National Indigenous Economic Strategy For Canada 2022

Pathways to Socioeconomic Parity for Indigenous Peoples

LIVING DOCUMENT June 2022

FOREWORD

Throughout my business career, I have been inspired by many successful Indigenous entrepreneurs and business owners and the many Indigenous-owned and -controlled economic development organizations. They have been busy driving positive social and economic change, creating jobs and wealth, and quite often successfully conducting business by embracing traditional values as guiding principles alongside contemporary values and the best business practices to position them for success. These businesses are key to leading the way toward independence and self-determination and increasing Indigenous participation in the Canadian economy and beyond. This National Indigenous Economic Strategy for Canada can accelerate that participation and further advance economic reconciliation and self-determination. Together we can address long-standing inequities, build business partnerships based on rights and meaningful consultation, and move toward inclusive and sustainable prosperity for Indigenous nations and all Canadians. With economic strategies built on people, productivity, infrastructure, access to capital, and land rights, this report renews my confidence. The future looks bright.

The Hon. Marty Klyne is a former chairperson of the National Indigenous Economic Development Board, former CEO of the SaskNative Economic Development Corporation, and currently serves in the Senate of Canada.

Economic strategy is an immensely important piece of our growth as Indigenous communities in Canada. I am continuously inspired by the robust projects and offerings from our people from coast to coast to coast.

Creating pathways forward in business ensures transformational opportunities for the next generation and the seven generations to come. Our unique advantage as Indigenous developers and entrepreneurs is our connection to tradition; we're guided by our core principles and infuse our culture into everything we touch. For too long, that's been viewed as a drawback. Today, we proudly lead with our cultural values, and we're stronger because of them.

Working together to share this Economic Strategy bolsters our ability to grow and succeed. It is a road map to our next steps, which will lead to what is meant for us. May this strategy be used and built upon for future opportunities for all.

Chief Terry Paul, OC
Membertou Chief & CEO

The National Indigenous Economic Strategy is about people, land, infrastructure, and finance. My people came from the land. My dad was a prime example of grassroots economic development, as he was a guide that led a dog team travelling across the land with doctors and missionaries to take care of the people of this great land. Our small business in Labrador fabricates storage containment tanks for communities all across Labrador to provide diesel generation power to their people, which had a direct impact on infrastructure. Finances were always hard to come by at that time, but we did it, but not without a fight. You practically had to sign your life and the lives of your grandchildren away to access capital, or at least it felt like it. Being an independent Indigenous woman in a non-traditional trade was certainly an impediment, not an advantage. Watching the growth of our revenues over the past four years from $4 million to $25 million is a testament to what small Indigenous businesses are capable of accomplishing.

I am extremely impressed that this National Indigenous Economic Strategy has come to fruition. The time is indeed NOW to implement these much-needed changes. I offer my sincere congratulations to the entire group on this amazing achievement.

Hilda Broomfield-Letemplier, President
Pressure Pipe Procurement & Management Services
Happy Valley–Goose Bay Labrador

TABLE OF CONTENTS

Preface 6
Executive Summary 10
Why Does This Matter? 13
The Time Is Now 16
Strategic Pathways 18
People 19
- Indigenous Entrepreneurship 20
- Leadership and Governance 20
- Labour Force / Labour Markets 21
- Social Capital 22
- Workplace 22

Lands 23
- Land Sovereignty 24
- Land Management 25
- Environmental Stewardship 26

Infrastructure 27
- Physical Infrastructure 28
- Institutional Infrastructure 29
- Financial Resources for Infrastructure 30

Finance 31
- Revenue Sources 32
- Stimulus Funds 32
- Procurement 33
- Trade 34

How You Can Help Implement This Strategy 35
Literature Review 39
People 41
Lands 55
Infrastructure 69
Finance 81
Bibliography 99
Organizations: Contributors and Invited 106
Addendum: Case Studies 107

NATIONAL INDIGENOUS ECONOMIC STRATEGY FOR CANADA

This National Indigenous Economic Strategy is developed by over 20 Indigenous organizations and drafted by a core group of those entities.

The Strategy, as a living document, is a work in progress.

Indigenous organizations are invited to provide comments and suggestions.

The Strategy will be launched in June 2022.

Following the launch of the National Indigenous Economic Strategy, the critical next steps include governance and management of the Strategy, including monitoring implementation.

In addition, it is envisioned that an online resource will provide access to case studies that serve to illustrate continuing success stories related to each Pillar. Current links are provided in the Addendum section.

This document presents a Strategy for Indigenous economic development which can be used by Indigenous entities and communities; all levels of governments; corporate Canada, including small, medium-sized, and large enterprises; and non-Indigenous organizations and institutions.

Special Note on Costing the Strategy

Costing each Call to Economic Prosperity is a critical element of implementation. The business case and partners will determine how each call will be implemented and the related costs.

PREFACE

VISION

SOCIOECONOMIC PARITY FOR INDIGENOUS PEOPLES IN CANADA

The Pathways in this Strategy are informed by the Truth and Reconciliation Calls to Action, the *United Nations Declaration on the Rights of Indigenous Peoples*, the Royal Commission on Aboriginal Peoples, and other national and international instruments.

In December 2015, the Truth and Reconciliation Commission (TRC) released its final report, addressing a dark period in Canada's history and offering a path by which all Canadians can begin the process of reconciliation. Despite the difficult legacy it describes, the TRC report is nonetheless aspirational, stating: "Reconciliation must inspire Indigenous and non-Indigenous Peoples to transform Canadian society so that our children and grandchildren can live together in dignity, peace, and prosperity on these lands we now share."[1]

In his remarks upon accepting the TRC Report, the Prime Minister of Canada stated, in part:

> "This is a time of real and positive change. We know what is needed is a total renewal of the relationship between Canada and Indigenous Peoples. We have a plan to move towards a nation-to-nation relationship based on recognition, rights, respect, cooperation, and partnership, and we are already making it happen.... And we will, in partnership with Indigenous communities, the provinces, territories, and other vital partners, fully implement the Calls to Action of the Truth and Reconciliation Commission, starting with the implementation of the *United Nations Declaration on the Rights of Indigenous Peoples*."[2]

---

1 Canada, *Truth and Reconciliation Commission of Canada Final Report*. 2015. Volume 6, Reconciliation, 2015, page 4.
2 https://pm.gc.ca/en/news/statements/2015/12/15/statement-prime-minister-release-final-report-truth-and-reconciliation

There have been some positive steps since the release of the Report. Many businesses, institutions and organizations have embraced the promise of reconciliation and have developed plans and commitments to help guide a renewed relationship with Indigenous Peoples. Land acknowledgements are now common, reminding all Canadians that the lands are the traditional territories of the Indigenous Peoples who have lived here since time immemorial. Governments have made new investments in housing, water, and education to help address the critical needs facing Indigenous communities and families. Meeting such basic needs is one of the building blocks for the reconstitution and rebuilding of Indigenous Nations.

However, truly transformational change is not possible while the majority of First Nations, Métis, and Inuit continue to live in poverty.

According to data from the 2016 census, four out of every five First Nations reserves have median incomes that fall below the poverty line.[3] A recent study conducted by the Canadian Centre for Policy Alternatives found that Indigenous children in Canada are more than twice as likely to live in poverty than non-Indigenous children.[4]

In its most recent Economic Progress Report, the National Indigenous Economic Development Board found that dependency on government transfers is increasing. Between 2010 and 2015, the percentage of Indigenous Peoples fifteen years and over who rely on government transfers as their main source of income grew from 33.8 percent to 36.5 percent.[5]

Investments to meet basic needs and to support self-government are critical but cannot on their own address the conditions that have resulted in the poverty that is a fact of life in far too many communities.

This National Indigenous Economic Strategy for Canada subscribes to the spirit of aspiration and transformation expressed by the Truth and Reconciliation Commission, understanding that achieving reconciliation will not be possible without vibrant Indigenous economies, characterized by economic self-sufficiency and socioeconomic equality with the rest of Canada. While the effects of colonialism have been devastating to the social, physical, and mental health of our communities, one of its most nefarious objectives was the deliberate exclusion of Indigenous Peoples from sharing in the wealth of this country.

The Royal Commission on Aboriginal Peoples (RCAP) was established in 1991 with a mandate to investigate and propose solutions to the challenges affecting the relationship between Aboriginal peoples (First Nations, Inuit, Métis), the Canadian government, and Canadian society as a whole. In the 1996 RCAP Report, the landmark Commission tabled five volumes with 6,800 pages and 434 recommendations which were more far-reaching than any other Commission in Canadian history. They proposed an ambitious course for reconciliation and the renewal of the relationship between Canada and Indigenous Peoples, and a twenty-year implementation timeline to "close the socioeconomic gap" was established, which has now lapsed.

---

3 https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/abpopprof/details/page.cfm?Lang=E&Geo1=&Code1=&Data=Count&SearchText=Canada&SearchType=Begins&B1=All&SEX_ID=1&AGE_ID=1&RESGEO_ID=1

4 Canadian Centre for Policy Alternatives, *Delivering the Goods: Alternative Federal Budget*, 2015, page 106.

5 National Indigenous Economic Development Board, *Economic Progress Report*, 2019, page 116.

The Report included findings and recommendations relating to Nation rebuilding, recognition of an Indigenous order of government, creation of an Indigenous Parliament, expansion of the Indigenous land base, recognition of Métis self-government and rights, and new initiatives to address social, education, and housing needs. The Report also dedicated significant attention to the goal of developing a viable economic base for Indigenous Peoples:

> Self-government without a significant economic base would be an exercise in illusion and futility. How to achieve a more self-reliant economic base is thus one of the most important questions to be resolved. What measures need to be taken to rebuild Aboriginal economies that have been severely disrupted over time, marginalized, and largely stripped of their land and natural resource base?
>
> The question is urgent, and not only because progress toward self-government would be severely constrained in the absence of effective measures to rebuild Aboriginal economies. For Aboriginal individuals and families, whether they live in urban or rural areas, employment levels and income continue to lag far behind Canadian standards.[6]

These words still resonate twenty-five years later.

The *United Nations Declaration on the Rights of Indigenous Peoples* was adopted by the United Nations in 2007 to enshrine (according to Article 43) the rights that "constitute the minimum standards for the survival, dignity and well-being of the Indigenous Peoples of the world."[7]

Among other standards, Article 3 of the *United Nations Declaration on the Rights of Indigenous Peoples* recognizes Indigenous Peoples' right to self-determination, including the right "to freely determine their political status and freely pursue their economic, social and cultural development." Article 4 affirms Indigenous Peoples' right "to autonomy or self-government in matters relating to their internal and local affairs," and Article 5 protects Indigenous Peoples' right "to maintain and strengthen their distinct political, legal, economic, social and cultural institutions." Article 26 states that "Indigenous Peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired." The *United Nations Declaration on the Rights of Indigenous Peoples* calls individual states to observe and enforce treaties and other agreements with Indigenous Peoples. In 2016, Canada accepted the UN Declaration, without qualification, and promised to implement it. As of the writing of this Strategy, Bill C-15, the *United Nations Declaration on the Rights of Indigenous Peoples Act* has been incorporated into law.

