



# OPPORTUNITY FOUND:

## IMPROVING THE PARTICIPATION OF ABORIGINAL PEOPLES IN CANADA'S WORKFORCE

*December 2013*



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# INTRODUCTION

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Canada's businesses agree completely with the Prime Minister regarding the potential of our Aboriginal peoples to contribute to our collective economic prosperity. In fact, members of the Canadian Chamber of Commerce identified the participation of the Aboriginal peoples in our workforce as one of four priority areas in addressing the barrier to their competitiveness posed by their difficulties in finding workers with the skills they need.

The Canadian Chamber has focused on the significant difficulties Aboriginal peoples face in completing elementary, secondary and post-secondary education and in obtaining and retaining employment. In this paper, we take a different approach to this issue by highlighting productive initiatives to improve the workforce participation of Aboriginal peoples and the competitiveness of employers. We will also offer recommendations to the federal government and Canada's businesses on measures both can take to provide Aboriginal peoples and communities – as well as businesses – with the tools to make these success stories the norm.

*"As the youngest and fastest growing segment of the nation's population, our Government recognizes that Canada's Aboriginal communities are a critical part of our future. It is therefore in our collective interest to help ensure that Aboriginal youth receive the education and skills training they need to secure good jobs and prosper."*

Prime Minister Stephen Harper,  
statement marking the 250<sup>th</sup> anniversary  
of the signing of the Royal Proclamation,  
October 7, 2013

# THE CONTEXT

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According to the 2011 National Household Survey, the percentage of Canada's Aboriginal peoples completing secondary school and post-secondary education is growing. In 2011, 22.8<sup>1</sup> per cent of Aboriginal peoples aged 25 to 64 reported high school as their highest level of education (up from 21 per cent in 2006).<sup>2</sup> The percentage of Aboriginal peoples with post-secondary qualification<sup>3</sup> increased to almost one-half (48.4 per cent), up from 44 per cent in the 2006 Census<sup>4</sup>. That is the encouraging news.

The discouraging news is that the education success gap between Aboriginal and non-Aboriginal peoples remains wide. In 2011, 89 per cent of Canada's non-Aboriginal population had at least a high school diploma<sup>5</sup> and 64 per cent had post-secondary qualification.<sup>6</sup>

Canada's employers cite the lack of skilled workers as their biggest barrier to being competitive, and the completion of high school is considered the minimum level of education required for employment. The education success gap between Aboriginal and non-Aboriginal Canadians needs to shrink a lot more and a lot more quickly.

The urgency of addressing this situation becomes more acute when one considers the following facts:

- The proportion of Aboriginal peoples in Canada continues to increase (4.3 per cent in 2011 compared to 3.8 in 2006).<sup>7</sup>
- The pace of Aboriginal peoples' population growth continues to outstrip that of non-Aboriginal peoples (20.1 per cent vs. 5.1 per cent between 2006 and 2011).
- Canada's Aboriginal peoples are relatively young; 46.2 per cent are under 25 (compared to 29.4 per cent of the rest of the population). Only 5.9 per cent are over 65 (compared to 14.2 per cent of the rest of the Canadian population).<sup>8</sup>

These facts present a challenge – to make a difference in Aboriginal peoples' educational and workforce participation success – and an opportunity to improve our national competitiveness.

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1 *The educational attainment of Aboriginal peoples in Canada*, National Household Survey (NHS), 2011, Statistics Canada

2 *Educational Portrait of Canada, 2006 Census*, Statistics Canada

3 *Ibid.* Op cit. Includes trades certificates, college diplomas, university certificates below bachelor and university degrees.

