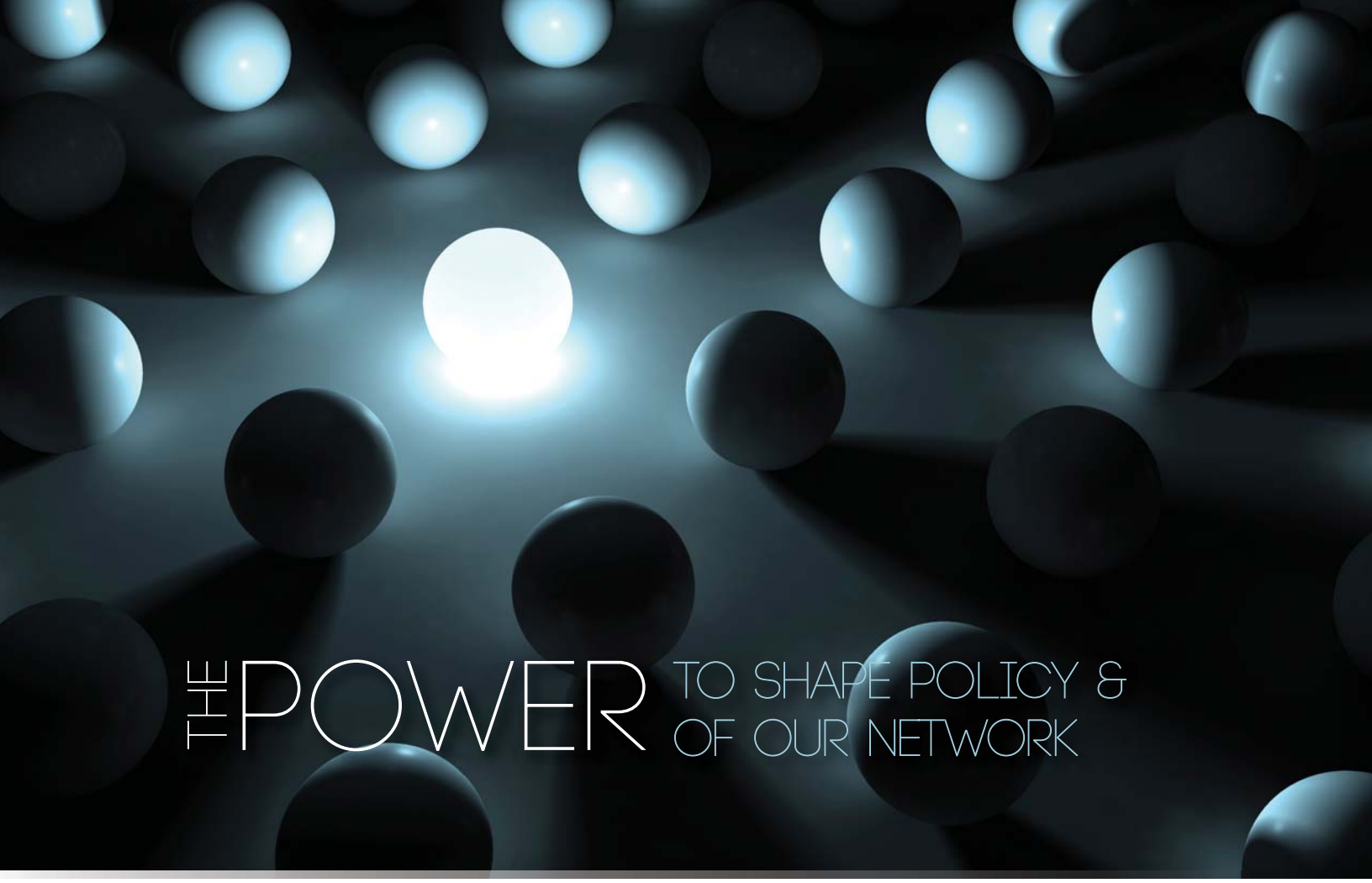
Aboriginal Edge:

How Aboriginal Peoples and Natural Resource Businesses Are Forging a New Competitive Advantage

August 2015

Photo: Paddy Pallin



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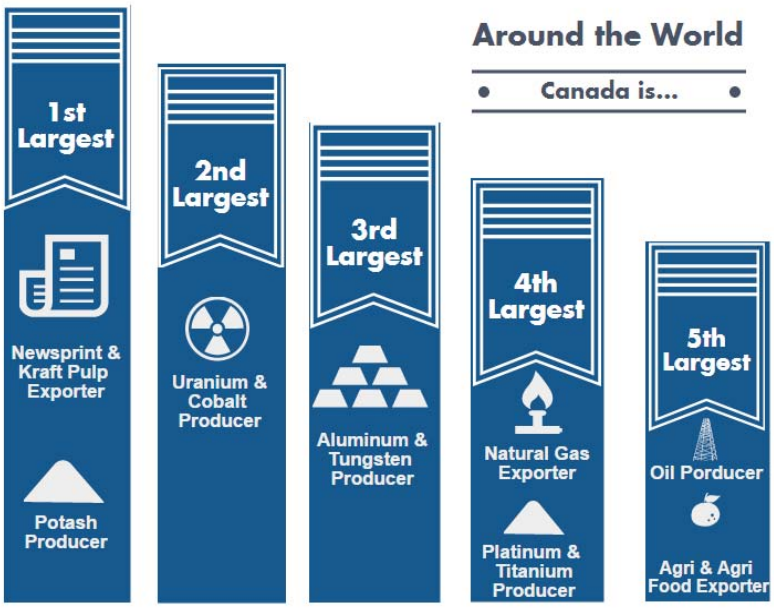
1. INTRODUCTION

Industry and governments must lead on mitigating the environmental and social impacts of resource production.

Canadians and our trade partners hold Canada's resource producers to the highest standards when it comes to issues like safety, environmental impact and community engagement. Both at home and abroad, a lack of community acceptance and support for natural resource industries is restricting industry's access to markets and resources. Canada's ability to leverage its forest, mineral and metal endowment into prosperity will increasingly depend on industry's and government's ability to address concerns over environmental and social impacts of resource development and transport.

The natural resource sector is crucial to turning major global trends to Canada's advantage. As a world leader in the production of natural resources—forest products, metals and minerals, energy, agriculture and fisheries—Canada is well placed to take advantage of long-term global trends. Urbanization and a growing middle class in emerging economies will continue to drive demand for natural resources. In China alone, the government is planning on moving the equivalent of three New York Cities from the country to its cities every year.[1]

> *Canada may have evolved as a country built on resource exports, but its resource future sees natives in the driver seat as Resource Rulers… Thus for industry, the old order is over and major challenges lie ahead in earning the 'social licence' to operate.*
>
> *Bill Gallagher, Resource Rulers*



Sources: Mining Association of Canada, Natural Resources Canada, Farm Credit Canada

1 Ian Johnson. "China's Great Uprooting: Moving 250 Million Into Cities". *The New York Times*. June 15, 2013. Accessed June 17, 2015. http://www.nytimes.com/2013/06/16/world/asia/chinas-great-uprooting-moving-250-million-into-cities.html?pagewanted=all

In December 2014, the Canadian Chamber of Commerce released *The Measures that Matter*, a report that examined the ways in which Canadian industry and governments are addressing the environmental challenges of resource production. The goal of the publication was to provide a simple catalogue of the environmental impacts of three of Canada's most important sectors and the measures industry and government are taking to address them. Although the report showed that the forest products, mining and oil and gas sectors face challenges when it comes to reducing their environmental impacts, it also documented remarkable achievements and potential for even greater progress.

Canada's Aboriginal peoples play a crucial role in the competitiveness of the resource industries.

In this follow-up report, the focus shifts to another key area of the ongoing discussions on the impact of Canada's resource industries: engagement with Aboriginal communities. No part of the economy is more affected by the evolving landscape of Aboriginal rights than the resource industries, if only for the simple fact that many of Canada's Aboriginal peoples live in close proximity to resource projects.

Constitutionally-protected Aboriginal rights give Canada's three Aboriginal peoples—First Nations, Métis and Inuit—a unique ability to influence how and where resource projects proceed. Aboriginal peoples are unwilling to trust governments to protect their interests and are deeply concerned about the impacts resource developments will have on their cultural and economic interests. There is a long history of cases where resource developments took place without proper consultation, damaging traditional lands and curtailing Aboriginal rights while providing few offsetting benefits.[2]

This has created a legacy of mistrust between the resource industry and Aboriginal communities. Headlines have tended to focus on cases where the relationship between government, industry and Aboriginal peoples end in conflict, to be addressed either through protest or in the courts. Failure to establish constructive relationships with Aboriginal peoples has caused project delays or even cancellations and is creating uncertainty that is discouraging investment. It is clear that this area is a significant challenge for business.