---

6 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, Part 2, 1996, page 775.

7 United Nations, *United Nations Declaration on the Rights of Indigenous Peoples*, 2007.

Reconciliation for Economic Development

Full reconciliation with Indigenous Peoples will not happen without economic reconciliation. It is not only the fair and right thing to do, but there is a strong and compelling business case for all Canadians.

Dawn Madahbee Leach, Interim Chairperson, NIEDB, 2016

Reconciliation is not possible without the recognition of Indigenous Nations as full partners by federal, provincial, and territorial governments and all Canadians, and the assurance that Indigenous Nations have the resources and capacity to share in economic growth and participate more fully in Canada's political, social, and economic development.

Economic reconciliation can only begin when colonial practices and processes are completely dismantled and discontinued. It means that economic development projects cannot happen without the free, prior, and informed consent and participation of the Indigenous Peoples whose traditional territory will be impacted. A first step toward economic reconciliation with the Indigenous Peoples of these lands must be the full implementation of the *UN Declaration of the Rights of Indigenous Peoples*.

Economic reconciliation is not possible while so many Indigenous Peoples live in poverty, have inadequate housing, and lack access to clean water and other public services.

Closing the socioeconomic gaps between Indigenous and non-Indigenous Peoples in Canada will lead to tangible economic benefits beyond those experienced in Indigenous communities. In its Reconciliation report, the NIEDB estimates that closing the productivity gap between Indigenous and non-Indigenous Canadians would lead to an increase of $27.7 billion to Canada's gross domestic product (GDP) each year.

- If Indigenous Peoples had the same education and training as non-Indigenous Peoples, the resulting increase in productivity would mean an additional $8.5 billion in income earned annually by the Indigenous population.
- If Indigenous Peoples were given the same access to economic opportunities available to other Canadians, the resulting increase in employment would result in an additional $6.9 billion per year in employment income and approximately 135,000 newly employed Indigenous Peoples.
- If the poverty rates among Indigenous Peoples were reduced, the fiscal costs associated with supporting people living in poverty would decline by an estimated $8.4 billion annually.
- Overall, if the gap in opportunities for Indigenous communities across Canada were closed, it would result in an increase in GDP of $27.7 billion annually or a boost of about 1.5% to Canada's economy.[8]

[8] National Indigenous Economic Development Board, *Reconciliation: Moving Canada Forward by $27.7 Billion*, 2016.

EXECUTIVE SUMMARY

This National Indigenous Economic Strategy for Canada is the blueprint to achieve the meaningful engagement and inclusion of Indigenous Peoples in the Canadian economy. It has been initiated and developed by a coalition of national Indigenous organizations and experts in the field of economic development. The Strategy is supported by four Strategic Pathways: People, Lands, Infrastructure, and Finance. Each pathway is further defined by a Vision that describes the desired outcomes for the actions and results of individual Strategic Statements. The Calls to Economic Prosperity recommend specific actions to achieve the outcomes described in the Strategic Statements. This document is not intended as a strategic plan specifically, but rather a strategy that others can incorporate into their own strategic plans.

In developing this Strategy, we built upon the many reports and research findings that have identified concrete recommendations and solutions to realize the vast potential of Indigenous economies. It is our hope that this strategy offers a pathway, a guide, and an opportunity for all Canadians to share our vision for economic equality and be part of this important effort.

Across Canada, progressive leadership along with vibrant Indigenous businesses and entrepreneurs are strengthening communities, contributing to regional economies, supporting self-determination, and leading economic reconciliation. This represents a vast future potential that could be realized in more communities if the right conditions were in place—inclusive of all Indigenous Peoples.

However, in too many Indigenous communities across Canada, the basic conditions for economic development and well-being are not there. This includes basic infrastructure like access to clean water, adequate housing, and digital connectivity. The COVID-19 pandemic amplified these inequalities, and Indigenous communities disproportionately suffered. The COVID-19 pandemic has led to calls to build back better. This must include rectifying the lack of investment in Indigenous communities and building the foundational infrastructure to support self-determination and economic reconciliation. As communities with large youth populations, this is an investment in the future of Canada. It is time to eliminate gaps and rectify the past

wrongs that have long suppressed Indigenous Peoples and systematically left communities economically disadvantaged throughout the history of Canada up to today. For too long, the unique assets and capacities of Indigenous Peoples have been marginalized and neglected. Here we offer a vision, solutions, and a path forward for *Indigenous economic prosperity*.

This Strategy builds upon the landmark 2015 *Truth and Reconciliation Commission (TRC) Final Report*. Throughout Canada's history, colonial governments and newcomers have systematically suppressed the economies, education, inherent rights, traditional practices, languages, and lives of Indigenous Peoples. Indigenous Peoples were removed from the lands that sustained them, and their economies were destroyed. This suppression experienced by generations of Indigenous Peoples led to disastrous results and inequities that continue today. As noted by the TRC report, "to move forward, there has to be awareness of the past, acknowledgement of the harm that has been inflicted, atonement for the causes, and action to change behaviour."[9] International and Canadian law also acknowledge the wrongs that occurred against Indigenous Peoples and the need for us to have agency in our economic futures. However, the remedies are not prescribed. Here we offer the solutions.

Improving the socioeconomic outcomes for Indigenous Peoples will also provide significant benefits for all Canadians. The National Indigenous Economic Development Board's 2016 report *Reconciliation: Growing Canada's Economy by $27.7 Billion* demonstrated the vast potential economic benefit of reconciliation both in terms of what is being lost to Canada and the value of what can be gained by all Canadians. The continued economic marginalization of Canada's Indigenous Peoples costs our economy $27.7 billion each year. In other words, actions to achieve economic reconciliation—equal access to financial services, capital and other business supports, adequate community infrastructure and housing, connectivity for Indigenous communities, and equal access to quality education and training—can increase Canada's GDP by 1.5%.[10] Canadians must walk the path to reconciliation together; these numbers demonstrate that there is nothing to fear and much to gain.

In 2019, the Government of Canada engaged the Organisation for Economic Co-operation and Development (OECD)—a pre-eminent international policy forum—to recommend how public policy and public investments could be better leveraged to support Indigenous economic development. The OECD recommended the development of a National Indigenous Economic Strategy to align policy objectives and responsibilities across levels of government and to define measurable goals and outcomes. In response, Indigenous organizations began working together to advance this urgent and important work by developing new collaborative models and approaches to an Indigenous-led economic strategy.

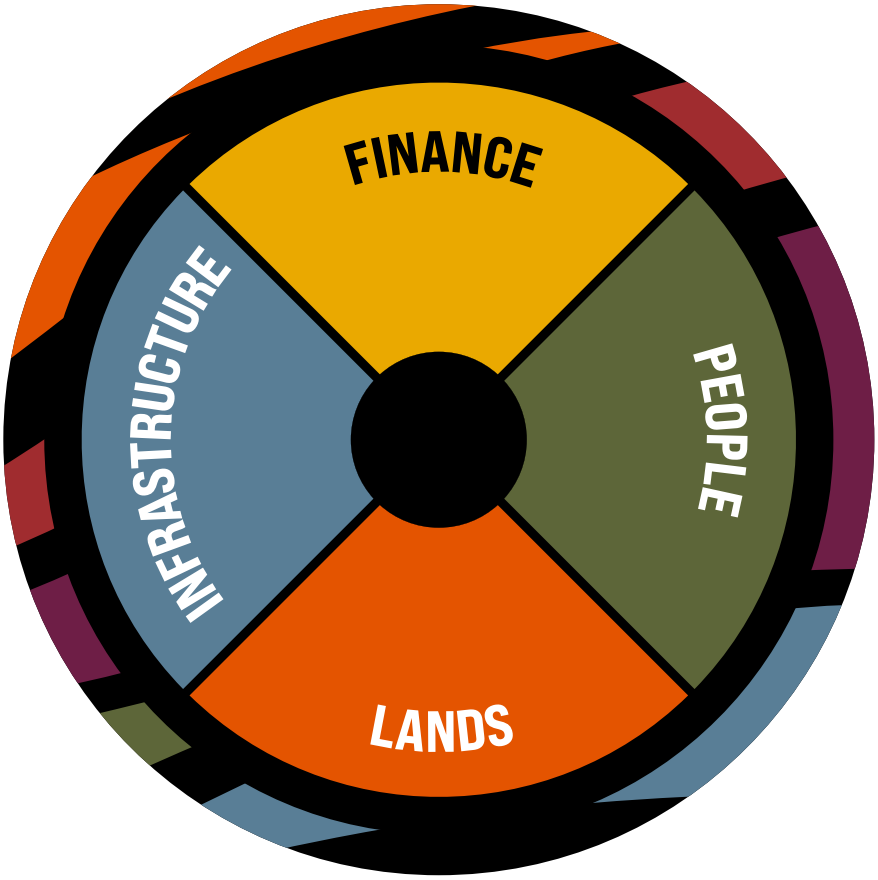
---

9 Canada, *Truth and Reconciliation Commission of Canada Final Report*. 2015. Volume 6, Reconciliation, 2015, page 3.

10 National Indigenous Economic Development Board, *Reconciliation: Growing Canada's Economy by $27.7 Billion*, Background and Methods Paper, 2016, page 14.

The capacity for Indigenous Peoples to create secure and sustainable wealth is fundamental to the universal Indigenous quest for self-determination. It is therefore imperative for Indigenous Peoples to decide how that should proceed on the principles of free, prior, and informed consent. We want to navigate our own way in a modern economy where we ensure the correct balance of our customary and cultural obligations to self, community, and country while at the same time activating our natural tangible and intangible assets to grow our strength and independence. In the end, we want to resume responsibility and "own our risk."[11]

We encourage readers to take up these Calls to Economic Prosperity to help drive positive change, address long-standing inequities, and achieve inclusive growth for and with Indigenous communities. Implementation of the Strategy requires the purposeful engagement of governments, corporate Canada, institutions, and all Canadians who are genuinely interested in economic reconciliation.



[11] Organisation for Economic Co-operation and Development, *Linking Indigenous Communities with Regional Development*, 2019, page 3.

WHY DOES THIS MATTER?

Collective prosperity… we are only as prosperous as our neighbours.

This matters for Indigenous Peoples…

The time is now for us to be partners, equal participants, and drivers of our own success in the Canadian economy.

Indigenous businesses are inherently sustainable and prioritize social responsibility.

Intellectual property is a mechanism for Indigenous Peoples both to exercise their economic power and to protect Indigenous Traditional Knowledge and cultural expressions.

Community economic development directly impacts the quality of life for all community members. Small business development leads to increased workforce participation, which is a key determinant of economic health and overall health in communities.

This matters for all Canadians…

We all have collective responsibility to uphold agreements made with the First Peoples of this land.

The future of this country depends on the equal participation of everyone in Canada.

When the Indigenous economy grows, so does the Canadian economy. Indigenous Peoples are the fastest-growing demographic in the country and a major employer of non-Indigenous Peoples.