4 *Educational Portrait of Canada, 2006 Census*, Statistics Canada

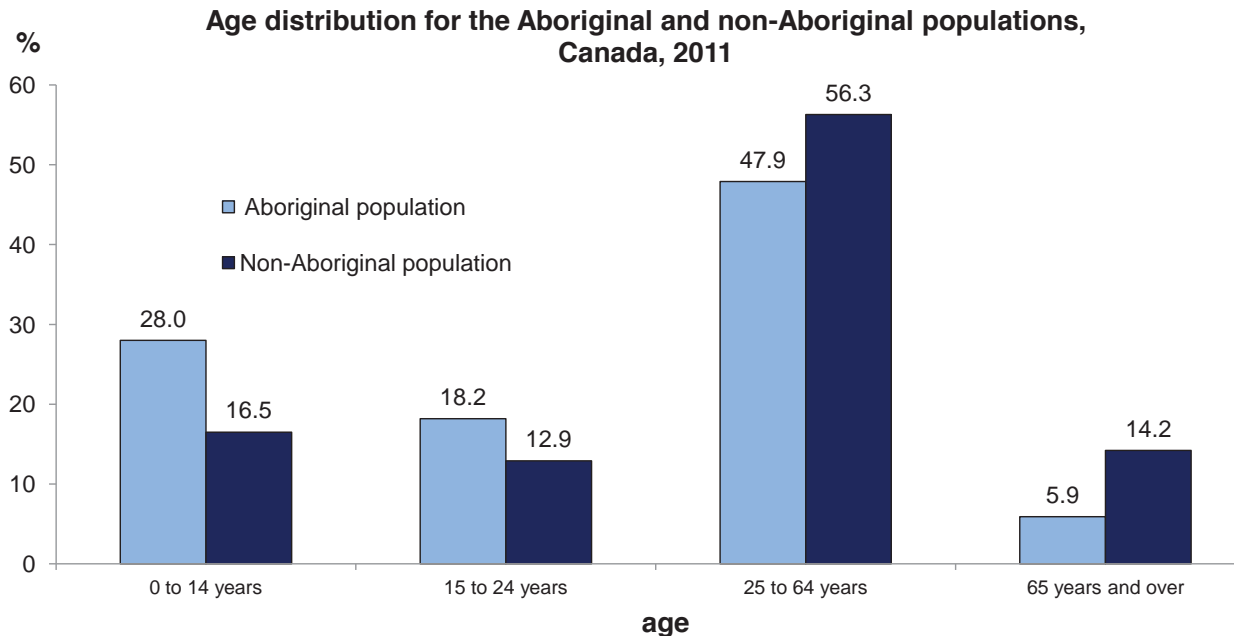
5 *The Education and Employment Experiences of First Nations People Living Off Reserve, Inuit and Métis: Selected Findings from the 2012 Aboriginal Peoples Survey*, by Evelyne Bougie, Karen Kelly-Scott and Paul Arriagada, Statistics Canada, November 2013

6 *Ibid.*

7 *The educational attainment of Aboriginal peoples in Canada*, National Household Survey (NHS), 2011, Statistics Canada

8 *Ibid.*

## The Aboriginal population is younger than the non-Aboriginal population



Source: Statistics Canada: 2011 National Household Survey.

*"The cost – in lost opportunities – of not meeting this challenge is unacceptably high ... This is a Canadian issue, not an Aboriginal issue, and we must all shoulder our responsibility as Canadians. This is an urgent moment in our shared history. Together, Canadians must act decisively, and boldly. Canada must succeed."*

*Reforming First Nations Education: From Crisis to Hope, Report of the Standing Senate Committee on Aboriginal Peoples, December 2011*

There have been many expert examinations of the numerous, long-standing and complex issues contributing to the continuing gap between Aboriginal peoples' education/workforce success and other Canadians'. The purpose of this paper is not to undertake yet another re-examination of the difficulties but to highlight successful initiatives to engage Aboriginal peoples in pursuing education and employment in the hope that government and businesses will be inspired to take the steps to make these productive relationships the norm rather than the exception.



# KEEPING ABORIGINAL CHILDREN IN SCHOOL

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*"Over the next 10 years, Aboriginal young people will make up a significant number of new entrants in the labour market. Whether they enter as skilled workers with post-secondary qualifications or as high school dropouts will have an impact on Canada's economy..."*

Joe Friesen, *The Globe and Mail*, October 8, 2013



Much of the focus on training and education for the workforce is on post-secondary education. Most of this is meaningless for people who are leaving the education system before graduating from high school. The challenge is particularly acute for Aboriginal peoples whose history with formal education is very troubled.

Looking to turn the page, organizations representing Aboriginal peoples are acting to provide tools for them to embark upon a positive and productive educational path.

In 2010, the Assembly of First Nations (AFN) announced its Call to Action on First Nations Education. This was followed by the establishment, in partnership with the federal government, of the National Panel on First Nation Elementary and Secondary Education. The Canadian Chamber of Commerce provided a submission to the Panel that recommended that the federal government:

- Review the funding formula for education in First Nations communities to ensure parity with the provincial financing model in each of the provinces where First Nations schools are expected to adhere to the provincial curricula
- Work with representatives from colleges, universities, Aboriginal communities and employers who have experience in K-12 education to develop best practices that could be immediately implemented to tackle the challenges associated with lower post-secondary participation rates amongst Aboriginal peoples
- Work with the provinces and territories to improve the connections between all Aboriginal Canadians to education/training resources and employers, focusing on electronic communications for those living in remote locations
- Ensure its skills and training programs are flexible enough to accommodate the economic, geographic and demographic realities of individual communities and the alternate education models that may be required to deliver curricula effectively
- Partner with businesses whenever possible to ensure curricula meet the needs of employers