Resource businesses and Aboriginal communities are creating the potential for a new competitive advantage for Canada's resource industries.

But there is another side of the story. Many Aboriginal communities understand that resource industries offer employment for their people, markets for their businesses and investment in their communities. Resource businesses, for their part, understand that establishing productive relationships with local Aboriginal peoples offers them the potential advantages of a local pool of skilled labour, reliable suppliers and access to traditional knowledge about the environment in which they operate.

2 Ken Coates and Brian Lee Crowley. *New Beginnings: How Canada's Natural Resource Wealth Could Re-shape Relations with Aboriginal People.* May 2013.

This alignment of interests is creating many examples where industry and Aboriginal peoples have forged successful partnerships, leading to better prospects for Aboriginal individuals or communities and a competitive advantage for resource firms. This report will showcase a number of these successful partnerships and focuses on five areas:

- **Aboriginal investment and ownership:** examples of Aboriginal communities that have invested in or acted as the proponent of natural resource projects

- **Aboriginal employment:** examples of programs and policies to increase Aboriginal employment in the resource sector through training and recruitment programs

- **Aboriginal procurement:** examples of Aboriginal-owned businesses that supply goods and services to resource firms, as well as policy and programs to support their growth

- **Partnership on community development:** examples of partnerships between Aboriginal communities and industry that have contributed to community or cultural programs

- **Partnership on environmental impacts:** examples of cases where Aboriginal peoples have contributed their traditional knowledge of local environments to strengthen environmental protection or remediation programs by resource firms

Canada's Aboriginal peoples will play an increasingly crucial role in the resource industries. Getting these relationships wrong will take a significant toll on Canada's economic competitiveness. But as the examples listed in this report will show, existing best practices demonstrate a way forward that can lead to better outcomes for industry, Aboriginal communities and all Canadians.

Tabitha Quintal graduated from the Syncrude Aboriginal Trades Preparation program at Keyano College and is now enjoying career success as an apprentice instrumentation technician at Syncrude. Photo credit: Syncrude Canada Ltd.

2. ABORIGINAL RIGHTS AND NATURAL RESOURCES: 40 YEARS OF CHANGE[3 4 5]

The relationship between Aboriginal peoples and governments has been evolving in Canada, with implications for the natural resource industries.

While Canada's natural resource sectors matter to all Canadians, Aboriginal communities are often directly affected by these developments in a way many Canadians never experience. Aboriginal peoples often live in close proximity to resource developments. There are 180 producing mines and more than 2,500 active exploration properties within 200 km of almost 1,200 Aboriginal communities.[6] Up to 80% of Aboriginal peoples live in or near forested areas,[7] and many electricity generation or oil and gas developments take place near or on lands with Aboriginal rights.

The last 40 years have witnessed fundamental changes in the relationship between Aboriginal peoples, government and the resource industry. Up until the 1970s, Aboriginal peoples had few recognized rights, while physical isolation and discrimination left them far removed from the economic and political mainstream of Canadian life. Mining, energy or forest operations were built without consulting local Aboriginal peoples. In many cases, these projects irrevocably damaged Aboriginal people's ability to hunt, fish or pursue cultural or spiritual practices and provided little offsetting benefits in the form of increased economic opportunities.[8]

The 1970s saw the growth of Aboriginal activism and the beginnings of more assertive action from First Nations, Inuit and Métis people in protecting their rights. Protest often focused on the "mega" resource projects common to the era, such as large hydroelectric dams or pipelines. Perhaps the most prominent case was the MacKenzie Valley Pipeline Project. Billed at the time as "the largest project in the history of free enterprise," the pipeline was proposed by a consortium of oil and gas companies in 1975 to bring natural gas, and later oil, from the Mackenzie Delta to Southern Canada and the U.S.[9] The project faced protests from Aboriginal peoples in the North who were concerned about the environmental and social impacts of the project.

> *The native peoples of the North now insist that the settlement of native claims must be seen as a fundamental reordering of their relationship with the rest of us. Their claims must be seen as the means to the establishment of a social contract based on a clear understanding that they are distinct peoples in history. They insist upon the right to determine their own future, to ensure their place, but not assimilation, in Canadian life.*
>
> *The Honourable Mr. Justice Thomas Berger, Mackenzie Valley Pipeline Inquiry Report, 1977*

3 Statistics Canada. "Aboriginal Peoples in Canada: First Nations Peoples, Metis and Indians". *National Household Survey 2011*. 2013.

4 W. Ming Song. "Summary of Landmark and Key Court Decisions in Aboriginal Law". *BCAFN Special Chiefs' Assembly Legal and Political Strategy Session, March 28-29, 2012.* Accessed June 17, 2015. http://www.bcafn.ca/files/documents/LandmarkandKeyCourtDecisions.pdf

5 Aboriginal Affairs and Northern Development Canada. *Pre-1975 Treaties and Treaty First Nations in Canada Infographic.* 2013. Accessed June 17, 2015. https://www.aadnc-aandc.gc.ca/eng/1380223988016/1380224163492

6 Mining Association of Canada. *Mining Association of Canada (MAC) 2015 Pre-Budget Submission to the House of Commons Standing Committee on Finance.* August 6, 2014. Accessed June 17, 2015. http://www.parl.gc.ca/Content/HOC/Committee/412/FINA/WebDoc/WD6615327/412_FINA_PBC2014_Briefs%5CMiningAssociationOfCanada-e.pdf

7 Natural Resources Canada. *Aboriginal and Forest-based Communities.* January 14, 2015. Accessed April 15, 2015. https://www.nrcan.gc.ca/forests/canada/Aboriginal/13173

8 Ken Coates and Brian Lee Crowley. *New Beginnings*

9 CBC News. *Mackenzie Valley pipeline: 37 years of negotiation.* Jan 11, 2011. Access June 15, 2015. http://www.cbc.ca/news/business/mackenzie-valley-pipeline-37-years-of-negotiation-1.902366

CANADA'S ABORIGINAL PEOPLES

More than 1.4 million Canadians identify as one of the three constitutionally-recognized peoples of North America—First Nations, Inuit and Métis. While Aboriginal Canadians only represent 4.3% of the population, they are amongst the fastest growing demographic. In certain regions, particularly in Saskatchewan, Manitoba and the territories, Aboriginal peoples account for a significant portion of the population.

Spread across the country in over 600 communities, First Nations account for 60% of Canada's Aboriginal peoples. Most First Nations peoples live in Ontario, B.C. and Quebec yet they account for the largest share of the populations of Saskatchewan, Manitoba and the territories.

The Inuit are the people of Canada's Arctic regions. While only 4% of Canada's Aboriginal peoples identify as Inuit, their territory in the North covers a third of Canada's land mass. Three-quarters of Canada's Inuit people live in the North with the remainder spread out in large cities.

The Métis are the descendants of European and First Nations peoples and have developed customs and an identity distinct from either of their forbearers. Accounting for about 30% of Canada's Aboriginal peoples, they are largely settled in Ontario and the Western Provinces.

The government of the day appointed Justice Thomas Berger to evaluate the impacts of the project. His inquiry and report broke new ground in several respects. Justice Berger saw his report as "the most ambitious attempt we have ever made to evaluate change before that change occurs, to determine whether it ought to occur and, if it is to occur, how its adverse consequences may be mitigated".[10] The inquiry's conclusions relied not just on testimony from experts or leaders, but on, what was an innovation for the time, extensive community-level consultation across the Yukon and Northwest Territories.[11] Entitled *Northern Frontier, Northern Homeland*, the report forcefully argued that the land and its resources could not just be viewed in economic terms, but needed to be considered as a central part of Aboriginal people's culture and livelihood. Justice Berger's ultimate recommendation was that the project be delayed by a decade to allow for the settlement of land claim agreements with First Nations.[12]

10 Thomas R. Berger. "The Mackenzie Valley Pipeline Inquiry". *Osgoode Hall Law Journal*. Volume 16, Number 3 (November 1978). Accessed June 17, 2015. http://digitalcommons.osgoode.yorku.ca/cgi/viewcontent.cgi?article=2078&context=ohlj

11 CBC News. *Mackenzie Valley pipeline: 37 years of negotiation.*

12 The Mackenzie Valley Pipeline Inquiry. *Northern Frontier, Northern Homeland: The Report of the Mackenzie Valley Pipeline Inquiry: Volume 1.* April 15, 1977.