Critical decisions need to be made to rebuild a sustainable economy. We must rely on the knowledge and connection of Indigenous Peoples who have cared for this land and water for millennia.

This matters for Governments...

A significant **trust deficit** exists between federal organizations and Indigenous Peoples, their communities, and businesses that needs to be rectified.

Strong Indigenous businesses and economies attract foreign investment. Indigenous businesses are twice as likely to export as non-Indigenous businesses.

This Strategy provides a clear directive from Indigenous Peoples to achieve their economic development objectives.

Indigenous economic inclusion can increase Canada's GDP by $27.7 billion.

The development of a National Indigenous Economic Strategy for Canada was a specific recommendation of the 2020 OECD Report *Linking Indigenous Communities with Regional Development*. This will be a step toward completing that recommendation.

This matters for Corporate Canada...

Collaborating with Indigenous Peoples builds project certainty and mutually beneficial outcomes. Indigenous traditional territories encompass all the land now referred to as Canada. No longer considered acts of benevolence, good Indigenous relationships are integral to business success and for social licence.

Investors, shareholders, and regulators are increasing their focus on Environment, Social, and Governance criteria and Indigenous empowerment. Investment will flow where there is support for Indigenous participation.

Forward-thinking leaders understand the benefits of diversity in leadership and the linkage to organizational performance and financial indicators. Indigenous participation at all levels of an organization can drive growth, improve corporate results, and increase employee satisfaction.

This matters for Small and Medium-sized Enterprises in Canada...

Indigenous Peoples are the main or growing population base in many regions across Canada, and many businesses rely on the purchasing power of Indigenous communities and Peoples. The very survival of many non-Indigenous businesses depends on Indigenous consumers and patronage.

Many businesses want to mirror their customer base. Reflecting the local Indigenous population in supply chains and the workforce represents a smart business strategy.

This matters for Canada's Institutions...

Indigenous Peoples are unique in that they have entrenched Constitutional rights that demand representation in institutions of health, education, justice, and finance.

Systemic racism and discrimination are realities that are clearly illustrated by demographic imbalances in institutions.

Indigenous inclusion and narratives will enhance vibrancy in Canada's institutions.

Indigenous Peoples are the fastest-growing population in Canada and are here to stay.

This matters Globally...

The 2020 OECD Report *Linking Indigenous Communities with Regional Development in Canada* recommends to Canada the need for a National Indigenous Economic Strategy co-developed with Indigenous People. This Strategy addresses that recommendation.

The *United Nations Declaration on the Rights of Indigenous Peoples*, for which Canada has signified support, denotes that Indigenous Peoples have the right to economic development and the right to participate in the economy of the state.

Canada can be the global leader on upholding Indigenous rights and supporting Indigenous economic inclusion through the implementation of this National Indigenous Economic Strategy.

THE TIME IS NOW

Including Indigenous Peoples strengthens Canada's economy ***now,*** *opens trade and investment* ***now,*** *creates innovation* ***now,*** *helps address climate change* ***now,*** *and builds an inclusive society* ***now****. The National Indigenous Strategy Calls to Economic Prosperity are positive, are solution based, and provide a road map to economic prosperity.* ***The time is now!***

Seminal reports and declarations including the Royal Commission on Aboriginal Peoples, the *United Nations Declaration on the Rights of Indigenous Peoples*, the Truth and Reconciliation Commission of Canada, and the OECD's work on linking Indigenous Peoples with regional development have all informed this National Indigenous Economic Strategy.

The ground-breaking Royal Commission on Aboriginal Peoples final report was published in 1996 and included a time frame to address the issues identified within twenty years…it is now twenty-five years later, and many of the recommendations remain outstanding. The last national Indigenous economic strategy, the Federal Framework for Aboriginal Economic Development, was completed by the federal government in 2009 with an expectation that needs would be addressed, new funds would be identified, and guiding principles would be in place, but specific results were not measurable and funds for Indigenous economic programming were reduced or eliminated. The 2012 National Indigenous Economic Benchmark Report by the National Indigenous Economic Development Board, and subsequent Progress Reports produced every three years since, initially projected that the economic gaps between Indigenous Peoples and Canadians in general could be eliminated within ten years, but the last progress report in 2019 indicated that the gaps in economic indicators still exist or, in some cases, increased, with very little progress to date. It is not

clear that the Government of Canada is taking any action on the recommendations provided by the OECD, which is why Indigenous economic organizations are collaborating on this strategy.

Many of the Calls to Action from the Truth and Reconciliation Report (TRC) are still outstanding. The Calls to Action are foundational in nature, with one relating to Business and Reconciliation.

Business and Reconciliation

92. We call upon the corporate sector in Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources. This would include, but not be limited to, the following:

i. Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, and informed consent of Indigenous Peoples before proceeding with economic development projects.

ii. Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.

iii. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.

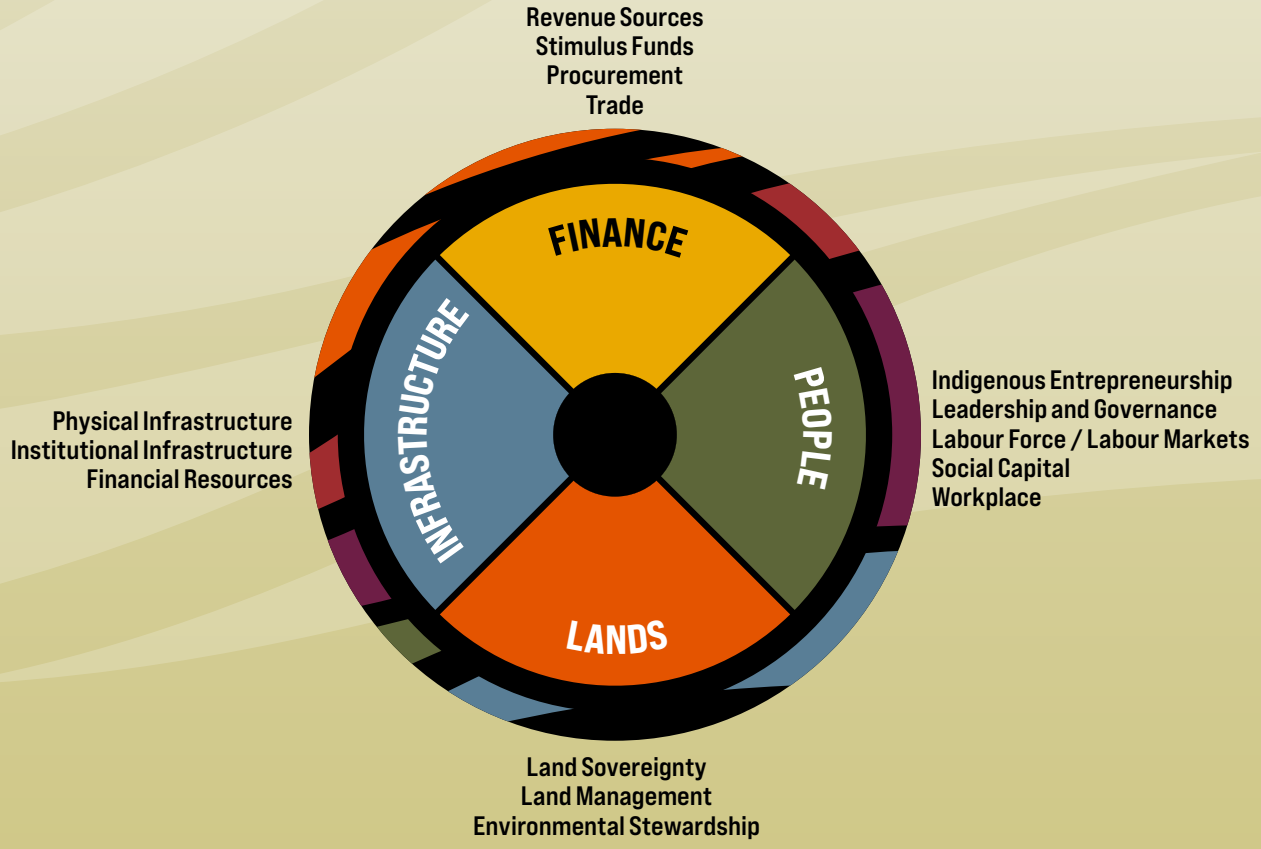
This National Indigenous Economic Strategy for Canada has expanded from this initial Call to Action to share an economic vision that Indigenous Peoples see as critical for meaningful inclusion in Canada's economy. Addressing the Calls to Economic Prosperity in this strategy can take place **now**: not a year from now, not in five years…**now**. Steps can be taken now toward economic reconciliation and Indigenous economic inclusion. This strategy provides a guide to any government, corporation, business, or institution creating its own strategic plan, or reconciliation action plan, or policy changes, or guidelines, or legislative changes, without reason for delay.

STRATEGIC PATHWAYS

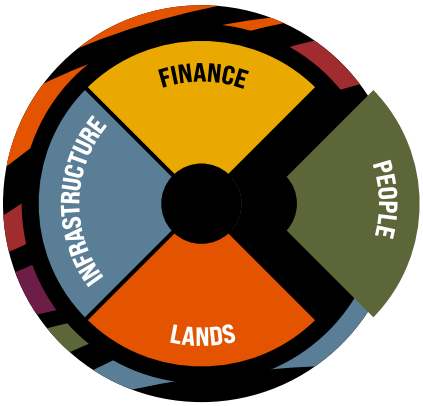
OVERARCHING VISION

SOCIOECONOMIC PARITY FOR
INDIGENOUS PEOPLES IN CANADA

The National Indigenous Economic Strategy is organized around four Strategic Pathways: People, Lands, Infrastructure, and Finance. Each pathway includes a Vision that describes the desired outcomes for the actions and results of individual strategic statements. Calls to Economic Prosperity recommend specific actions to achieve the outcomes described in the Strategic Statements. All Calls to Economic Prosperity are interconnected, with none taking precedence over another. All Pathways are informed by the *United Nations Declaration on the Rights of Indigenous Peoples*.



The circle is an important symbol to Indigenous Peoples. Representing the seasons, the cycles of life, the cardinal directions, the elements, and the interrelationships of all peoples, the circle has been chosen as the iconography for the Strategic Pathways that guide the National Indigenous Economic Strategy for Canada.



PEOPLE

VISION

The capacity of First Nations, Métis, and Inuit is strengthened in order to provide world-class skills, knowledge, and leadership in Canadian and global economies. Indigenous Peoples are empowered to choose the distinct way they define, generate, and redistribute wealth.