Since then, the Canadian Chamber's network of 450 chambers of commerce and boards of trade throughout Canada has adopted resolutions calling upon the federal government to:

- Within the current federal funding envelope, act to rapidly implement the recommendations of the National Panel on First Nation Elementary and Secondary Education,<sup>9</sup> focusing on how the two per cent cap on the Post-Secondary Support Program can be lifted or – at minimum – increased
- Encourage – but not compel – Canada's First Nations to co-operate in establishing a new First Nation education structure, with federal funding, to provide First Nation students with an educational opportunity equal to that already provided to all other Canadian students by the provinces/territories
- Make Canadians aware of the historic discriminatory and inadequate education provided to First Nations children thus gaining support for more rapid implementation of First Nations education reform
- Prioritize improving the educational outcomes of the Métis, focusing on high school completion and workplace training in partnership with business
- Ensure equity in federal funding for Métis education and employment programs relative to other Aboriginal groups
- Work to ensure any employment, education and economic development policies are designed to reflect the unique characteristics of the Métis

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<sup>9</sup> The Panel's recommendations were: 1) Co-create a child-centered First Nation Education Act; 2) Create a National Commission for First Nation Education to support education reform and improvement; 3) Facilitate and support the creation of a First Nation education system through the development of regional First Nation Education organizations to provide support and services for First Nation schools and First Nation students; 4) Ensure adequate funding to support a First Nation education system that meets the needs of First Nation learners, First Nation communities and Canada as a whole; 5) Establish an accountability and reporting framework to assess improvement in First Nation education. In October 2013, the federal government released a draft bill on First Nation education for consultation. As written, the bill would impose new obligations on First Nations communities including forming school boards, appointing principals, setting education programs and hiring an annual inspector. The draft bill, however, does not commit to more and/or stable federal funding to meet the new requirements.



In June 2011, the Inuit Tapiriit Kanatami (ITK) released *First Canadians, Canadians First: The National Strategy on Inuit Education*.<sup>10</sup> The *Strategy* makes 10 recommendations to improve Inuit peoples' education outcomes by supporting children to help them stay in school; providing a bilingual curriculum to achieve literacy in the Inuit language and at least one of Canada's official languages; learning resources that are relevant to the Inuit culture, history and worldview; and increasing the number of education leaders and bilingual educators in schools and early childhood programs.<sup>11</sup> In February 2013, the ITK launched the Amaujaq National Centre for Inuit Education to implement the *Strategy's* recommendations. The Centre, which is financially supported by businesses and regional Inuit associations, is focusing on four areas initially:

- **Engaging parents, extended families and community leaders** to ensure they are working together to "get past the past" and keep young Inuit in school. By the end of 2013, Mary Simon, Chairperson of the National Committee on

Inuit Education and former ITK Chair, will visit communities in all four regions of the Inuit Nunangat<sup>12</sup> to discuss the importance of staying in school and families' roles. Toolkits will be developed for families to engage them in the education process, focusing on subjects including helping with homework and ensuring children are well fed and rested.

- **Research** examining what causes children to drop out of school and measuring the *Strategy's* success.
- **Standardizing the Inuit language writing system**, involving a series of community consultations and research on Inuktitut linguistics and orthography in the belief that a common Inuit writing system could make it easier for Inuit to learn their own language.
- **Early childhood education** to ensure "the school is ready for the child."

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<sup>10</sup> [http://www.itk.ca/sites/default/files/National-Strategy-on-Inuit-Education-2011\\_0.pdf](http://www.itk.ca/sites/default/files/National-Strategy-on-Inuit-Education-2011_0.pdf)

<sup>11</sup> Ibid.

<sup>12</sup> Inuit Nunangat refers to the four Inuit regions in Canada: Inuvialuit (Northwest Territories); Nunatsiavut (Labrador); Nunavik (Quebec); Nunavut

# KEEPING YOUNG PEOPLE IN SCHOOL TODAY ENSURES BUSINESSES HAVE THE EMPLOYEES TO MAKE THEM COMPETITIVE TOMORROW

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Companies that have successfully engaged Aboriginal peoples in their workforces have learned they need to reach out to them early.

Several companies and the federal government support the Indspire Awards, which assist Aboriginal students in completing high school and post secondary training/ education. In addition to employing culturally-relevant curricula, the role models the Indspire Awards provide to Aboriginal students help them see themselves in higher education and the workforce.

Suncor Energy provides funding to bring Aboriginal students to the Indspire Awards ceremony and hosts a luncheon where they sit with the winners and a company representative. “Kids want to be chosen to go on this trip,” said Greg Hundseth, Suncor’s Senior Advisor, Stakeholder Relations. “They have the opportunity to speak with the award winners and realize there are a lot of opportunities for them in the trades and professions.”