The MacKenzie Valley Inquiry was one of several factors that caused a fundamental shift in the Trudeau government's approach to Aboriginal rights.[13] In 1969, Trudeau's government had proposed the elimination of the *Indian Act* as well as Indian status and the termination of existing treaties, arguing that these race-based rights were discriminatory.[14] The proposal was widely seen by Aboriginal peoples as another attempt at the assimilation and destruction of their culture, and their resistance to the proposal demonstrated a growing ability to mobilize their communities and bring political pressure to bear.[15]

A seminal Supreme Court ruling, the Calder decision, recognized that Aboriginal title had never been extinguished by the government, giving Aboriginal activists a strong legal foundation to push their cause.

These factors had caused the government to reverse its position, leading to the modern land claims process in 1973 as well as the enshrinement of Aboriginal rights in the Canadian Constitution in 1982. Both these developments would provide the basis for further changes in the decades to come.

KEY CONCEPTS

Aboriginal rights — Rights are based on an Aboriginal community's long-standing use and occupancy of the land that predates European contact. These rights vary depending on a particular community's traditions, customs and practices. Examples of Aboriginal rights include the right to hunt, trap or fish, to practice their customs and culture, including language and religion, and to self-government.

Aboriginal title –the collective right of an Aboriginal community over their traditional lands. Aboriginal title is a type of land ownership, although one with different characteristics than the 'fee simple' ownership that most Canadians are familiar with. Because it is based on long-standing traditional use, Aboriginal title is held by whole communities rather than individuals. The land cannot be used in ways that destroy the ability of future members of that community to exercise their rights and can only be sold to governments.

Duty to consult — The Honour of the Crown is a legal concept that states that governments must deal justly with First Nations, Inuit and Métis peoples. This includes consulting with Aboriginal peoples when an activity might impact their ability to exercise their rights and working to accommodate the community when those rights are negatively affected. What constitutes adequate consultation and accommodation depends on the strength of the right in question as well as the level of impact the proposed activity would have. In the case where Aboriginal title over the land has been established, the government must either gain the community's consent or else be able to justify its infringement.

The existence, or lack, of treaties and land claim agreements is an important factor in determining how Aboriginal rights, title and duty to consult play out on the ground.

The modern land claims process launched in the 1970s took place in the context of great regional variation in treaty rights across the country. First Nations, in a large part of Canada stretching from Ontario to Alberta and

13 Bill Gallagher. *Resource Rulers: Fortune and Folly On Canada's Road to Resources*. Bill Gallagher, 2012.

14 Indigenous Foundations. "White Paper 1969". *Government Policy: Indigenousfoundations.arts.ubc.ca*. University of British Columbia. Accessed June 15, 2015. http://indigenousfoundations.arts.ubc.ca/home/government-policy/the-white-paper-1969.html

15 Bill Gallagher. *Resource Rulers*

including parts of British Columbia, Nova Scotia and New Brunswick, had signed historic treaties with the Crown, which in some cases, dated back to the earliest days of European presence in North America. In these historic treaties, First Nations ceded their territory to the Crown and, in exchange, outlined certain rights and benefits to be retained by First Nations, such as land reserves, hunting and fishing rights, annual payments or assistance with education and farming.

However, prior to the 1970s, First Nations and Inuit peoples in most of British Columbia, Quebec and the territories and in large parts of the Atlantic Provinces had never signed treaties with the Crown. This created great uncertainty that reduced investment in forestry, mining and energy projects and increased the chance of disagreement and conflict between Aboriginal peoples and government as well as business. The modern land claims process was intended to rectify this omission and settle questions of ownership of land and resources and Aboriginal rights. Aboriginal peoples would receive a package of rights and benefits codified in constitutionally-protected agreements.[16]

TREATY RIGHTS ACROSS CANADA

The map of Canada above gives a rough indication of the type of treaty agreement currently prevalent in different regions across Canada.

Dark blue indicates lands covered by historic treaties with First Nations, which were generally established in the period leading up to or the decades after confederation. Generally speaking, First Nations in these areas gave up their Aboriginal title to the crown in exchange for certain rights to hunt and fish, land reserves and benefits like educational help or farm equipment. 59% of Canada's First Nations have signed one of the 70 recognized historic treaties, which cover about half of Canada's territory.

In large areas of B.C. and Quebec there are currently no historic treaty or land claims agreement in place, although areas where agreements are under negotiation but not finalized are not shown on the map. The lack of a treaty can create great uncertainty about what lands are subject to Aboriginal title as well as the ownership and control of natural resources.

Governments resolve this uncertainty by establishing modern treaties, or land claims, which are indicated by light blue. These are detailed and comprehensive documents that clarify a wide range of legal questions such as ownership of land and resources, management of water and wildlife, or royalties from resource development. Modern land claims are prevalent in the North, with all four of Canada's Inuit peoples and many First Nations groups having signed comprehensive agreements.

16 Indian and Northern Affairs Canada. *Resolving Aboriginal Claims: A Practical Guide to Canadian Experiences*. 2003.

The four decades that followed saw the completion of 26 comprehensive land claims agreements and four self-government agreements. The process has settled questions around Aboriginal ownership in an area of Canada roughly the size of Manitoba, increasing certainty with respect to Aboriginal land in 40% of Canada's territory.[17] All four of Canada's Inuit communities have signed land claims agreements as well as a number of First Nations covering territory in much of Yukon and the Northwest Territories and Quebec. Negotiations of modern treaties are still underway in several provinces across Canada, including a few in areas where most First Nations are signatories to historic treaties, such as Ontario.

British Columbia remains a special case. The province is home to about a third of Canada's First Nations, of which two thirds are involved in an ongoing and controversial lands claims process.[18] The number and diversity of British Columbia's First Nations, coupled with the lack of formal agreements clearly outlining territories and rights, have created great uncertainty that has had a significant economic impact. A 2009 report found that settling all outstanding land claims in the province could lead to $6 billion in financial benefits to British Columbians over the next 30 years.[19] The uncertain situation has pushed British Columbia to the forefront of the developments sharing the relationship amongst First Nations, governments and resource developers.

The courts have played a key role in affirming Aboriginal rights and providing guidance on their nature and scope.

Aside from the modern comprehensive treaty process, the other great force shaping the relationship between Aboriginal peoples and governments has been the courts. Section 35 of the *Constitution Act* recognized and affirmed the existing Aboriginal and treaty rights of the Aboriginal peoples of Canada. The enshrinement of Aboriginal rights in the Canadian constitution further encouraged Aboriginal peoples to use the court system as an avenue to challenge regulatory decisions and projects that infringe upon their rights, often with great success. According to lawyer Bill Gallagher, Aboriginal communities have won 191 court rulings or other legal proceedings over the past few decades, including several seminal Supreme Court of Canada rulings.[20]

Supreme Court cases continue to clarify several aspects of Aboriginal law that have had significant implications for resource industries. Key decisions have established that Aboriginal rights and title continue to exist and governments must deal fairly with Aboriginal communities, including consulting them when decisions might impact their rights and accommodating them accordingly. However, the courts have also determined that Aboriginal rights are not absolute, and that governments can permit activities that infringe on Aboriginal rights and title if they can demonstrate that their actions are in the broader public interest.

17 Aboriginal Affairs and Northern Development. *Comprehensive Claims*. April 02, 2015. Accessed June 15, 2015. https://www.aadnc-aandc.gc.ca/eng/1100100030577/1100100030578

18 BC Treaty Commission. *Quick Facts: The Treaty Process*. Accessed June 15, 2015. http://www.bctreaty.net/files/quickfacts.php

19 BC Treaty Commission. Financial and Economic Impacts of Treaty Settlements in BC. November 2009. http://www.bctreaty.net/unfinishedbusiness/pdf-documents/BC-Treaty-Commission-PricewaterhouseCoopers-Report.pdf

20 Bill Gallagher. *New Prosperity Mine – Native Legal Win # 191*. March 1, 2014. Accessed April 21, 2015. http://billgallagher.ca/2014/new-prosperity-mine-native-legal-win-191/

TIMELINE OF KEY CASES - THE EVOLUTION OF ABORIGINAL RIGHTS

1973 - Calder v. Attorney General of British Columbia
Supreme Court of Canada acknowledged the existence of Aboriginal title at the time of European settlement. The case opened the door for First Nations to establish rights to land and resources and launched the land claims process.