Indigenous Entrepreneurship

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous entrepreneurs have access to the information, tools, capital, and support systems to give them the best possible opportunities to build and grow successful businesses.	**1. Create a financial literacy and business curriculum for youth and adults.** **2. Develop mentorship programs.** **3. Foster a national network of Indigenous Chambers of Commerce.** **4. Create information and gateway platforms to navigate the range of resources and services for entrepreneurs.** **5. Ensure that Indigenous Entrepreneurs have access to capital and enabling programs to fully participate in the Canadian economy.**

Leadership and Governance

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous Peoples are certified as board ready and are actively participating on Canadian corporate boards, boards of Indigenous organizations, and not-for-profit boards.	**6. Study, review, and amend existing board certification programs to meet Indigenous needs.** **7. Create and coordinate a national database of certified, board-ready Indigenous Peoples for utilization by organizations to populate boards of directors.** **8. Enact legislation to increase the number of Indigenous Peoples on public and private boards.** **9. Educate shareholders to mandate inclusion of Indigenous Peoples on corporate for-profit and not-for-profit boards.**
The voices of Indigenous Youth, Women, Elder, and LGBTQ2S+ inform the nexus of Indigenous and Western approaches to economic development.	**10. Create Youth, Women, Elder, and LGBTQ2S+ permanent forums.** **11. Educate Indigenous youth on all aspects of Indigenous economic issues and approaches.** **12. Seek the advice and guidance of Indigenous Elders in all culturally-specific aspects of economic development.**

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous intellectual property and traditional knowledge are protected from cultural misappropriation.	**13. An Indigenous branch of Canadian Intellectual Property Office Cultural is created.**
Canadian business schools have mandatory curricula on Indigenous economic development.	**14. Business schools in Canada require all business students to take a course on Indigenous Peoples and the economy, which includes the history and legacy of residential schools, the United Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal Rights, Indigenous Law, Aboriginal – Crown Relations, and skills-based training in intercultural competencies, conflict resolution, human rights, and anti-racism.**
Strengthen and support the Indigenous public service.	**15. Support Indigenous-led institutions to build Indigenous administrative and service delivery capacity for the provision of public services.**

Labour Force / Labour Markets

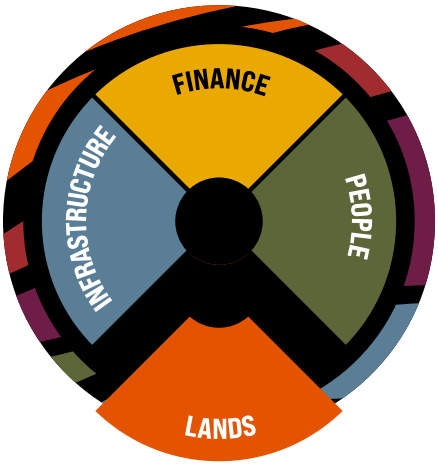
STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
A highly skilled, competitive, and world class Indigenous labour force for Canadian and global markets. Indigenous Peoples have access to readily accessible culturally appropriate education at all levels, pre-kindergarten through post-secondary.	**16. Enact legislation for equal funding for Indigenous K-12 education.** **17. Direct Federal funding to Indigenous enrolment in post-secondary STEM disciplines.** **18. Partner with organizations focused on Indigenous STEM programs.** **19. Conduct labour force planning.** **20. Develop labour market strategies.** **21. Create workforce engagement strategies.** **22. Strengthen supports for organizations that focus on Indigenous skills, employment, and business training.** **23. Conduct meaningful data and conduct assessments on the efficacy of existing programs in relation to the skills development of Indigenous Peoples.**

Social Capital

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Build and strengthen the bonds and linkages among Indigenous and non-Indigenous Canadians; foster and grow the social capital of Indigenous Peoples. Indigenous Peoples see themselves as active and valued participants in the Canadian economy. Proactive and meaningful approaches to eradicate systemic racism.	**24. Develop programs to enable Indigenous Peoples to expand their networks.** **25. Identify appropriate social capital measurement and reporting systems.** **26. Develop a communication strategy to underscore the power of social capital.** **27. Evaluate how social capital is improving both labour market and economic outcomes.** **28. Recognize and measure the Indigenous contribution to Canada's prosperity and work towards increasing Indigenous economic growth.** **29. Encourage all entities in Canada to establish Reconciliation Action Plans that are measurable and communicated publicly.**

Workplace

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Inclusive workplace strategies for Canadian employers that harness the human resource potential of all employees.	**30. Engage Indigenous Advisors to help Indigenous and non-Indigenous organizations evaluate workplace practices and strategies, measure and monitor workplace inclusion strategies, provide inclusive workplace training, and undertake systems review of strategies.** **31. All public and private employers adopt the Truth and Reconciliation Calls to Action No. 57 (educate public servants on Indigenous history) and No. 92 (corporate sector adoption of the United Nations Declaration on the Rights of Indigenous Peoples).**



LANDS

VISION

Indigenous jurisdiction related to land is enshrined in the knowledge that the land was never ceded but rather intended to be shared and protected for future generations. Landmark court decisions, international law, and United Nations declarations are recognized and enacted into legislation. The land encompasses all elements, including water, air, and resources that lie on, above, and beneath the land. Economic reconciliation is attained when all land-related claims and issues are resolved.

Land Sovereignty

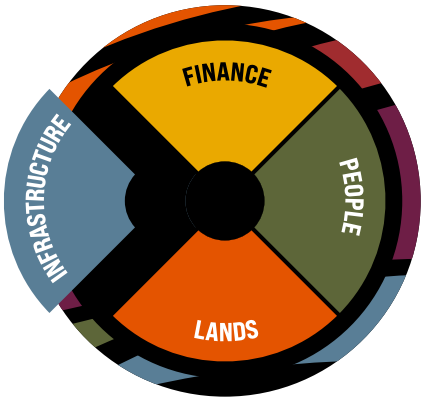
STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous communities have the tools, information, and advocacy to affirm jurisdiction of their territories. Systemic barriers to Indigenous land sovereignty are removed. Indigenous communities have the capacity and resources to conduct traditional knowledge and land use studies and to reclaim the traditional stories, relationships, and governance that come from the land.	**32. Strengthen the negotiating capacity of Indigenous groups.** **33. Reform government legislation and policy to remove exclusionary and racist sections relating to land.** **34. Develop new legislation to eliminate that Indigenous Rights Holders extinguish their inherent and/or Treaty Rights as a prerequisite for an agreement.** **35. Recognize and affirm the spirit and intent of Aboriginal and Treaty Rights.** **36. Change place names to reflect Indigenous traditional names and the Indigenous world views. Create maps that reflect historical Indigenous place names.** **37. Immediately settle all unresolved Indigenous jurisdiction and land issues.** **38. Document Indigenous Peoples' relationship to the land, and mandate that it inform Indigenous-led education of policy makers, industry, and all Canadians.** **39. Fully fund Indigenous communities to conduct Traditional Knowledge studies and create their own archives.** **40. Undertake a study to quantify the natural resource capital loss and loss of use that has occurred as a result of colonization.** **41. Establish Indigenous institutions focused on building Indigenous capacity to address land sovereignty.**
Surplus government land is identified to address land claims settlements.	**42. Undertake an annual national audit of federal, provincial, territorial, and municipal designated surplus land. Develop and implement a policy for Indigenous set asides and the right of Indigenous first refusal of these lands.** **43. Establish a portfolio of land to be made available for future land claim settlements.** **44. Identify Indigenous land claim bases on or near urban, commercial centres as settlement for loss of economic use.** **45. Enshrine Indigenous right of first refusal in the sale or lease of Crown land.**

Land Management

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous communities have the tools, resources, and knowledge to manage their jurisdiction over their traditional lands and territories. Indigenous communities have the right to develop their land for the purposes of building sustainable economies.	**46. Create an Indigenous Centre of Excellence for Land Management to which current government programming is devolved. This Centre will develop and manage an Indigenous Lands Registry.** **47. Provide tools and legal templates for Indigenous Peoples to build land codes, laws, and associated regulations and undertake land use planning.** **48. Affirm Indigenous Rights as stewards and protectors of the lands, particularly Federal, Provincial, and Territorial Crown lands.** **49. Create an Indigenous environmental oversight body with powers equal to the Canadian Energy Regulator; this entity also appoints representatives to existing regulatory bodies.** **50. Through the Centre of Excellence conduct Indigenous research and case studies on the appropriate utilization and management of the land.**

Environmental Stewardship

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous groups are full participants at International climate change forums and committees. The inherent role of Indigenous Peoples is enshrined in law and policy as stewards of the land, water, air, and natural resources.	**51. Establish a policy that directs representatives of First Nations, Métis, and Inuit are included on all Federal, Provincial, Territorial, and Municipal Regulatory bodies. Affirm the utilization of Indigenous knowledge in all aspects of land management, protection, and emergency response.** **52. Direct that Indigenous environmental bodies and people are required as monitors of all energy and resource projects.** **53. Develop an environmental stewardship element of the Indigenous Centre of Excellence for Land Management.** **54. Procure the services of Indigenous companies to clean up contaminated sites.** **55. Strengthen the consultation process on all major resource and energy projects to ensure Indigenous interests are paramount.** **56. Implement significant penalties for corporate non-compliance with Indigenous, Federal, Provincial, Territorial, and Municipal environmental laws and permitting processes.**



INFRASTRUCTURE

VISION

Leading-edge physical and institutional infrastructure and services are in place to ensure a prosperous Indigenous economy today and for future generations.

Physical Infrastructure

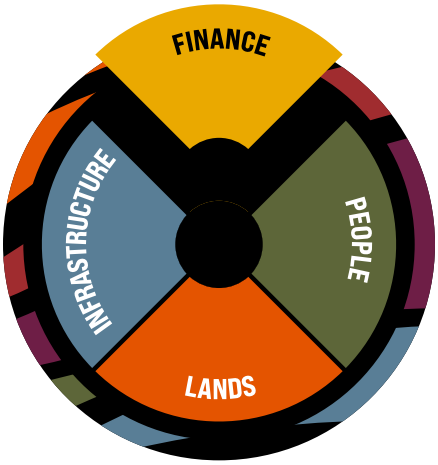
STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous communities have the physical and technological infrastructure to support healthy and prosperous communities. Indigenous communities have the capacity to participate and the opportunity to take the lead economic position and equity ownership in any infrastructure development. Indigenous communities have access and connectivity to mainland to enter and exit their communities via effective and safe methods of transportation. Involve Indigenous communities in all plans and decisions regarding physical and high-speed technological infrastructure, including Indigenous telecommunications spectrum sovereignty. Food sovereignty in Indigenous communities is supported by effective transportation routes and legislation. Indigenous Peoples have access to sustainable housing and home ownership.	**57. Improve coordination across all levels of government to implement a place-based approach to Indigenous economic development.** **58. Strengthen engagement with provinces to coordinate investments and realize economies of scale in the provision of infrastructure and services.** **59. Create an Indigenous-led Institute for Physical Infrastructure that collects and disseminates information on leading practices and provides advisory services.** **60. Prioritize provision of broadband services in rural and remote communities; set aside telecommunications spectrum for Indigenous communities, and report annually on progress in meeting connectivity goals.** **61. Collaborate with major telecommunications providers to address deficiencies in access.** **62. Conduct research on access to education in remote Indigenous communities, develop a plan to address connectivity deficiencies.** **63. Provide safe and culturally appropriate educational options for Indigenous students in urban communities.** **64. Eliminate the boil-water advisories in all Indigenous communities by upgrading physical infrastructure and developing capacity and skills of community members to manage water systems.** **65. Ensure all Indigenous communities have reliable transportation for travel and shipment of food and materials.** **66. Provide Indigenous communities and organizations with the first opportunity to take over decommissioned government physical assets; and provide skills training and support for ongoing operations and maintenance. (Also see Calls #42 and #44.)** **67. Prioritize government funding to infrastructure projects with Indigenous equity participation and/or support, potentially through corporate tax incentives.** **68. Fully fund rural, remote, and urban Indigenous community training to maintain, operate, and protect current and new physical and technological infrastructure.** **69. Ensure Indigenous Peoples have access to sustainable housing and home ownership.**