In its 21 years, Indspire has provided more than 16,000 bursaries and scholarships to Aboriginal students. In the 2013 federal budget, the federal government announced it would match private sector contributions to Indspire up to \$10 million.

Syncrude Canada has known for decades that it makes good business sense to have its workforce reflect the community<sup>13</sup> in which it operates and has been reaching out to Aboriginal communities for 40 years. The good news is Aboriginal peoples who are qualified to work for Syncrude and other resource companies in the region are employed. The bad news is many of the current generation of potential Aboriginal workers have dropped out of high school.

To try to keep as many Aboriginal students in school as possible so that they can participate in training programs such as the Syncrude Aboriginal Trades Preparation (SATP) Program,<sup>14</sup> the company works with school boards in the region to attract student teachers to First Nations schools and to make it more affordable for them to be there by providing free accommodation in a Syncrude condominium, rental cars and honoraria.

In 1993, RBC Royal Bank launched its Aboriginal Stay in School Program for students between grades 9 and 12. The program is designed to help Aboriginal students develop the skills and attain the education they need to succeed in the workplace by giving them at least three weeks’ experience as a client service representative at an RBC branch. This is followed by one week learning about administrative areas within RBC’s branch network. Dozens of Aboriginal students throughout Canada have participated.

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<sup>13</sup> The Regional Municipality of Wood Buffalo, AB

<sup>14</sup> Under this program – which was developed to allow up to 40 young adults to learn a trade - Syncrude provides funds to Keyano College in Fort McMurray (AB) to create a new program for trades training which involves seven months at the college a one month placement at Syncrude. If candidates pass a high school equivalency test and pre-apprenticeship certification as well as pre-employment screening, they are guaranteed a full-time job in the trade of their choice at Syncrude.

# POST-SECONDARY INSTITUTIONS INVEST IN THEIR ABORIGINAL STUDENTS OF TODAY AND TOMORROW

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In 2012, the University of Ontario Institute of Technology (UOIT), in Oshawa, began focusing on future Aboriginal students in cooperation with the Durham Region Aboriginal Advisory Circle, a collective of health, education and early learning services that aims to ensure there is a unified effort in meeting Aboriginal peoples' needs. Weekly gatherings with 12 to 18-year-olds include physical activity, a meal and a cultural component.

In 2011, the Mosquito First Nation in Saskatchewan started directing the National Child Benefit Reinvestment (NCBR)<sup>15</sup> it receives from the federal government to secondary school education. The First Nation entered into a partnership with Northwest Regional College's Battlefords campus to set up an on-reserve Adult Basic Education (ABE) 10 program. In 2012, the First Nation started an ABE 12 program with 15 students. All but three students have marks in the 80s or higher. Graduates are pursuing studies in nursing, welding, continuing care, commercial cooking and fine arts. Some are pursuing careers in the RCMP.

Northwest Regional College is so pleased with the results that they are giving the Mosquito First Nation 170 days of free programming. The Battlefords Tribal Council, which serves the Mosquito First Nation,<sup>16</sup> hopes all of the First Nations it serves will pursue this type of secondary school upgrading.

## Recommendations

The federal government should:

- Work with businesses to identify more opportunities to match private sector financial support for Aboriginal skills and training programs
- Encourage educators to adapt curricula delivered to Aboriginal students

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<sup>15</sup> Aboriginal Affairs and Northern Development's NCBR is the on-reserve counterpart to reinvestment projects/programming administered by provinces/territories off-reserve. It provides community-based supports and services for children in low-income families.

<sup>16</sup> The Battlefords Tribal Council serves the Little Pine, Lucky Man Cree, Mosquito, Sweetgrass, Moosomin, Red Pheasant and Poundmaker First Nation.

# ENSURING THERE IS A TRANSITION FROM HIGH SCHOOL TO POST-SECONDARY EDUCATION AND/OR TRAINING

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Once they finish secondary school, many Aboriginal students face the reality that they will have to travel from their communities to larger centres for post-secondary education or training.

There needs to be effective transition support for those leaving remote communities to pursue studies in urban centres. In addition to the challenges posed by advanced education studies, those from remote communities — especially women with children — face the additional hardship of being far from home and the support of their families.

The Battlefords Tribal Council provides support to people of the First Nations it serves who must relocate for post-secondary training. However, the demand is high and its resources are stretched. According to Leah Milton, former Executive Director, Aboriginal peoples would find the transition from remote to urban communities easier if the federal government provided tribal councils and native friendship centres with the resources to provide services similar to those offered to new immigrants to Canada, including housing assistance and links to cultural connections.