1982 - Section 35 Constitution Act
Recognized and affirmed the "existing Aboriginal and treaty rights" of the Aboriginal people of Canada and has been at the centre of many court battles over land and resource rights.

1990 - Sparrow v. R
The first Supreme Court test of the scope of Section 35. The court clarified that Aboriginal rights are not absolute and outlined a test whereby the Crown may justify legislation that infringes on Aboriginal rights.

1997 - Delgamuukw v. British Columbia
The court clarified the concept of Aboriginal title as being a right to the land itself and not just the resources. It also provided a test justification when the crown proposes legislation or permits activites that infringe Aboriginal title.

2004 - Haida First Nation v. British Columbia
Haida is the leading decision on the Crown's duty to consult and accommodate their interests and provides substantive guidance to business, First Nations and government.

2014 - Tsihqot'in v. British Columbia
The first time the Supreme Court recognized Aboriginal title to a specific tract of land anywhere in Canada. Determined that Aboriginal title gives bearers the exclusive right to decide how the land is used, and other users must obtain their consent.

Aboriginal communities and natural resource firms have responded to this changing context with new processes, institutions and businesses.

Although they often featured natural resources as a crucial factor, the key forces in the evolution of Aboriginal rights described above—the launch of the modern comprehensive treaties process and a series of seminal Supreme Court rulings—were largely about the relationship between Aboriginal peoples and the Crown. Industry and Aboriginal communities responded to the opportunities and challenges created by this evolving legal context by developing new types of processes and institutions.

One important development has been the use of formal agreements between Aboriginal communities and resource project proponents. These agreements consist of a large variety of contracts or memoranda of understanding (MOUs) of varying complexity.[21]

Emerging out of an ongoing process of relationship and trust building, private arrangements provide a way to reconcile the needs of the project proponent that is seeking access to resources and community support for its developments and Aboriginal communities that wish to ensure the project's benefits are maximized and negative impacts minimized.[22]

The use of various types of Aboriginal/private sector agreements has become much more prevalent. In the mining sector, Natural Resources Canada now counts 370 Impact Benefit Agreements (IBAs) or other types of arrangements in place throughout the country,[23] and their use has spread to other resource industries. IBAs outline the impacts of the project and details how the Aboriginal communities will share in the benefits. In forestry, 60% of Aboriginal communities have put into place treaties, agreements and/or MOUs while 58% have a contract or partnership with a forestry company.[24]

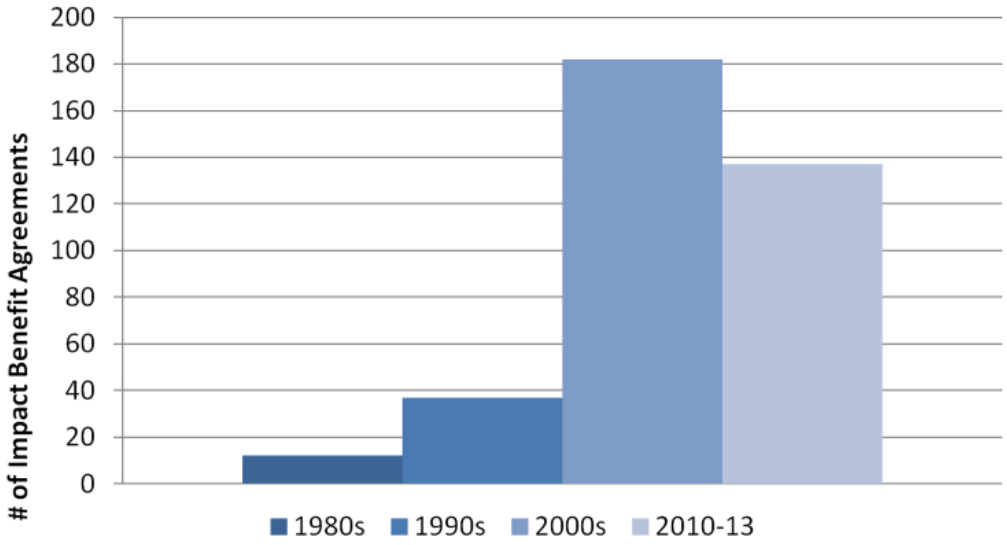
21 Frasier Institute. "What are Impact Benefit Agreements?" *Miningfacts.org*. 2012. Accessed April 22, 2015. http://www.miningfacts.org/Communities/What-are-Impact-and-Benefit-Agreements-%28IBAs%29/

22 Working Group on Natural Resource Development. *First Nations and Natural Resource Development: Advancing Positive, Impactful Change.* February 2015.

23 Natural Resources Canada. *Table of Agreements*. April 3, 2014. Accessed April 22, 2015 www.nrcan.gc.ca/mining-materials/Aboriginal/14694

24 National Aboriginal Forestry Association. *Third Report on First Nation Forest Tenure in Canada 2015*. 2015. *3320152*015.2015 www.nafaforestry.org/pdf/2015/First%20Nation-Held%20Forest%20Tenure%20Report%202015.pdf

The use of Impact Benefit Agreements between industry and Aboriginal communities became an increasingly common practice in the mining sector during the 2000s.[25]



Source: Natural Resources Canada.

Another key development has been the growth of Aboriginal businesses owned by either Aboriginal communities or individuals. Aboriginal Economic Development Corporations (EDCs) are the business development arms of First Nations, Inuit or Métis governments set up to invest in or manage businesses for the benefit of the community.[26] According to TD, an estimated 275 EDCs were in operation as of 2012.[27] In some cases, EDCs are used to transform funds received by modern treaties, legal settlements or revenue from resource developments into sources of sustainable prosperity for their communities.[28] Successful EDCs have become an important source of jobs and investment for their home communities.

Aboriginal peoples are also increasingly entrepreneurial outside of government-backed EDCs. A 2011 report from the Canadian Council for Aboriginal Business found that the number of First Nations, Inuit and Métis people that owned their own businesses had grown 85% between 1996 and 2006.[29] EDCs often work to support Aboriginal entrepreneurs, offering them preferred supplier relationships, guidance and advice or financial assistance.

25 Natural Resources Canada. Aboriginal Participation: Table of Agreements. April 2014. Accessed June 15, 2015. https://www.nrcan.gc.ca/mining-materials/aboriginal/14694

26 Canadian Council for Aboriginal Business. *Community and Commerce: A survey of Economic Development Corporations*. 2012. https://www.ccab.com/uploads/File/Community-and-Commerce-Final-Report.pdf

27 Canadian Council for Aboriginal Business. *Community and Commerce*

28 Ken Coates and Brian Lee Crowley. *New Beginnings*

29 Canadian Council for Aboriginal Business. *Promise and Prosperity: The Aboriginal Business Survey*.2011

3. CANADA'S ABORIGINAL EDGE: WHERE INDUSTRY AND ABORIGINAL INTERESTS ALIGN

Win-win situations arise where Aboriginal and business interests overlap.