Institutional Infrastructure

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous institutions are established to support all aspects of Indigenous economic prosperity. Indigenous Peoples guide development of policies and processes for mainstream public organizations. Systemic racism no longer enabled by institutional policies, processes, and practices. All Canadians are educated on the history of Indigenous Peoples in Canada through an Indigenous lens. Government, corporate, and institutional policies incorporate Indigenous economic prosperity.	**70. Create an Indigenous Knowledge Institute focused on protecting Indigenous Rights, monitoring Indigenous-focused research, protecting intellectual property rights, community-specific cultural knowledge, and development of national ethics principles to guide Indigenous-focused research.** **71. Determine how Canada's National Research Agency should support Indigenous initiatives and research projects.** **72. Develop a comprehensive compendium of Indigenous research and knowledge that is currently resident in non-Indigenous institutions and centralize this knowledge in the Indigenous Knowledge Institute.** **73. Eradicate policies and practices that reinforce racist standards within institutions: government, academic, health, religious, not-for-profit, legal, justice, and corporate.** **74. Include an Indigenous lens in all research and teaching institutions, regionally, nationally, and internationally. Where possible, ensure that Indigenous-specific research is led by Indigenous researchers.** **75. Create a national Indigenous-led organization focused on technological infrastructure.** **76. Call on all levels of government to work with Indigenous leaders on a strategy to collaborate on devolution and / or co-management of economic development delivery models, developing Indigenous capacity and Indigenous-led economic institutions.** **77. Devolve Indigenous Services Canada economic development elements to Indigenous communities and organizations.** **78. Devolve and / or co-manage Indigenous economic development services models from all federal and provincial governments.** **79. Establish and empower an Indigenous Institute to collect and govern Indigenous data about population, businesses, lands, and resources. This Institute will monitor and measure implementation of these Calls to Economic Prosperity.**

Financial Resources for Infrastructure

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous communities own and effectively manage infrastructure, trust funds, and settlements, and have the capacity to generate own-sourced revenues. Financial institutions view Indigenous communities, institutions, and businesses as viable investments.	**80. Enable federal and provincial co-funding and industry partnerships to provide broadband services to Indigenous communities in rural and remote areas; prioritize Indigenous participation; provide dedicated Indigenous funding for all major infrastructure programs and projects, including Indigenous ownership.** **81. Enhance and strengthen existing Indigenous financial institutions and Indigenous economic development and sectoral organizations to build Indigenous economic capacity.** **82. Conduct research and develop case studies focused on successful Indigenous community projects.**



FINANCE

VISION

Indigenous Peoples and communities have the financial capital to achieve economic and social prosperity on their own terms.

Revenue Sources

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous Peoples have an equal voice in the management of, and benefit from, natural capital. Systemic barriers to accessing capital are removed. Legislative barriers to accessing capital and business development are removed and replaced with appropriate legislative protocols in line with Indigenous terms Indigenous Peoples receive the money owed to them from legal settlements. Indigenous Peoples are partners in all government approved projects.	**83. Indigenous Peoples participate in resource revenue sharing.** **84. Reform government policy and legislation to remove all barriers to Indigenous access to capital.** **85. Governments commit to transfer monies to Indigenous Peoples that are currently managed for and owed to them. This commitment is reinforced through the adoption of urgent timelines and required human and financial resources.** **86. Governments enact policies and legislation prioritizing Indigenous Peoples as equity partners in all major projects.** **87. Governments adhere to their fiduciary duty to Indigenous Peoples and fully implement the UN Declaration on the Rights of Indigenous Peoples Act.** **88. The Federal Government fully engages Indigenous Peoples in development of the National Action Plan, strategies, and other concrete measures to achieve the goals of the United Nations Declaration on the Rights of Indigenous Peoples as called for Call to Action 44 of the Truth and Reconciliation Commission.** **89. Modernize trust agreements and other revenue generating agreements to ensure long-term sustainability and to provide communities with revenue streams and flexibility in decision-making.**

Stimulus Funds

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Robust mechanisms are in place to ensure economic prosperity for Indigenous Peoples. Incentives are in place to encourage investment in Indigenous economies. Aboriginal Financial Institutions have the capacity to fund all qualifying Indigenous businesses.	**90. Research and action the mechanisms that will stimulate Indigenous economic prosperity.** **91. Implement tax incentives for private sector and social investors.** **92. Restore and strengthen funding to build the capacity of Aboriginal Financial Institutions to meet the demand for loans and for the distribution of stimulus funds.** **93. Create an Indigenous Business Development Bank or intermediary for Indigenous finance.**

Procurement

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Industry's social license to operate in Canada's resource sector is linked to Indigenous participation and economic inclusion in corporate procurement. Indigenous institutions work with governments and corporations on procurement processes. All levels of government and industry have mandatory Indigenous procurement targets. Indigenous Peoples control the definition of "Indigenous business." Corporations adopt the principles of Environmental, Social, Governance, and Indigenous (ESGI).	**94. All levels of government provide funding to establish and maintain Indigenous procurement institution(s).** **95. Devolve government procurement processes to Indigenous institutions – a "Supply Nation-type" organization, including controlling centralized databases of Indigenous businesses.** **96. Require that all public servants receive mandatory training on Indigenous businesses and Indigenous procurement mandates.** **97. Create active strategies for all public servants on Indigenous procurement.** **98. Link government procurement targets to departmental and personal performance measures.** **99. All levels of government and corporate Canada are mandated to publicly report on Indigenous procurement.** **100. Build a national database of verified Indigenous businesses for utilization by all levels of government and by industry to procure goods and services.** **101. Securities Commissions mandate publicly traded corporations to report on Indigenous employment and contracting.**

Trade

STRATEGIC STATEMENT	CALLS TO ECONOMIC PROSPERITY
Indigenous free trade zones are established. The Government of Canada recognizes and supports an Indigenous-to-Indigenous trade agreement. Existing Aboriginal and Treaty rights are honoured.	**102. Establish mechanisms to recognize Indigenous free trade zones, as defined and regulated by Indigenous Peoples.** **103. Create an Indigenous Export Development Corporation.** **104. Implement the Jay Treaty.** **105. Establish Indigenous-to-Indigenous trade agreements and networks nationally and internationally.** **106. Recognize and fulfill Treaty Rights to trade and commerce, nationally and internationally.** **107. All free trade agreements include chapters on Indigenous Peoples and Trade, co-developed with Indigenous Peoples.**

HOW YOU CAN HELP IMPLEMENT THIS STRATEGY

Quachee is the Cree worldview "the success of your future depends on the health of your neighbor."

The common threads that bind Indigenous communities to the world have been referenced by the United Nations, Supreme Courts, Royal Commissions, community leaders, Indigenous organizations, Indigenous Nations, and traditional and elected leaders. These ties inform the National Indigenous Economic Strategy's Calls to Economic Prosperity.

These Calls are to all of Canada and are guided by:

Engagement goals...

- Engage in a culturally appropriate manner and a good way. Principles of good engagement include understanding rights and aspirations of Indigenous communities and being informed of potential impacts related to development projects.
- Exercise genuine respect and recognition for the people who have lived on these lands since time immemorial. Recognize the people and acknowledge their traditional land at all meetings and gatherings. Comply with traditional protocols. Learn about the people and land where you live and conduct business. Include elders, dignitaries, and community members at events.
- Utilize base-line studies including Traditional Knowledge studies to understand the environment and the components of the environment that are valuable to Indigenous Peoples.

Inclusivity goals...

- Incorporate workforce strategies that proactively include Indigenous Peoples at all levels in the organization and identify work retention strategies that understand the unique circumstances which form Indigenous Peoples' experiences and perspectives.
- Set measurement criteria. Establish a pathway to train, advance, and promote Indigenous employees.
- Ensure that Indigenous Peoples are represented at all levels within organization including at the most senior leadership and on Boards.
- Close the economic prosperity gap. Equitably share the vast wealth derived from natural resources with Indigenous Peoples. Provide fair compensation for the social license provided by Indigenous Peoples to use the land.

Procurement goals...

- Understand the business case for meaningful procurement from Indigenous businesses and communities. Engage with Indigenous supply chains and labour pools. Invest in education and training for mutual benefit.
- Invest and build capacity in Indigenous businesses and local community economies. Enhance their ability to provide the goods and services you require, thus providing mutually beneficial economic opportunities.
- Establish and measure targets for procurement from Indigenous suppliers. Indigenous Peoples make up 5% of the population so use that as a starting target for procurement. Hold all levels of the organization accountable.
- Support Indigenous entrepreneurs. Utilize innovative approaches in providing equity through loans, guarantees, or favorable payment terms.
- Align sources of financing with community needs. Use innovative approaches to link Indigenous businesses with banks, private lenders, NGOs, or other sources of financing.

Awareness goals...

- Create a workplace culture that values Indigenous Peoples. Respect and recognize the Indigenous Peoples in the territories where you operate. Learn and value the histories, cultures, and contributions of Indigenous Peoples, communities, and Nations.
- Establish and measure targets for Indigenous awareness training.
- Invite Indigenous Elders and Knowledge Keepers to participate in the delivery of the training.
- Establish inclusive strategic plans. Co-develop policies, strategies, and plans with Indigenous Peoples.

EVERYONE HAS A COLLABORATIVE ROLE TO PLAY IN IMPLEMENTING THE STRATEGY.

Indigenous Peoples can...

- Push for changes at all levels. Calling out systemic barriers is difficult but necessary to forge a clear path to prosperity for the next generation.
- Assert jurisdiction as defined by court rulings and international law. Exercise economic influence related to the lands, waterways, and resources in traditional territories.
- Value the gifted traditional Knowledge Holders. They not only possess the knowledge of our traditional ways, but have also learned non-Indigenous languages, education systems, technologies, and processes.
- Engage in Canada's growth. Indigenous involvement, collaboration, and leadership is a critical component of the economy, the environment, and social structure of the country.

Corporate Canada and Small and Medium-sized Enterprises can...