Educators told the Canadian Chamber that they believe that one of the fundamental reasons Aboriginal students do not succeed in school and the workforce is because they cannot see where they fit into either. Often skills and training programs aimed at Aboriginal peoples fail because one critical factor is missing; the programming that gives participants a sense of empowerment, self-worth and pride in themselves and their histories. Without this, success is often elusive as Aboriginal peoples try to negotiate their way in a labour force dominated by different norms, sometimes far from home and community support.

The Canadian Chamber believes that the federal government could address this by supporting Aboriginal education programs aimed at instilling a sense of place and pride in students as an essential step before entering programs aimed at delivering workforce-ready graduates.

*The Nunavut Sivuniksavut (NS) program – created in 1985 to help young Inuit prepare for the implementation of the Nunavut Land Claims Agreement (1993) and the creation of Nunavut – is a highly successful stepping stone for Inuit youth who have graduated from high school but have yet to begin post-secondary education.*

*Every year, 30 to 35 young Inuk from Nunavut attend the NS College in Ottawa for eight months. The NS College curriculum concentrates on helping them develop independent living skills in an urban centre with academic work focused on their history.*

*The program works well because it tackles the difficulties young people from remote communities face when finding themselves in an urban environment with a very different culture. Eighty to 85 per cent of NS students complete the program and about the same percentage are successfully employed.*

Universities that responded to an Association of Universities and Colleges of Canada (AUCC) survey identified financial barriers that prevent Aboriginal students from pursuing and/or continuing their post-secondary education.

One long-standing barrier is the two per cent cap on the Post-Secondary Student Support Program (PSSSP)<sup>17</sup> that has been in place since 1996. This is unacceptable. The 2011 National Household Survey found that Canada's Aboriginal population grew 20.1 per cent since the 2006 Census alone.

The situation is even more frustrating for Métis. There are no post-secondary funding programs directed to Métis students, who represent the largest proportion of Aboriginal peoples living in urban centres. There remains no legal and policy clarity surrounding Métis rights, responsibilities and entitlements despite their official recognition as a one of Canada's constitutionally-protected Aboriginal peoples.

Some universities responding to the AUCC survey said that funding models based on the traditional academic cycle (i.e., applications must be received by March) limit Aboriginal students' access. Funding decisions made by First Nations bands are sometimes made much later in the year, and students who do not qualify for this assistance must find their own resources. Other universities also said that academic assistance programs for Aboriginal students need to address requirements over and above tuition and books; for example, child care.

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<sup>17</sup> The Post-Secondary Student Support Program (PSSSP) is available to eligible Status First Nations and Inuit students enrolled in a post-secondary certificate, diploma or degree program and offers financial assistance with tuition, travel and living expenses.

# ATTRACTING ABORIGINAL STUDENTS TO POST-SECONDARY INSTITUTIONS IS ONE THING; KEEPING THEM IS ANOTHER

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In 2010, UOIT introduced a recruitment program aimed to attract and retain Aboriginal students. The program offers Aboriginal students special resources, including dedicated spaces on and off campus; counselling (personal, cultural, career); curricula geared to their experiences and distance education via *UOIT Online*. UOIT began its program with 20 self-identified Aboriginal students. Today, there are more than 80 Aboriginal students, and the program's retention rate has increased from 63 to 94 per cent. UOIT is now looking at mentorship programs involving current Aboriginal students to recruit others.

The University of Sudbury is taking its curriculum to Aboriginal communities. For several years, the university has collaborated with Aboriginal organizations to take its courses to where Aboriginal peoples live. A recent pilot project, launched in the fall of 2013, sees one of its professors located in the community of Moose Factory (on the shores of James Bay) to deliver courses in the Indigenous Studies program.

## Recommendations

The federal government should:

- Provide tribal councils and native friendship centres with the resources to provide services similar to those offered to new immigrants, including housing assistance, and links to cultural connections
- Support Aboriginal education programs aimed at instilling a sense of place and pride in students as an essential step before entering programs aimed at delivering workforce-ready graduates
- Provide support to post-secondary institutions to offer curricula to Aboriginal students closer to/in their home communities

Federal post-secondary education funding programs need to accommodate the differing timeframes for First Nation bands' decision making and be sufficient to address additional requirements of Aboriginal students, such as child care.

# EDUCATION AND TRAINING PROGRAMS NEED TO STRIVE FOR THE LONG GAME

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The education and training program for Inuit and Innu in the region of Vale Canada's Voisey's Bay nickel mine in Newfoundland and Labrador is regarded as a model of how things can work when businesses, Aboriginal communities and the federal government work together.