The previous section of this report outlined four key developments that continue to impact the relationship between natural resource firms and Aboriginal peoples:

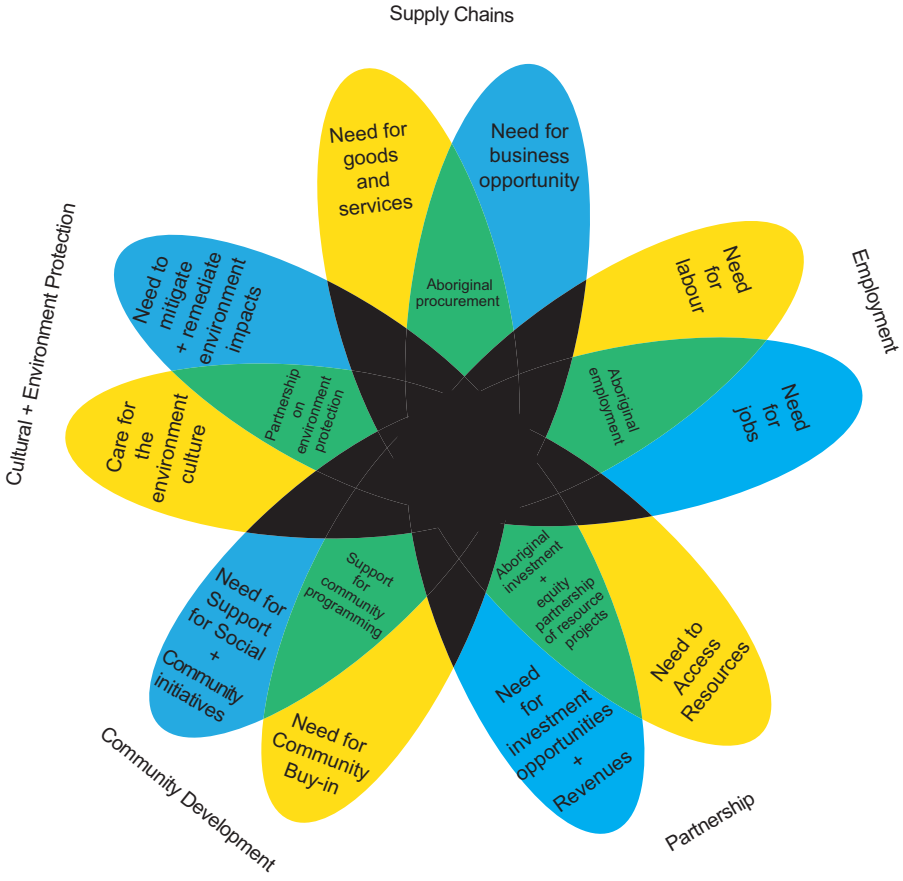
- Modern and historic treaties
- The evolution of Aboriginal rights through the courts
- The growing use of private contracts and agreements between the private sector and Aboriginal communities around resource projects
- The growth of Aboriginal business

This context shapes Canada's Aboriginal edge—the potential competitive advantage Canada's resource economy can realize by establishing mutually beneficial relationships between Aboriginal communities and private sector firms. There are several areas where the interests of Aboriginal communities align with the needs of natural resource firms.

This report looks at examples of successful cooperation in five areas of alignment.

Ownership in natural resources and resource projects

Access to natural resources, as well as the ability to build the infrastructure needed to support resource development and trade, is a key need of industry. Many Aboriginal communities look to the forest



product, mining or energy sector for opportunities to invest or gain a stake in businesses that will create prosperity for their peoples. Aboriginal communities are acting as natural resource project proponents, often partnering with non-Aboriginal businesses.

Employment

Demographic changes and economic conditions mean that natural resource industries are facing a shortage of workers with the skills needed to run their operations. With Aboriginal communities often in close proximity to natural resource developments, Aboriginal peoples are a natural fit for resource sector employment. Higher unemployment rates than the Canadian average and a lack of other opportunities means that forest operations, mines and energy developments can be an important source of jobs for Aboriginal peoples.

Supply chains

Natural resource firms need a complex range of goods, equipment and services. Some of these needs must be met by national or international suppliers, but in many cases, sourcing suppliers closer to operations is a benefit to business. Many Aboriginal businesses either find their first customer or grow their operations through contracts with forest, mining or energy firms, providing employment and other benefits for their communities.

Support for community development

Responsible business conduct has become more important for business. Being responsible and engaged corporate citizens is an important part of gaining community acceptance for resource projects and a crucial component of gaining access to resources and markets. Aboriginal communities often need support for programs that address pressing needs in their communities, which often face severe social problems related to unemployment, health or housing.

Partnerships on environmental protection

Natural resource firms operating in Canada must meet a stringent set of environmental regulations. Aboriginal communities have a deep interest in protecting the environment of their traditional territories, which is intertwined with their culture and identity. In addition, Aboriginal peoples have a detailed traditional knowledge of their lands that can provide valuable insight for resource firms. Partnerships between Aboriginal communities and industry can lead to better outcomes for the environment.

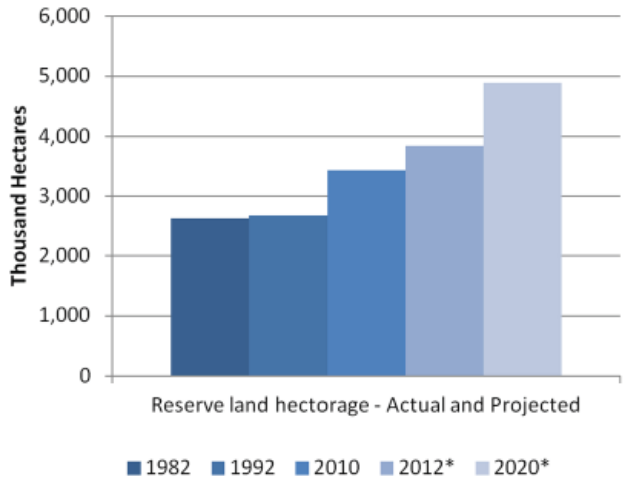
Trudy Boostrom is a Syncrude electrician who recently earned her journeyman certificate. She is one of over 450 Aboriginal employees at the company's oil sands operation, north of Fort McMurray. Photo credit: Syncrude Canada Ltd.

Ownership and investment in natural resources and resource projects

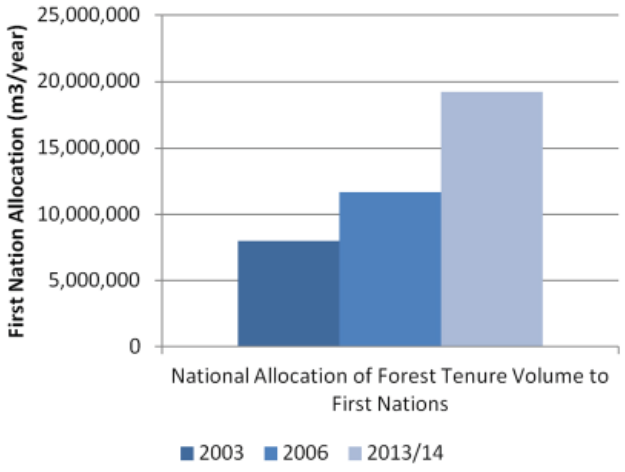
Aboriginal communities directly control an increasing portion of Canada's resource base. Acquisition of land by Aboriginal peoples takes many forms: self-government arrangements, land claims or treaty lands, tenure over Crown lands or outright market purchases. Since the 1970s, land claims agreements alone have secured Aboriginal ownership more than 600,000 km^2 of land, an area roughly the size of the province of Manitoba.[30] Land held in reserves grew by 31% between 1982 and 2010 and is projected to grow by another 27% by 2022.[31] Several bands have further increased their land or resource holdings by leasing or purchasing Crown or private lands. For example, in 2014, First Nations had tenure over approximately 10% of the national wood supply, a 140% increase since 2003.[32]

Even when Aboriginal communities do not directly own or control the land, the principal of duty to consult means that governments and companies must accommodate them when land use impacts their ability to exercise their rights. Developing resource projects in partnership with Aboriginal communities or offering them equity in the project is one path to ensure affected communities share in the project's benefits.

Aboriginal peoples have gained control over an increasing portion of Canada's land and resources.[33]



Source: Natural Resource Canada



Source: National Aboriginal Forestry Association

30 Aboriginal Affairs and Northern Development Canada. Comprehensive Claimes. April 4, 2015. www.aadnc-aandc.gc.ca. Assessed June 15, 2015. https://www.aadnc-aandc.gc.ca/eng/1100100030577/1100100030578

31 Robert Parungao. *Benchmarking Trends in Aboriginal Forestry*. 2011. http://dspace.library.uvic.ca/bitstream/handle/1828/3805/Parungao_Robert_MPA_2011.pdf?sequence=1&isAllowed=y

32 National Aboriginal Forestry Association. *Third Report on First Nation Forest Tenure in Canada 2015.*

33 Source for Chart on the right: National Aboriginal Forestry Association. *Third Report on First Nation Forest Tenure in Canada 2015.* Source for Chart on the left: Natural Resources Canada. Aboriginal Forestry Initiative January 19, 2015. Accessed June 19, 2015. http://www.nrcan.gc.ca/forests/federal-programs/13125.

As owners of resources or the firms that sustainably develop them, many Aboriginal communities are finding innovative ways to transform their natural wealth into sustainable prosperity for their peoples. This has led to a wide range of collaborations between Aboriginal communities and the private sector in the forest products, mining and energy sectors.