- Consult and accommodate Indigenous Peoples and rights. Co-develop policies and plans that may have an impact on Indigenous rights. Engage early and assess the potential impacts.
- Create cross-cultural opportunities. Participate in community events. Support events through financial and in-kind contributions.
- Establish, regularly measure, and report on Environment, Social, Governance, and Indigenous Inclusive (ESGI) goals. Respect, recognize, and protect the water, air, land, and all living beings. Take responsibility for mitigating climate change impacts, including carbon credits, watershed planning, and climate monitoring.
- Co-develop agreements with Indigenous Peoples. Ensure the development process is clear, mutually understood, and provides fair economic and social benefits to communities. Before beginning negotiations, develop a mutually agreed upon grievance process. Continuously engage communities through the lifecycle of the agreement and report regularly on outcomes.
- Establish and incentivize targets for employment and procurement.
- Build relationships early. Engage with communities at the earliest stages of community development. Involve the community in the work and hear their voices.
- Negotiate fairly, with respect, and in good faith.
- Proclaim and uphold a culture of security and respect. Enforce policies that protect communities and their members. Extend these imperatives to third-party contractors, audit their activities, and take definitive and transparent action when breaches occur.
- Preserve and maintain Indigenous Peoples' access to traditional food sources for hunting, fishing, harvesting, and gathering. Enhance food security through support for Indigenous-led agriculture.
- Reconcile actions that have impacted Indigenous land rights. Seek opportunities with Indigenous Peoples to mitigate negative impacts. Compensate when mitigation is not possible or feasible. Enter into mutually beneficial impact benefit agreements.
- Obtain free, prior, and informed consent from Indigenous communities for new projects.

Canada's institutions can...

- Recognize and rectify the systemic barriers that exist throughout all organizations. Review and revise all policies, processes, and systems to remove barriers that impact Indigenous Peoples.
- Create specific curriculum, positions, programs, and opportunities to connect Indigenous Peoples to your organization.
- Utilize Indigenous lived experience and testimony to inform your work. Involve community members in planning site visits, developing tools, and culturally appropriate methodologies. Conduct studies in collaboration with Indigenous Peoples.
- Support the rights of Indigenous Peoples in your work. Ensure there is equity in the way you serve Indigenous Peoples.
- Facilitate access to services that respect the social, economic, cultural, and spiritual well-being of Indigenous Peoples.
- Communicate effectively and respectfully.

Canada's governments can...

- Recognize that the focus on social programming to the exclusion of economic well-being has not worked for Indigenous Peoples. Support economic initiatives that have repeatedly demonstrated that a real investment is what produces results for all of Canada.
- Stimulate the Indigenous economy. Capital enablers, the right capacity, and proper infrastructure are all minimum requirements to the inclusion of Indigenous Peoples in Canada's economy.
- Invest in planned infrastructure developments, including land and utilities. Support local and regional infrastructure projects that benefit Indigenous Peoples.
- Ensure that regulation of residential, commercial, and industrial land development involves and benefits Indigenous communities.
- Involve Indigenous Peoples in utility or land development. Seek ways to enhance positive impacts on Indigenous culture, heritage, people, and communities.
- Ensure that transportation and distribution routes benefit Indigenous communities.
- Seek opportunities to enhance Indigenous community connectivity. Fund mutually beneficial projects, utilizing Indigenous businesses when possible. Build technological capacity through employment and training of Indigenous Peoples and businesses.

Finally, do not limit your activities and impacts to these lists. Be innovative and creative. But above all, ensure that Indigenous Peoples are meaningfully engaged in the economic prosperity of Canada. Publicly post your plans, progress, and ideas to enable others to learn from your leadership.

We can share this path together with all Canadians to implement this strategy.

LITERATURE REVIEW

A Word on Statistics

A long-standing impediment to understanding the state of the Indigenous business sector (and Indigenous communities in general) has been the lack of reliable, consistent, practical, and comprehensive data. In 2018, the Auditor General of Canada underlined the state of data:

> Improving the lives of First Nations people requires a long-term approach. The first step in improving the lives of First Nations people is knowing what the current socio-economic gaps are. The second step is to regularly measure the gaps: If the gaps are not smaller in future years, it will mean that progress has not been made, which would mean that federal programs need to change. The federal government has access to data that can be used to inform decisions on federal programs and support and that can help effect real change and improve lives.[12]

The OECD, in its 2019 report *Linking Indigenous Communities with Regional Development*, advanced a number of observations and recommendations designed to improve business and economic data (including data about land and resources) and to include Indigenous communities and institutions in decision-making about ongoing data-collection efforts.

The quality and reliability of data related to the Indigenous population is generally high in Canada compared to other OECD countries with Indigenous populations and draws on consistent and therefore comparable definitions of Indigenous groups. Reliance on the national census and specific population-based surveys has been a detriment, however, to a fuller understanding of the state of Indigenous businesses and communities.

[12] Canada, Auditor General of Canada, Report 5 – Socio-economic Gaps on First Nations Reserves – Indigenous Services Canada, 2018, Paragraph 5.5.

In particular, more robust and timely indicators are required. The following are some key shortcomings with regard to Canadian data on Indigenous Peoples:

- Current survey instruments to measure Indigenous entrepreneurship and business are limited in sample size, focus on self-employment, and do not survey on-reserve businesses, including community-owned social and economic enterprises.
- The Community Well-Being Index, while a useful tool, is limited in terms of indicators and should be extended to cover issues such as housing, infrastructure, training, and health.
- There is a need to include Indigenous communities and institutions in data governance covering issues such as the choice of indicators and sample frames to produce sufficiently disaggregated data to inform decision-making.
- Better efforts are needed to empower local Indigenous institutions to collect local area data about population, businesses, lands, and resources.[13]

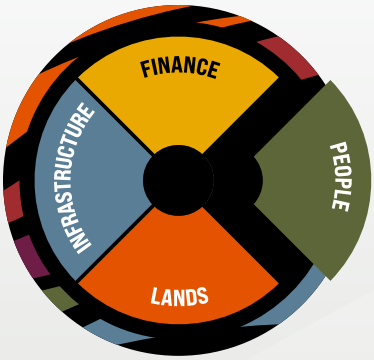
The OECD also suggested that practical efforts could include the establishment of a common registry of Indigenous-owned businesses. While there are registries for Aboriginal Procurement at the federal level and some separate registries at the provincial or territorial levels, there is no overall business registry and there is no common registry of Indigenous-owned businesses.

At their 2016 Annual General Assembly, the AFN Chiefs-In Assembly agreed (Resolution no. 57/2016) that Indigenous data sovereignty be recognized as "the cornerstone of nation-building."[14] Ultimately, Indigenous-led institutional structures could help Indigenous communities collect and use data to support local decision-making, and national structures could ensure consistent application of agreed-upon methodology and the fulfillment of the principles of OCAP (ownership, control, access, and possession).

---

[13] Organisation for Economic Co-operation and Development, *Linking Indigenous Communities with Regional Development in Canada*, 2020, page 22.

[14] https://www.afn.ca/uploads/files/resolutions/2016_aga_res.pdf



PEOPLE

Human capital consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society. Investing in people through nutrition, health care, quality education, jobs, and skills helps develop human capital, and this is key to ending extreme poverty and creating more inclusive societies.

Economic growth and development depend on both human capital and physical capital and on the factors affecting productivity. Investments in these areas complement and reinforce each other. To be productive, a workforce needs physical capital, such as infrastructure, equipment, and a stable, well-governed economy. In turn, a healthy, educated workforce can earn more and invest more in an economy's physical capital.

The Truth and Reconciliation Commission of Canada called "…upon the federal government to develop with Aboriginal groups a joint strategy to eliminate educational and employment gaps between Aboriginal and non-Aboriginal Canadians."[15] The Commission stated that disparities in education and skills were closely tied with employment outcomes. While the Commission conceded that government has made some strides in prioritizing the rights and lives of Indigenous Peoples, inequalities are still significant and unacceptable and require multi-faceted policies to improve success.

Forecasts from the Centre for the Study of Living Standards suggest that as a young and growing demographic group, the Indigenous population could represent about one-fifth of Canada's labour force growth over the next 20 years if gaps in the labour force participation rate were to close.[16] The provision of access to quality education and skills allows Indigenous Peoples to ameliorate their participation in the labour force not only through increased employment and employee retention, but also through job creation as Indigenous entrepreneurs and SME owners. The Canadian Council for Aboriginal Business (CCAB) estimates that 36% of Indigenous businesses create further employment.

15 Canada, Truth and Reconciliation Commission of Canada. Truth & Reconciliation: Calls to Action, 2015, CTA 7.
16 Don Drummond, Alexander Murray, Nicolas Mask, and Andrew Sharpe, Centre for the Study of Living Standards, "The Contribution of Aboriginal People to Future Labour Force Growth in Canada," 2017, page 6.

Self-employed Indigenous Peoples boost the economy not only through their own employment and commerce, but often through their employment of other staff members as well. However, Indigenous Peoples often confront barriers when seeking to become entrepreneurs—access to business financing, professional networks and financial literacy are issues that many Indigenous Peoples must address when considering the path of self-employment. While difficult, these adversities can be overcome. This is a necessary step to support Indigenous participation in Canadian enterprises both on- and off-reserve.

According to the 2019 Indigenous Economic Progress Report published by the NIEDB, Indigenous and non-Indigenous Canadians do not share the same labour market outcomes. In 2016, the unemployment rate for Indigenous Peoples was 15.3 percent, compared to 7.4 percent for non-Indigenous people. Within Indigenous groups, unemployment was high for Inuit (22.4 percent) and First Nations (18 percent) relative to Métis (11.2 percent).[17] Indigenous Peoples also have lower levels of education and skills outcomes. In 2016, 40 percent of the Indigenous population completed post-secondary education, compared to 55.9 percent of the non-Indigenous population. Higher levels of skills are critical for Indigenous Peoples as they lead to better-quality and more productive jobs.[18]

To exacerbate the matter of Indigenous education levels, budget supports for Indigenous youth qualifying for post-secondary education has been capped, leaving many without an opportunity to continue their education beyond secondary school.

A report prepared by the OECD, *Indigenous Employment and Skills Strategies in Canada*, 2018, identified a number of key success factors identified that have led to better outcomes and higher rates of success, notably "…programs are most successful when delivered and managed by Indigenous Peoples for Indigenous Peoples."[19] Other success factors include:

- Governance through partnerships and engagement: Effective program and service governance is critical in making decisions that are informed, open, and transparent. Continuous engagement with Indigenous organizations to discuss workforce gaps and opportunities can ensure that all levels of government (federal, provincial, and municipal) ensure ongoing improvements in the effectiveness of programs and services to meet Indigenous Peoples' needs;
- Access to culturally sensitive services for urban Indigenous Peoples: Many non-Indigenous urban service-delivery organizations do not necessarily provide culturally sensitive services to Indigenous Peoples. Furthermore, information on where and how to access programs and services is sometimes not readily available to urban Indigenous Peoples. This situation can be especially challenging for Indigenous Peoples who are moving from their community into an urban area. Programs have the greatest chance of success when delivered in a culturally sensitive manner;

---

17 National Indigenous Economic Development Board, *Economic Progress Report*, 2019, page 155.
18 https://www.afn.ca/wp-content/uploads/2018/07/PSE_Fact_Sheet_ENG.pdf
19 OECD, *Indigenous Employment and Skills Strategies in Canada*, 2018, page 17.