In 2002, when Vale (then Inco) began planning its open pit mine in Voisey's Bay, it needed to employ Innu and Inuit in the region to meet the commitments of its Impact Benefit Agreement (IBA) with Aboriginal communities and to reduce the number of employees it would have to fly in and out of the site (and the cost associated with doing so).

During the environmental assessment phase of the mine's development, company representatives visited surrounding communities assessing Aboriginal peoples' desire and capacity to pursue employment there. In addition to funding bringing Innu and Inuit up to grade 12 equivalency, Vale needed programs to train Aboriginal peoples to work at the mine.

There was no one program that would meet Vale's needs, so it developed concepts for training that would meet its requirements with the Aboriginal communities as well as the provincial and federal governments. The result was the Joint Education and Training Authority (JETA), which operated at arm's length from Vale under the governance of the company and Aboriginal representatives as well as governments. The federal government contributed approximately \$150 million to the program during the construction phase of the project (2002-05) to subsidize the wages of Aboriginal peoples in training.

More than 1,000 Innu and Inuit were trained under the program, creating a ready-made workforce when the mine opened in 2005. The percentage of Aboriginal employees at the mine peaked at 55 per cent but has declined due to other opportunities available to skilled workers from other natural resource projects in the region.

Aboriginal peoples' involvement in the Voisey's Bay project extends beyond direct employment at the mine. Approximately 80 per cent of Vale's spending on services for the operation (air transportation, security and camp services) is with Aboriginal joint ventures.

Vale is also a founding sponsor of the ITK's Amaujaq National Centre for Inuit Education.

"We want to build capacity. In the long term, it will benefit us and it will benefit the community."

Bob Carter, Manager, Corporate Affairs,  
Vale



Vale's Voisey's Bay open pit mine is expected to be exhausted by 2020, and the company is expanding the operation underground. The expanded mine is scheduled to open in 2019 and will need 400 additional employees. People will need a unique skill set to work in the underground facility. Vale is looking at training programs to upskill its current workers and attract new employees for the three-year construction phase (2016-19) and for the underground operation when it is up and running.

The company is assessing existing federal programs, such as the Aboriginal Skills and Employment Training Strategy (ASETS),<sup>18</sup> to see if there is a fit with its needs as well as those of Aboriginal communities. Vale is also examining the Labrador Aboriginal Training Partnership,<sup>19</sup> which is being used to obtain federal and provincial workforce training support for the Muskrat Falls hydro electric project. In 2014, Vale will complete its detailed engineering study of the project's requirements and present it to the Nunatsiavut and Innu nations as well as to the provincial and federal governments.

RioTinto involved local communities and Aboriginal peoples from the earliest days of the planning of its Diavik Diamond Mine in the Northwest Territories. RioTinto took the advice of local Aboriginal peoples

on the location of infrastructure of the mine, which began production in 2003, to minimize snow drift into the camp. In addition to training Aboriginal peoples – on its own and working with the Northwest Territories Mine Training Society – to work in the mine, more than two-thirds of Diavik's spending is with local companies. One of these companies is Bouwa Whee Catering, owned by the Yellowknives Dene First Nation. RioTinto needed a company to provide camp services at the Diavik mine and worked with Bouwa Whee to expand its capacity to meet the company's needs. Bouwa Whee now provides similar services throughout the Northwest Territories.

For some companies, funding new businesses to serve their operations is too expensive. The federal government could assist in making more companies willing to invest in Aboriginal "start ups" by offering tax credits to companies that provide financial assistance to small new businesses in remote areas. These businesses' long-term prospects would be improved if the federal government ensured Aboriginal communities had access to business and financial literacy training. Some companies have suggested that a portion of the royalties the federal government receives from natural resource development in the territories be directed specifically to Aboriginal skills and training programs there.

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<sup>18</sup> ASETS requires partnerships between Aboriginal communities and businesses in the development of training programs to ensure they are suited to the needs of employers.

<sup>19</sup> The Labrador Aboriginal Training Partnership (LATP) includes Labrador's three Aboriginal groups – the Innu Nation, Nunatsiavut Government, NunatuKavut Community Council (formally Labrador Métis Nation) - and the Nalcor Energy-Lower Churchill Project. The LATP's mandate is to oversee training to prepare Innu, Inuit and Métis individuals for employment opportunities created through resource development.