Examples of industry/Aboriginal partnership on ownership and investment

- The Opitciwan sawmill located in Quebec is a joint venture between the Atikamekw Council of Obedjiwan and Resolute Forest Products. The Atikamekw Council owns 55% of the operation, which provides jobs for around 80 members of the community. Providing the community with $20 million in annual revenues, the mill times its shutdowns to coincide with important community events. Resolute has helped support infrastructure development and entered into wood purchasing agreements with the community. In 2013, the sawmill was awarded the Aboriginal Business Leadership Award by the Forest Products Association of Canada and the Canadian Council for Aboriginal Business.[34]

- Saskatchewan's Cowessess First Nation is experimenting with a wind energy generation and storage system, the first of its kind for North America. By pairing an 800 kW wind turbine with a lithium-ion battery, the Cowessess hope to increase the reliability of a low-emission source of power and lower electricity costs. It would also provide a model that can be replicated in other First Nations communities, particularly those that rely on imported diesel for power generation.[35]

- Wataynikaneyap Power is an electricity transmission company owned by 20 First Nations communities in Northwestern Ontario. A partnership with Goldcorp Inc., the line will connect communities to the provincial grid, saving $1 billion by replacing electricity generated by imported diesel. Aside from providing access to clean energy for communities, the transmission line will provide opportunities for First Nations businesses during construction and expand markets for future electricity generation projects.[36]

- The Orca sand and gravel quarry on Vancouver Island in British Columbia is the largest in Canada. The operation is a joint venture owned by Polaris Minerals Corporation (88%) and the 'Namgis First Nation (12%). The 'Namgis were a part of the development of the quarry from the planning stages through to operations. The 'Namgis contributed to the project's development costs, while almost $250,000 was spent with local contractors during construction. Half of the quarry's current employees are of Aboriginal decent, while Polaris pays around half a million dollars a year in royalties to the First Nation for community programs like scholarships, cultural and recreational programs.[37]

- The Haisla First Nation is developing a liquefied natural gas (LNG) export terminal off the coast of British Columbia. Cedar LNG Developments has applied for an export licence from the National Energy Board and is currently looking for partners and investors to build and operate the facility. The Haisla are also part owners of the B.C. LNG project, which has been stalled due to financial difficulties on the part of the private sector partner and leases reserve lands to the Kitimat LNG project led by Chevron.[38]

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34 Tony Kryzanowski. "Award-winning sawmill partnership". *Logging and Sawmilling Journal*. 2009. http://forestnet.com/LSJissues/2014_nov/Award-winning%20sawmill%20partnership.pdf

35 Natural Resources Canada. *Wind and Storage Demonstration in a First Nations Community, Cowessess First Nation*. February 12, 2015. Accessed June 15, 2015. http://www.nrcan.gc.ca/energy/funding/current-funding-programs/cef/4983

36 Wataynikaneyap Power. Project Background. 2012. Accessed June 15, 2015. http://www.wataypower.ca/node/7

37 Natural Resources Canada. *Orca Sand and Gravel Project - British Columbia*. February 10, 2015. Accessed June 15, 2015. http://www.nrcan.gc.ca/mining-materials/publications/aboriginal/bulletin/8820

38 Robin Rowland. "Haisla Nation Starting Their Own LNG Export Project: Industry Reports". *Northwest Coast Energy News.* August 29, 2014. http://nwcoastenergynews.com/2014/08/29/6781/haisla-nation-starting-lng-export-project-industry-reports/

Employment in natural resources industries

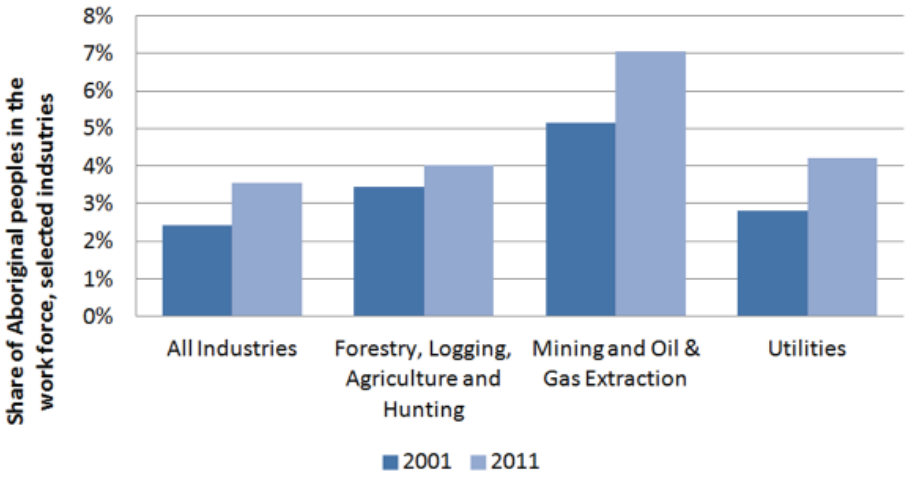
Job opportunities and training are important for all Canadians but they are particularly crucial to Aboriginal peoples. Aboriginal peoples' overall participation in the labour force (3.4%) still trails their share of the population (4.3%). Unemployment among working-age Aboriginal peoples is twice the rate for other Canadians,[39] and the youthful nature of Canada's Aboriginal population makes career opportunities particularly important to the future of this community—and our country.

For their part, forest product, energy and mining companies are facing long-term human resource challenges. For example, the mining industry is projected to need more than 120,000 workers over the next decade, 85% of whom are needed to replace older workers retiring from the workforce.[40] Local hires avoid the need to bring in workers from outside the region, or even the country, and can also serve as ambassadors for resource projects to their social networks, helping to win and maintain community acceptance of resource projects.

The alignment of industry's labour force requirements and Aboriginal peoples' need for jobs has made Aboriginal employment a natural place for cooperation. The proximity of many Aboriginal communities to forestry and logging, mining, oil and gas and electricity developments has led to a high rate of Aboriginal participation in the sector. Provisions around employment targets or programs are commonly included in IBAs or other types of Aboriginal/industry partnerships. Resource industries have implemented programs and practices to attract greater numbers of Aboriginal peoples.[41]

The natural resources industries – forestry and logging, mining, oil and gas and electricity – are the largest employers of Aboriginal peoples in Canada.

Natural resource industries have been increasing the share of Aboriginal peoples in their workforce.[42]



Source: Statistics Canada, National Household Survey 2001 and 2011.

39 Aboriginal Affairs and Northern Development Canada. *Factsheet – 2011 National Household Survey Aboriginal Demographics, Educational Attainment and Labour Market Outcomes.* August 15, 2013. Accessed April 16, 2015. https://www.aadnc-aandc.gc.ca/eng/1376329205785/1376329233875

40 Mining Industry Human Resource Council. *Canadian Mining Industry Employment, Hiring Requirements and Available Talent 10-year Outlook*. 2014.

41 Natural Resources Canada. *Aboriginal Participation in Mining: Statistical Profile*. 2009. Catalogue no. M34-6/2-2009E-PDF. www.miningnorth.com/_rsc/site-content/library/stats-09-eng.pdf

42 Statistics Canada. *National Household Survey 2001 and 2011*

Yet despite the alignment of interests between resource firms and Aboriginal communities, there are barriers to further progress. Education is one of the most significant. Only 48% of Canada's Aboriginal peoples have some form of post-secondary education, compared to 65% of the non-Aboriginal population.[43] Not all employers offer workplace-based, entry-level technical training programs that could fill important education gaps and provide the opportunity to develop workplace and employment skills.