- Local leadership: City mayors regularly participate in meetings with Indigenous communities; therefore, they have an important role to play in fostering trust. The examples from Winnipeg, Thunder Bay, Fredericton, and Calgary show a clear leadership role being taken by the municipal government. These cities have strategic policy frameworks targeted to the urban Indigenous population, providing good examples that can be used for continuous improvement in other Canadian cities; and
- Social capital and community-driven initiatives: Social capital enhances local cooperation. The most significant improvements in the lives of Indigenous Peoples come from within the community itself. Any policy or program that seeks to improve the well-being of Indigenous Peoples needs to ascertain how Indigenous Peoples wish to define success in a local development context, based on the principles of reconciliation and self-determination.

Empowering Indigenous Peoples to determine the distinct way we define, generate, and redistribute wealth is an important part of the journey to full participation in the Canadian and global economies.

Indigenous Entrepreneurship

Similar to trends observed in the general Indigenous population, the numbers of Indigenous entrepreneurs in Canada are increasing significantly. According to the 2011 Canadian census, there were more than 37,000 Indigenous Peoples self-employed in 2011, with nearly 10,000 Indigenous entrepreneurs entering the labour market from 2003 to 2011. In comparison with the 10.5 percent of non-Indigenous Peoples who engage in self-employment, the 2011 National Household Survey recorded that 5.6 percent of Indigenous Peoples were self-employed in 2011.[20]

Indigenous businesses were also characterized as being profit and stability seeking (60 percent) in contrast to growth and risk seeking (22 percent). Nearly two-thirds of Indigenous businesses had introduced new products, services, or processes within three years of the survey, illustrating a prevalent culture of innovation and creativity. Additionally, the majority of Indigenous entrepreneurs' markets are focused within their local community area.[21]

Indigenous entrepreneurs are considerably younger than their non-Indigenous counterparts. About 20 percent of Indigenous entrepreneurs are less than twenty-five years old, compared to 15 percent of non-Indigenous entrepreneurs. Therefore, organizations assisting Indigenous entrepreneurs may need to cater more services to a youthful market.

---

[20] https://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/index.cfm?Lang=E
[21] Canadian Council for Aboriginal Business, *Promise and Prosperity: The Aboriginal Business Survey*, 2016, page 6.

Research reports completed by the OECD are consistent with the statement that Indigenous entrepreneurs require access to information, tools, capital, and support systems to ensure the best possible opportunities to build and grow successful businesses.

With increases in access to financial capital, OECD case studies indicated that equal attention should be given to the education of Indigenous borrowers in financial literacy and capacity. This is particularly important for youth and women, where data demonstrates larger gaps in participation and outcomes, suggesting the need for higher levels of support. Specifically, attaching financial literacy and capacity education to lending requirements has been suggested as a possible means of providing such support. According to the Conference Board of Canada, by creating programs relevant to local Indigenous entrepreneurs, banks and other financial institutions can protect their clients' credit rating and reduce noncompliance of loan repayments (The Conference Board of Canada, 2017).

As noted above, a relatively high proportion of Indigenous entrepreneurs tend to be young (one-fifth are under the age of 25) and often have little experience managing both personal and business financing. Accordingly, they may have difficulty meeting additional requirements needed when applying for loans or credit. Findings from OECD case studies have also demonstrated the importance of mentorship programs in overcoming structural, financial, cultural, and institutional barriers to entrepreneurship.

Institutional structures and business networks—such as Chambers of Commerce or Boards of Trade—can further support entrepreneurship by providing business supports, education and training, access to resources and relationships, discounts, and a platform to help their members navigate the range of services and resources available for Indigenous entrepreneurs.

Leadership and Governance

We call upon the corporate sector in Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources.

As described by the Truth and Reconciliation Commission, "…industry and business play an extremely significant role in how the economic, social and cultural aspects of reconciliation are addressed, including the extent to which opportunities and benefits are truly shared with Indigenous Peoples…."[22] According to the Commission, economic reconciliation will require finding common ground that balances the respective rights, legal interests, and needs of Indigenous Peoples, governments, and industry.

[22] Canada, *Truth and Reconciliation Commission of Canada Final Report*. 2015. Volume 6, Reconciliation, 2015, page 204.

This will require so-called "soft skills": establishing trust, engaging communities, resolving conflicts, and building mutually beneficial partnerships.

> In the Commission's view, sustainable reconciliation on the land involves realizing the economic potential of Indigenous communities in a fair, just and equitable manner that respects their right to self-determination. Economic reconciliation involves working in partnership with Indigenous Peoples to ensure that lands and resources within their traditional territories are developed in culturally respectful ways that fully recognize Treaty and Aboriginal rights and title.[23]

The *United Nations Declaration on the Rights of Indigenous Peoples* is an effective framework for industry and business to establish respectful relationships and work collaboratively with Indigenous Peoples. Corporations can demonstrate leadership by using the Declaration as a reconciliation framework and apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources.

In response to the TRC Calls to Action, individuals and organizations in all areas of Canadian society have reflected on their own activities and committed to participate in reconciliation in their lives and work. Through the Circle on Philanthropy and Aboriginal Peoples, more than 75 Canadian philanthropic and community foundations signed a Declaration of Action setting out their pledge to demonstrate leadership on reconciliation, including, in some cases, by exercising their leverage as institutional investors.

The CCAB's Progressive Aboriginal Relations (PAR) program is a voluntary verification and certification program that assesses corporate performance on Indigenous relations. After a company works through an internal management and reporting process, a third party verifies company reports on outcomes and initiatives in four performance areas: leadership action, employment, business development, and community relations. Then, further to this verification process, the company material and verifier findings are reviewed by a jury from the Indigenous business community and the company is awarded a certification level.

In 2017, the Shareholder Association for Research & Education (SHARE) published a discussion paper that reviewed the public disclosures of 173 TSX-listed Canadian companies in eight sector indices to benchmark their relations with Indigenous Peoples against the principles set out in Call to Action 92. The purpose was to generate further conversation about the policies, practices, and disclosure that institutional investors, Indigenous Peoples, and all Canadians should expect from Canadian companies.

The discussion paper provided a number of relevant findings. For example, while economic arguments for ethnic and gender diversity in corporate leadership have been articulated for many years, rarely do such discussions make consideration to the representation and contributions of Indigenous Peoples in board and executive officer positions. Few companies have policies or plans that address Indigenous representation among employees and corporate leadership. Only three of the 173 companies surveyed identified Indigenous heritage or identity as a quality sought in identifying board candidates.[24]

---

23 Canada, *Truth and Reconciliation Commission of Canada Final Report*. 2015. Volume 6, Reconciliation, 2015, page 207.
24 SHARE, *Business and Reconciliation: How Can Investors Evaluate the Efforts of Canadian Public Companies?* 2017, page 11.

This is consistent with the Canadian Board Diversity Council's 2018 report card that found that only 0.8 percent of seats on the boards of the FP 500 companies were held by Indigenous Peoples.[25]

The SHARE report concluded that, for investor engagements to be effective, a significant knowledge gap needs to be addressed around investors' understanding of Indigenous values and economic interests, corporate best practices, and what corporate disclosure is most relevant, practical, and effective to advance reconciliation and inform investment decisions.

In an effort to bring greater balance to corporate boards, a number of jurisdictions have established or are considering legislation that mandates diversity or gender diversity on boards of directors. Most recently, in 2020, the Governor of California signed into law legislation that requires publicly held companies headquartered in the state to include board members from underrepresented communities. Similarly, the European Union is considering implementing a proposed 2012 directive on improving the gender balance among non-executive directors of companies listed on stock exchanges.

Canadians have much to gain from listening to the voices, experiences and wisdom of Survivors, Elders and Traditional Knowledge Keepers—and much more to learn about reconciliation.[26]

The youth of this country are taking up the challenge of reconciliation. Aboriginal and non-Aboriginal youth who attended TRC National Events made powerful statements about why reconciliation matters to them.[27]

The Truth and Reconciliation Commission articulated the important role that First Nations, Métis, and Inuit Elders play as teachers of language, as healers, and as spiritual leaders. It described the deleterious effect on students that resulted from their exclusion from "the education system in their traditional role as cultural teachers"[28] in the residential school system.

Elders traditionally hold crucial roles in supporting both formal and informal education in Indigenous communities. They impart tradition, knowledge, culture, values, and lessons using orality and role modelling traditional practices. Elders are the carriers and emblems of communally generated and mediated knowledge.

In the reconciliation framework described in their report, the Truth and Reconciliation Commission emphasized that "Reconciliation requires sustained public education and dialogue, including youth engagement, about the history and legacy of residential schools, Treaties, and Aboriginal rights, as well as the historical and contemporary contributions of Aboriginal peoples to Canadian society."

An example of efforts to effectively engage youth includes Indigenous Youth Voices (IYV), created by and for Indigenous Peoples, in partnership with the First Nations Child & Family Caring Society, to respond to the Truth and Reconciliation Commission and address Call to Action 66:

> We call upon the federal government to establish multi-year funding for community-based youth organizations to deliver programs on reconciliation and establish a national network to share information and best practices.[29]

---

25 Annual Report Card, *Advancing Diverse Leadership on Canada's Corporate Boards*, 2018, page 12.
26 Canada, *Truth and Reconciliation Commission of Canada Final Report*, Reconciliation, Volume 6, 2015, page 5.
27 Canada, *Truth and Reconciliation Commission of Canada Final Report*, Reconciliation, Volume 6, 2015, page 6.
28 Canada, *Truth and Reconciliation Commission of Canada Final Report*, Canada's Residential Schools: The Legacy, Volume 5, 2015, page 42.
29 Canada, *Truth and Reconciliation Commission of Canada Final Report*. Truth & Reconciliation: Calls to Action, 2015.

IYV is a networking organization that connects Indigenous youth and groups and advocates for Indigenous youth priorities on the terms and standards that Indigenous youth set for themselves. The IYV mission is to seek advice and support from Indigenous youth across Canada, maximizing and connecting the voices of Indigenous youth that are part of Indigenous organizations, councils, groups, or grassroots initiatives.

In 2018, IYV collaborated with youth across Canada to provide a report and requirements to the Minister of Crown-Indigenous Relations and Northern Affairs, resulting in the *Roadmap to the Truth and Reconciliation Commission Call to Action #66* being released in 2018.[30]

At the Truth and Reconciliation Commission's Forum in Vancouver in 2011, the president and chief executive officer of the Canadian Museum of Human Rights explained the important role First Nations, Inuit, and Métis advisors, as well as the Elders Advisory Council, Aboriginal Youth Council, and the broader Aboriginal community, played in the organization's efforts to achieve reconciliation.[31]

The Royal Commission on Aboriginal Peoples described Indigenous knowledge as "oral culture in the form of stories and myths, coded and organized by knowledge systems for interpreting information and guiding action...a dual purpose to manage lands and resources and to affirm and reinforce one's relationship to the earth and its inhabitants."[32]

First Nations, Inuit, and Métis people struggle with existing legal regimes to accommodate their unique cultural values. Simply integrating Indigenous Knowledge into Western legal systems for the protection of intellectual property has been resisted by Indigenous Knowledge Keepers who express concern about the appropriate use and protection of their knowledge. Many have considered knowledge-gathering activities as another form of colonization and exploitation, where this knowledge can be exposed, abused, or used against Indigenous empowerment.