# TRAINING PROGRAMS THAT COME AND GO MAY BE POLITICALLY EXPEDIENT BUT DO NOT MEET ABORIGINAL PEOPLES' AND EMPLOYERS' NEEDS

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*"We need to have a discussion about where we want to be in five, 10 and 15 years and develop programs to meet the objectives along that continuum. Too many programs are short-term and short-sighted."*

Virginia Flood, Vice-President, Canada, RioTinto

An example of the impact of the cancellation of government-sponsored programs—even those that are replaced by others—is that of Mine Training Organizations (MTOs) in Canada's territories, which were initially co-funded by mine industry partners and the federal government through the Aboriginal Skills and Employment Partnership (ASEP)<sup>20</sup> program. ASEP funding was discontinued on March 31, 2012 (when the program ended) and MTOs were advised to look elsewhere for funding or close down operations. MTOs were able to continue through the support of mining companies in the territories.

The importance of mining to the economies of the territories—and the entire country—cannot be overstated. There are more than 20 new mining projects in the territories at various stages of feasibility and regulatory assessment. Collectively, these opportunities represent \$2 billion in resource royalties and tax revenues to the federal government in addition to existing mining royalties.<sup>21</sup> The chambers of mines for the three territories have estimated that mining companies will invest \$19 billion in projects over the next seven to 10 years. This represents a significant body of additional tax revenues to the federal government. If all of these mines progress to the operations stage, the territorial mining industry alone will require nearly 11,000 additional workers by 2017.

To address the elimination of ASEP funding, all three territories have worked together to develop the Northern Minerals Workforce Development Strategy (NMWDS), which has been discussed with the federal government since the fall of 2011 and presented to territorial representatives in the federal government caucus. The NMWDS has the support of territorial mining companies and more than 120 industry, national, Aboriginal and territorial leaders.<sup>22</sup> All territorial premiers have endorsed moving the initiative forward.<sup>23</sup>

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20 ASEP's objective was to build partnerships between Aboriginal communities and the businesses involved in major economic development initiatives such as mining, construction and tourism, so that Aboriginal peoples could obtain the right skills for long-term employment with these projects.

21 Northern Minerals Workforce Development Strategy, March 2012

22 Common Ground – Pan-Territorial Mine Training Organizations Strategic Planning Workshop - Outcrop Communications October 13, 2011

23 Northern Premiers' Forum, June 2012

The cost of the NMWDS is \$200 million over five years. The territorial project partners, including mining companies, will invest 50 per cent of the cost. The partners are requesting that the federal government also invest 50 per cent, the same funding formula that existed prior to the elimination of ASEP.

As a stop gap, since March 31, 2012, mining companies and partners in the territories have covered the shortfall created by the elimination of ASEP funding. MTOs have also restructured their funding portfolios and sought training dollars on a project-by-project basis through the Skills Partnership Fund. This piecemeal approach is a temporary solution and only works for small projects. The funding envelope needs to provide proponents with greater certainty and capacity.

When MTOs were advised to look elsewhere for funding, the private sector stepped up. But unlike provinces, there is not another level of government with revenues available to fund MTOs in the territories, since the vast majority – or all, depending upon the territory – of natural resource royalties flow to the federal government. It is not unreasonable to expect that a small portion of natural resource royalties and tax revenues would be returned to the territories through a partnership with the federal government to support training.



# FOCUSING ON RESULTS RATHER THAN PAPERWORK

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The federal government does continue to support mine training for Aboriginal peoples in the territories through other, short-term programs. The results<sup>24</sup> are often impressive. However, the federal government could make it easier on organizations, such as the Northwest Territories (NWT) Mine Training Society, to focus on delivering the desired outcomes rather than on the bureaucracy associated with federal government funding.

On February 28, 2013, the NWT Mine Training Society signed an agreement with the federal government for the Mining the Future<sup>25</sup> training program. The \$5.8 million, two-year program's objective is to ensure Aboriginal workers are equipped to take advantage of the several mining projects in development in the Northwest Territories (in addition to the three mines in the territories) when they become operational in the next few years. Nearly 3,000 people are employed today in the Diavik, Ekati and Snap Lake mines. By 2017, additional mines are expected to directly employ nearly 5,000 people with another 9,000 indirect/support jobs to be created.<sup>26</sup>

There were a few bureaucratic hiccups between the federal government's May 2012 call for proposals for its Mining the Future program and the signing of the agreement. In the beginning, the NWT Mine Training Society was told the program was for \$10 million in funding and that it had one month to submit a concept and line up partners. In August, the federal government said the program was funded for \$6 million and that a complete proposal was due by September 25 in anticipation of a November launch. "At one point, it felt like the parameters were changing daily," said Hilary Jones, General Manager, NWT Mine Training Society. And once federal funding is obtained, valuable resources that could be directed to delivering training must be directed to onerous auditing processes. "They audit our audits," added Jones who understands the need for accountability when dealing with millions of dollars of taxpayers' money. However, it seems the focus is on accountability as opposed to the results. "Yes, we spent this money. However, we created taxpayers and role models which create a greater social good. I wish they would focus more on that. Due to our track record, the federal government audits us annually. Some organizations are audited monthly."