First Nations, Inuit or Métis employees tend to be confined to certain roles. In mining, for example, most Aboriginal peoples are engaged in semi-skilled or labourer occupations, and the industry underperforms compared to others when it comes to Aboriginal participation in knowledge worker roles.[44] In many cases, Aboriginal peoples may not be aware of opportunities in the sector or face unwelcoming work environments with few opportunities to express their heritage. This can be compounded by a lack of mentors, networking opportunities or support networks.[45]

Examples of industry/Aboriginal partnership on employment, education and training

- Syncrude is one of Canada's largest industrial employers of Aboriginal people. One new program to boost employment opportunities is the Heavy Equipment Operator (HEO) training program at Keyano College. Announced in 2015 and funded by Syncrude and the Government of Canada, four mobile simulators and related equipment will be set up in remote northern Alberta communities to enable the college to deliver training and skills development for Aboriginal students in their home communities. It is anticipated over a period of four years, this project will train 145 people for high demand HEO careers. Syncrude has also provided the college with funding to consult with Aboriginal communities on developing future programs and courses.[46]

- Beyond formal education, excelling in the workplace requires a number of 'soft' skills, such as leadership and work safety. For five years, the Atoske Training Camp has been providing a program that has helped 200 First Nations youth build employment and life skills. Funded by PotashCorp and ran by a partnership amongst the City of Saskatoon, the Saskatoon Tribal Council and the Gabriel Dumount Institute, the program includes both training and a number of site visits, including to a potash mine.[47]

- The Athabasca Working Group—a partnership amongst Cameco and other uranium miners and seven Athabasca communities—administers a site elders program. Elders hold a position of importance in Aboriginal communities and are recognized for having a deep knowledge of their communities. The program employs four elders to provide advice and guidance to First Nations employees having difficulty navigating workplace issues, helping them to become more effective.[48]

43 Aboriginal Affairs and Northern Development Canada. *Factsheet – 2011 National Household Survey Aboriginal Demographics, Educational Attainment and Labour Market Outcomes.*

44 Mining Industry Human Resource Council. *Aboriginal Mining Education Forum: Forging Stronger Pathways to Education and Employment*. 2015.

45 Petroleum Human Resources Council. *HR Trends and Insights: Diversity in Canada's Oil and Gas Workforce.* November 2014.

46 Pamela Irving. "Trades Alberta: Graduate of Syncrude's Aboriginal Trades Preparation Program thrilled with job as instrument technician". *Edmonton Journal*. March 15, 2013.

47 PotashCorp. *Explore: Aboriginal Partnerships.* Fall/Winter 2014. http://www.potashcorp.com/news/1948/

48 *The Athabasca Working Group 2013 Annual Report.* May 2014. http://www.cameco.com/northernsk/pdf/AWG_Annual_Report_2013.pdf

- In 2002, Hydro Quebec and the Grand Council of the Crees of Québec initiated an agreement to provide 150 permanent jobs for Cree people by 2017. Hydro Quebec provided $100 million in funds for the duration of the agreement, which went towards initiatives like training and welcoming programs that provided coaching for Aboriginal employees and cultural training for existing staff. In 2014, the number of Cree employed at Hydro Quebec's James Bay site had risen to 76.[49]

- MEG Energy has partnered with Mount Royal University to provide the MEG Energy Science Summer Camp for Aboriginal high school students. The week-long program includes lectures from experts in science and technology, experiential sessions and cultural programming. Its goal is to spark an interest in S&T, while acclimatizing the students to college life.[50]

49 Hydro Quebec. *Sustainability Report 2014*. 2015. http://www.hydroquebec.com/publications/en/docs/sustainability-report/rdd_2014_en.pdf

50 MEG Energy. *MEG Energy Summer Science Camp inspires Aboriginal youth.* Thursday July 29, 2015. Accessed June 15, 2015. http://www.megenergy.com/news-room/story/meg-energy-summer-science-camp-inspires-Aboriginal-youth

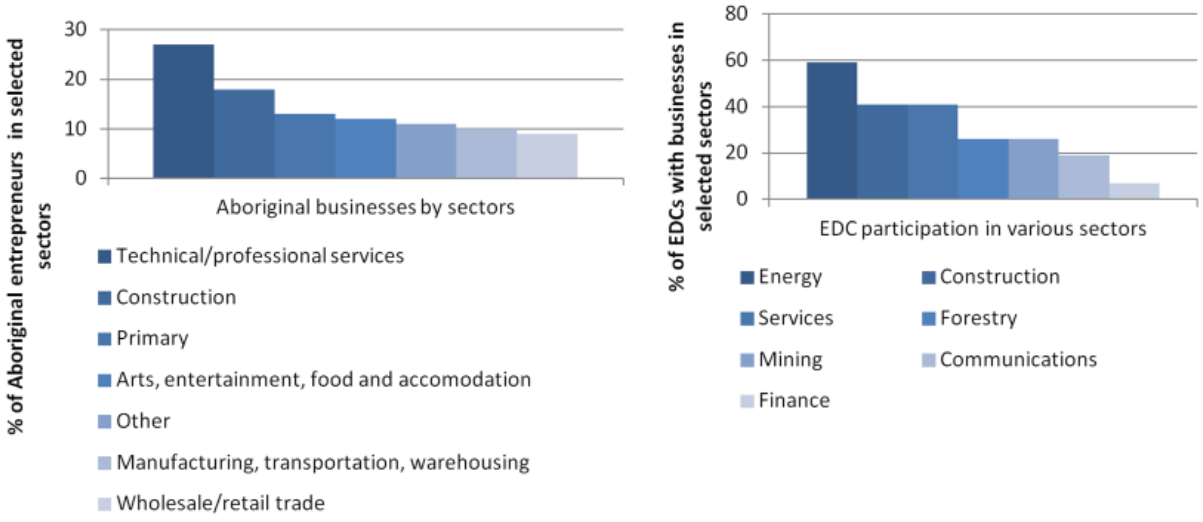
Participation in resource sector supply chains

Natural resources projects are often large and complex operations that require a wide range of goods and services, such as equipment repair, construction, transportation, logistics, environmental or scientific consulting, accommodations and catering. Large natural resource projects offer Aboriginal businesses markets for their products and services and an opportunity for small businesses to gain experience. For companies, procuring from local or Aboriginal businesses is not only a way to secure needed goods and services, it can be an important tool to ensure the benefits of resource development are broadly distributed in the community.

Both Aboriginal governments and individuals are increasingly entrepreneurial. Although more recent census data is not available, between 2001 and 2006, the number of self-employed Aboriginal peoples grew five times faster than that of self-employed Canadians overall.[51] The last count of Aboriginal economic development corporations conducted in 2011 listed 260 active establishments across the country. Businesses established by Aboriginal entrepreneurs and governments have strong connections to the resource sector, either by working directly in the primary sector or by providing services like transport or construction.[52]

Local or Aboriginal procurement policies are a common feature of Impact Benefit Agreements and other Aboriginal-industry partnerships. As the number of Aboriginal businesses grows, they are taking advantage of business opportunities offered by resource firms. For example, oil sands firms awarded $2 billion in contracts to Aboriginal businesses in 2013 alone.[53]

Aboriginal businesses have a strong presence in natural resource and related industries.



Source: Canadian Council for Aboriginal Business

51 Canadian Council for Aboriginal Business. *Promise and Prosperity*

52 Canadian Council for Aboriginal Business. *Community and Commerce*

53 Canadian Association of Petroleum Producers. 2014 Responsible Canadian Energy Progress Report. 2014.

Examples of Aboriginal businesses working in resource sector supply chains

- The Fort McKay Group of Companies is a large oilfield construction and services company that is fully owned by the Fort McKay First Nation. The Group provides a range of services to oil sands operators, including earthworks, site services, fleet maintenance, fuel services, reclamation support services and logistics work. The Group has annual revenues of ~$600 million annually and employs around 1,000 people, approximately 20% of whom are Aboriginal.[54]

- TransCanada has had an Aboriginal contracting strategy in place since 2003 to help Aboriginal businesses access opportunities to participate in the construction of new facilities and the maintenance of older ones. As part of the strategy, TransCanada provides potential prime contractors with a list of First Nations and Métis contractors and requires them to submit an Aboriginal participation plan. In 2014, TransCanada generated $104 million in work for Aboriginal businesses in Canada and the United States.[55]

- Founded in 1985, the Tahltan Nation Development Corporation (TNDC) has more than 25 joint ventures and business partnerships providing a range of services to natural resource, construction and industry projects. Projects include road building or construction for Shell Oil or Barrick Gold and earthworks for Goldcorp. AltaGas has built three run-of-the-river hydro projects, with 30% of the labour and equipment from its Forest Kerr project coming from First Nation's businesses.[56]

- The Inuvialuit Development Corporation (IDC), fully owned by the Inuvialuit of the Western Arctic, is an owner, partner or investor in more than 20 companies. IDC had over $300 million in revenues in 2008. Companies under IDC's banner include airlines, like Canadian North, and firms like, Akita Equtak, which has drilled for every operator in the Mackenzie Delta since 2000 and also operates in Alaska, B.C., Alberta and Colorado.[57]

- Resolute Forest Products put into place agreements with six Ontario First Nations in 2013 that created business opportunities at its sawmills. The initiative has resulted in $100 million in work for Aboriginal businesses, including transportation for hauling chips, biomass and lumber from the sawmills and log harvesting and delivery.[58]

The Canadian Association of Petroleum Producers state that its members provided over $144 million in community investment in 2013.

54 Yadullah Hussain. "Well-entrenched in oil sands, Fort McKay First Nation eyes even deeper ties". *Financial Post.* March 13, 2014.

55 TransCanada. *Corporate Social Responsibility Report*. 2014.

56 "Gordon Hoekstra and Larry Pynn. First Nations staking their claims in the B.C. economy: Court victories have driven monumental shift in economic goals". *Vancouver Sun.* May 30, 2015.

57 Inuvialuit Development Corporation. *About Us.* Accessed June 15, 2015. http://www.idc.inuvialuit.com/about-us/

58 Resolute Forest Products. *$100M in contracts for First Nations.* February 12, 2015. Acessed June 15, 2015. http://blog.resolutefp.com/2015/02/100m-contracts-first-nations/

Support for community programs

Businesses support community activities and programs by providing funds, in-kind contributions or volunteers. According to a 2012 survey by the Conference Board of Canada, businesses are largely motivated to invest in communities due to the positive impact it can have on corporate culture and the firm's reputation and relationships within a community. Issues relating to managing business risk (e.g. maintaining a social licence, managing regulatory pressures or other business risk) were another important factor.[59] While resource companies often post information about their community investments in annual sustainability reports or through other means, there is little industry-level data available.

Aboriginal communities and organizations have established programs around culture protection, health care, youth and education and training for their communities. Funding or other kinds of support from business can play an important role in establishing or maintaining these initiatives. In some cases, the details of community investment by resource firms are included as part of Impact Benefit or other types of formal agreements.

Examples of Aboriginal/industry partnerships on community investment

- A few years ago, elders in Fort Chipewyan, a community in Northern Alberta, would have to leave the community in order to gain access to assisted living or palliative care. To keep elders closer to their families and communities, the Mikisew Cree First Nation opened the Kahkiyow Keykanow Elders' Care Home in 2014. The 12-bed facility uses 44 solar panels to offset the facility's electricity use. The $12 million project was financed by the Mikisew Cree with $5 million in contributions from Syncrude, Shell and other energy sector firms.[60]

- St. Francis Xavier University in Nova Scotia runs an Indigenous Women in Community Leadership program to build the leadership capacity of First Nations, Inuit and Métis women. The program offers a three-week intensive course, followed by three months of developing a community project. An example of a project includes research for an Iroquois Ancestral Food Guide, which would support a healthy diet by reconnecting Iroquois people with their traditions. Funding for the program is provided by Exxon Mobil and Imperial Oil.[61]

59 Michael Bassett. *Canadian Corporate Community Investment Benchmarking Report.* April 2013. Conference Board of Canada.

60 Maria Church. "Fort Chipewyan celebrates opening of elders' care centre". *Northern Journal*. May 19, 2014. http://norj.ca/2014/05/fort-chip-celebrates-opening-of-elders-care-centre/

61 CODY International Institute. *Indigenous Women in Community Leadership*. Accessed June 15, 2015. http://coady.stfx.ca/themes/women/IWCL/

Collaboration on environmental protection

Canada's First Nations, Inuit and Métis peoples have a deep respect and connection to the land. Traditional activities like fishing, hunting, gathering and trapping as well as cultural or spiritual ceremonies can be severely affected by natural resource developments. As a result, there are several high-profile examples where Aboriginal concerns over environmental impacts have led to communities opposing projects, leading to their delay or cancellation.

Yet in many cases, Aboriginal peoples and industry have a strong incentive to collaborate on projects and programs to protect the natural world. Aboriginal people have a unique knowledge of their local environments that both governments and businesses are increasingly recognizing as an important part of project planning and regulatory processes, like environmental assessments.[62] Drawing on the knowledge and skills of local peoples can help companies indentify adverse impacts and possible solutions, easing the process of permitting, monitoring and remediating resource projects.

Examples of Aboriginal/industry partnerships on environmental protection

- The Athabasca Working Group was established to implement an Impact Benefit Agreement amongst Cameco, AVERA and several local First Nations communities. Since 2000, the Group has been running the Community Environmental Monitoring Program to document any changes to the environment that might occur as part of uranium mining in the area. Community members were trained to collect samples from local wildlife, selecting the areas to collect air, water, land and animal samples that are sent to an independent lab for testing. A local firm then reports the findings directly to the communities. To date, the program's testing has found no environmental impacts.[63]

- The Walpole Island Heritage Centre started as a land claims and historical research centre for the Walpole Island First Nation, but has since grown to include a strong emphasis on environmental research and protection. The Centre was recognized by the UN for its leadership in combining First Nations culture with western science. The Centre has also established a land trust with the aim of protecting environmentally sensitive areas. Its first purchase—the 65 acre Potawatomi prairie, home to several endangered species—was made with financial assistance from Suncor and Imperial.[64]

- The nature of linear infrastructure, like pipelines, means that a single project could impact several Aboriginal communities. TransCanada has put into place a program to integrate traditional knowledge into the environmental planning process for its projects, which helps identify potential project impacts and reduce their effects. Depending on the community, integrating traditional knowledge could take many forms, such as having a botanist and an Aboriginal expert in medicinal plants conduct a study together.[65]

62 Canadian Environmental Assessment Agency. *Considering Aboriginal Traditional Knowledge in Environmental Assessments Conducted under the Canadian Environmental Assessment Act, 2012*. March 2, 2015. Accessed June 15, 2015. https://www.ceaa-acee.gc.ca/default.asp?lang=en&n=C3C7E0D3-1

63 *The Athabasca Working Group 2013 Annual Report*. May 2014.

64 David Gough. "Land Trust puts two projects into action on Walpole Island". *The Courier Press*. July 1, 2010.

65 Transcanada. Traditional Knowledge Program. 2013. Accessed June 15, 2015. http://csrreport.transcanada.com/2013/Community/ANAIP/TKP.html

4. CONCLUSION

Canada's Aboriginal peoples are playing an increasingly essential role in the development of forest, mineral and energy resources. On the one hand, there are many incidences where Aboriginal peoples and industry could not come to an agreement, leading to litigation or protests. These cases of conflict tend to dominate the media, creating the perception that First Nations, Métis and Inuit peoples and the natural resource sector are constantly at loggerheads.

On the other hand, there are numerous examples of Aboriginal communities working closely with business to advance natural resource projects. In the best cases, these partnerships have led to better projects that share benefits more widely across the community and reduce the impacts of resource development on the environment. Even when agreements or partnerships have not realized all the anticipated benefits, they have provided both partners with valuable insight and experience on how to work together to advance mutually shared goals.

At the Canadian Chamber of Commerce, we have made the lack of clarity around the duty to consult with Aboriginal peoples one of our Top 10 Barriers to Competitiveness, our annual list of the self-inflicted wounds Canadians impose on the economy. Our network of 450 chambers of commerce and boards of trade, along with businesses in every industry, has indentified this as a key concern.

But behind every barrier is an opportunity. Through anecdotes and data, this report has outlined the basis of Canada's Aboriginal edge—the idea that the evolving relationship between First Nations, Métis and Inuit peoples could be a tremendous advantage for the competitiveness of Canada's economy. The cases outlined in this report show five areas—investment, employment, supply chains, community investment and environmental protection—where innovative practices are emerging to help create mutually beneficial partnerships. Through this report, our goal was to bring light to the possibilities rather than simply the challenges. We are planning further work in this space to develop specific recommendations to ensure governments have the programs and processes in place to turn Canada's Aboriginal edge from a concept into a reality.

This spring, the Assembly of First Nations' Working Group on Natural Resource Development released a report with specific recommendations for how to better involve First Nations in the development of forest, mineral and energy resources. The report concluded "[t]he time is now and the opportunities are immense." We couldn't agree more.

> *We have to get rid of that old age way of doing business. Get rid of the rhetoric; get rid of the political speeches demanding that Canada come to our table. Let's start thinking about reconciliation and new opportunities to get these parties to the table and talk about our issues and actually agree upon them.*[66]
>
> *Chief Councilor Ellis Ross of the Haisla Nation*

66 Quote from an interview Mr. Ellis conducted with National Geographic Magazine. http://energyblog.nationalgeographic.com/2014/10/29/chief-councillor-ellis-ross-of-the-haisla-nation-on-first-nations-and-energy-development-in-canada/

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