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24 In 10 years, more than 850 people trained by the Northwest Territories Mine Training Society are employed, providing for their families and paying more than \$13M in federal taxes every year, with another \$5.5M in territorial taxes. <http://minetraining.ca/funding-the-future>, Accessed November 6, 2013

25 Ibid. Mining the Future is also supported by in-kind and cash contribution from industry, local governments and educational institutions.

26 Ibid.

## Recommendations

- Federal training programs need to have the flexibility to permit companies, rights holders and governments to work together in different circumstances to support business needs and capacity building.
  - The federal government could make it more attractive for companies to invest in Aboriginal “start ups” by offering tax credits to companies providing financial assistance to small new businesses in remote areas.
  - The federal government should ensure Aboriginal communities have access to business and financial literacy training.
- The federal government should:
    - Direct a portion of natural resource royalties received in the territories directly to skills and training
    - Restore its 50 per cent funding partnership with mine training organizations (MTOs) in the territories, as defined in the Northern Minerals Workforce Development Strategy, beginning in fiscal year 2014-2015
  - The federal government would get better results for its Aboriginal training dollars if it avoided changing project deadlines and parameters, met project launch dates and made decisions more quickly.

# BUSINESSES CAN MAKE IT EASIER FOR THEMSELVES TOO

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Investing in Aboriginal peoples and communities can pay big dividends. The rights of Aboriginal peoples and First Nations treaties are protected by the Constitution Act (Section 35), and the courts have imposed the obligation on the federal, provincial and territorial governments to consult with Aboriginal peoples regarding any major projects on their reserve or traditional lands that would affect their rights and title. Notwithstanding legal requirements, engaging local communities during a project's planning, its construction and its operation just makes good business sense.

Not only does thorough, thoughtful community consultation increase the opportunities for the engagement and support of the community, it can flag potential issues that could be costly to address after the fact. Early outreach also provides time for training local workers required for a project in advance.

Businesses can also make it easier for Aboriginal peoples to find them, the jobs they offer and the training/education they require. Suncor, for example, is developing a website with drop down menus for positions at the company outlining what training is required for each.

Buying local can also pay off in the long term. Syncrude has found it makes sense to deal with smaller local businesses, most of which have a local workforce and do not have the added costs of flying workers in and out of the community. These suppliers are also in the community for the long term and are prepared to invest in a relationship with their customers.

## CONCLUSION

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Canada — its governments, peoples and businesses — has the means to leave behind the failures and disappointments related to the participation of Aboriginal peoples in our society and economy. All have to demonstrate the will to find and pursue opportunities to do so in ways that are realistic and respectful and achieve the results Aboriginal peoples desire and all Canadians need.

In this paper, we have demonstrated that where need and will exist, success can be achieved efficiently with benefits for all concerned. The recommendations we forward are based on the successes — and frustrations — of businesses, educators, trainers and Aboriginal peoples. Our hope is that they will be seen as practical steps the federal government and businesses can take to make more successes and fewer frustrations the norm.



# SUMMARY OF RECOMMENDATIONS

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- The federal government should:
  - Work with businesses to identify more opportunities to match private sector financial support for Aboriginal skills and training programs
  - Encourage educators to adapt curricula delivered to Aboriginal students
  - Provide tribal councils and native friendship centres with the resources to provide services similar to those offered to new immigrants, including housing assistance, and links to cultural connections
  - Support Aboriginal education programs aimed at instilling a sense of place and pride in students as an essential step before entering programs aimed at delivering workforce-ready graduates
  - Provide support to post-secondary institutions to offer curricula to Aboriginal students closer to/in their home communities
  - Ensure Aboriginal communities have access to business and financial literacy training
  - Direct a portion of natural resource royalties received in the territories directly to skills and training
  - Restore its 50 per cent funding partnership with mine training organizations (MTOs) in the territories, as defined in the Northern Minerals Workforce Development Strategy, beginning in fiscal year 2014-2015
- Federal post-secondary education funding programs need to accommodate the differing timeframes for First Nation bands' decision making and be sufficient to address additional requirements of Aboriginal students, such as child care.
- Federal training programs need to have the flexibility to permit companies, rights holders and governments to work together in different circumstances to support business needs and capacity building.
- The federal government could make it more attractive for companies to invest in Aboriginal "start ups" by offering tax credits to companies providing financial assistance to small new businesses in remote areas.
- The federal government would get better results for its Aboriginal training dollars if it avoided changing project deadlines and parameters, met project launch dates and made decisions more quickly.

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