The current international system for protecting intellectual property was fashioned during the age of industrialization in the West and developed mainly to protect private ownership of intellectual expression. In recent years, Indigenous Peoples, local communities, and governments have considered other forms of equivalent protection for Indigenous knowledge systems.

In 2009, the members of the World Intellectual Property Organization's Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore agreed to develop an international legal instrument that would give Traditional Knowledge, genetic resources, and traditional cultural expressions effective legal protection. The Intergovernmental Committee concedes that the existing international intellectual property system does not fully protect Traditional Knowledge and traditional cultural expressions and recognizes that many Indigenous communities and governments have called for an international legal instrument providing *sui generis* protection.[33]

---

30 Indigenous Youth Voices, *A Roadmap to the Truth and Reconciliation Commission Call to Action #66*, 2018.
31 Canada, *Honouring the Truth, Reconciling for the Future: Summary of the Final Report of the Truth and Reconciliation Commission of Canada*, 2015, page 250.
32 Canada, *Report of the Royal Commission on Aboriginal Peoples, Volume 2: Restructuring the Relationship*, 1996, page 461.
33 https://www.wipo.int/edocs/pubdocs/en/wipo_pub_tk_1.pdf

Labour Force / Labour Markets

> More than 25% of Canadian jobs will be heavily disrupted by technology in the coming ecade. Fully half will go through a significant overhaul of the skills required.[34]

According to the Royal Bank of Canada (RBC) report *Humans Wanted: How Canadian Youth Can Thrive in the Age of Disruption*, 2018, the Canadian economy is expected to add 2.4 million jobs over the next four years. At the same time, based on an assessment of 20,000 skills rankings across 300 occupations, RBC (2018) projects heavy job displacement in many sectors and occupations. RBC (2018) anticipates that expected job opportunities will increasingly require foundational skills such as critical thinking, co-ordination, social perceptiveness, active listening, and complex problem solving.

Indigenous Peoples are particularly vulnerable to the expected disruptions in the Canadian labour market. Indigenous Peoples continue to have low labour market participation and high unemployment rates compared to other Canadians, though rates vary across First Nations, Inuit, and Métis populations.

Ontario's *Panel on Growth and Prosperity*, 2017, found that low labour market participation and high unemployment rates are driven by an unfavourable business climate on reserves, lack of access to capital, impacts of the legacy of the residential school system, inadequate infrastructure, and insufficient education opportunities. Disproportionate levels of interaction with the justice and child-welfare systems are likely to contribute to these drivers as well.[35]

The Brookfield Institute's *Forecast of Canadian Occupational Growth* (2020) examines how disruptive drivers—ranging from technological change to resource scarcity and an aging population—will shape Canada's labour market over the next decade, including how Canadian occupations may grow or decline relative to national employment. Available data suggests that among all workers, Indigenous Peoples are some of the most likely to be employed in occupations projected to decline in employment share. Indigenous workers are more likely to work in occupations projected to decrease than occupations projected to grow. In particular, Indigenous men are disproportionately represented in occupations projected to decline in employment share.

Further, while Indigenous self-employment and entrepreneurship are increasing— which creates employment for Indigenous workers—these businesses are often in sectors that face disruption. The CCAB, in its *Promise and Prosperity Report*, 2016, found that more than one-third (38 percent) of Indigenous businesses operate in the primary sector, construction, manufacturing, and transportation—industries projected to be disproportionately impacted by rises in automation.[36]

---

34 RBC, *Humans Wanted: How Canadian Youth Can Thrive in the Age of Disruption*, 2018, page 3.
35 Institute for Competitiveness & Prosperity, *Strength in Numbers: Targeting Labour Force Participation to Improve Prosperity in Ontario*, 2017.
36 Canadian Council for Aboriginal Business, *Promise and Prosperity: The Aboriginal Business Survey*, 2016.

RBC (2018) asserts that Canada's education system, training programs, and labour market initiatives are inadequately designed to help Canadian youth navigate the new skills economy. The new skills economy will require foundational skills that support a high degree of mobility between jobs, a high level of digital literacy, as well as global competencies, including cultural awareness and adaptability. They will place significant importance on judgment, decision-making, and an ability to manage people and resources.[37]

In *Skills Next—Mapping the Landscape: Indigenous Skills Training and Jobs in Canada*, the Public Policy Forum suggested that Indigenous businesses be involved in the formation of policies and programs to mitigate the impact of disruption through supporting business innovation, facilitating continued learning, and reassessing the link between occupations and skills to ensure Indigenous Peoples have opportunities to participate in automated and digital workforces of the future.[38]

Despite this history—or, perhaps more correctly, because of its potential—the Truth and Reconciliation Commission (TRC) believes that education is also the key to reconciliation.[39]

"Educating for reconciliation," according to the Truth and Reconciliation Commission (2015), means all Canadians must learn the history of this country and about the Indigenous Nations that lived here before the arrival of Europeans. This includes an understanding of the rich linguistic and cultural heritage of Indigenous Peoples, the reasons why Indigenous Nations negotiated the Treaties, and the spirit of integrity and good faith in which they did so. Canadians need to learn about what it means to have inherent rights and to understand the settler government's political and legal obligations.

The Truth and Reconciliation Commission also examined the educational and income gaps that separate Indigenous Peoples and other Canadians, laying bare the current crisis in Indigenous education and the persistent pattern of chronic underfunding and misunderstanding of Indigenous Peoples. The Commission also reviewed how numerous task forces and committees have recognized that the educational system is failing Indigenous children and provided a number of reform strategies for Indigenous education that build on existing successes and could ensure better outcomes.

Education outcomes and graduation rates across all levels of education for Indigenous Peoples are lower compared to other Canadians, although rates vary across First Nations, Inuit, and Métis populations. For example, Inuit have the lowest levels of post-secondary education, largely attributable to the lack of post-secondary institutions in Inuit Nunangat. At the same time, Inuit youth also face specific challenges in attaining quality high school education in isolated and remote communities, especially in sciences and mathematics. These factors contribute to some of the lowest high school graduation rates in Canada. In Nunavut, in 2011, only 35.6 percent of the Indigenous population aged twenty-five to sixty-four attained at least a high school diploma, and 28.2 percent reported a post-secondary qualification.[40]

---

37 RBC, *Humans Wanted: How Canadian Youth Can Thrive in the Age of Disruption*, 2018.
38 Public Policy Forum, *Skills Next—Mapping the Landscape: Indigenous Skills Training and Jobs in Canada*, June 2020.
39 Canada, *Truth and Reconciliation Commission of Canada Final Report*, Volume 6, Reconciliation, 2015, page 117.

First Nations and Métis people also have lower rates of educational achievement compared to the non-Indigenous population, although outcomes for Métis students are somewhat higher than for First Nations students. Across the country, on-reserve and off-reserve educational outcomes vary significantly.[41]

The failure of successive governments to meet the educational needs of Indigenous children continues: funding is both inadequate and inequitably distributed. Educational achievement rates continue to be poor. While secondary school graduation rates for Indigenous Peoples have improved over time, considerable gaps remain compared with the non-Indigenous population.

Lower educational attainment severely limits employment and earning potential. Indigenous Peoples on average have much lower incomes and are more likely to experience unemployment. They are more likely to collect employment insurance and social assistance benefits than non-Indigenous Peoples in Canada. The income gap is pervasive.

According to the SHARE discussion paper *Business and Reconciliation: How Can Investors Evaluate the Efforts of Canadian Public Companies?* 2017, 18 percent of companies referenced Indigenous Peoples as a priority group in statements on general employee diversity. According to SHARE (2017), the population growth and pervasive underemployment of Indigenous Peoples requires focused effort to increase Indigenous employment, particularly in such critical areas as recruitment, advancement, contracting, and training.[42]

Even when accounting for differing labour force participation rates, the NIEDB found that Indigenous Peoples are underemployed relative to non-Indigenous Canadians in most economic sectors.[43] Targeted recruitment and training strategies are required for companies to gain and retain Indigenous employees.

Since 2006, Australian organizations of all types and sizes, including corporations and institutional investors, have been developing and implementing Reconciliation Action Plans (RAPs) through Reconciliation Australia, a national non-profit that promotes reconciliation in Australia by building relationships, respect, and trust.[44]

RAPs set out the practical actions that an organization commits to take toward reconciliation in the workplace and in the economy. A RAP is essentially a business plan with clearly identified actions, implementation plans, and targets. Participating entities make their reports public by posting their RAPs and annual progress updates on the Reconciliation Australia website. Some have suggested that Canadian companies and institutional investors could find Australian RAPs useful information sources and models to guide their action on reconciliation or development of their own RAPs.

---

40 https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-012-x/99-012-x2011003_3-eng.cfm
41 https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-012-x/99-012-x2011003_3-eng.cfm
42 SHARE, *Business and Reconciliation: How Can Investors Evaluate the Efforts of Canadian Public Companies?* 2017.
43 Fiscal Realities, *Investing in Canada's Future Prosperity: An Economic Opportunity for Canadian Industries: Methods and Sources Paper*, 2017, page 2.
44 https://www.reconciliation.org.au

Social Capital

The OECD defines social capital as "networks together with shared norms, values and understandings that facilitate co-operation within or among groups."[45]

It is well understood that systemic discrimination has an extensive impact in politics and policy in Canada and has an inordinate and unjustifiably negative impact on Indigenous Peoples. Indigenous Peoples are disproportionately over-represented in the criminal justice system; have lower measures of socioeconomic well-being, poorer health outcomes, and lower levels of education; and disproportionately suffer when it comes to inadequate housing, public services, and community infrastructure.

According to Marie Battiste, First Nations author and educator, systemic discrimination "…operates through inaction, silence, neglect, and indifference to the aboriginal, human, and treaty rights, stifling the talents and opportunities of individuals while sustaining poverty and malaise and affecting diverse social, cultural, political, economic, spiritual, and physical outcomes among Aboriginal peoples."[46]

According to many researchers, development agencies and NGOs, discrimination against Indigenous Peoples is an important dimension of economic exclusion: exclusion and poverty are greater among Indigenous Peoples, and evidence that inequalities persist or grow over time suggests an inability to either recognize its existence or an unwillingness to take corrective steps.

Canada has institutionalized discrimination against Indigenous Peoples through legal structures, such as the *Indian Act*, which not only systematically delegitimizes First Nations' own governance structure and self-determination, but creates artificial distinctions among Indigenous Peoples, often even within the same extended families. The *Indian Act* also serves in an effort to exclude Indigenous Peoples who are not "registered Indians" from access to services and programs, with no concern for how individuals define themselves or recognition of Indigenous Nations' own jurisdiction to define citizenship.

> Until forced by the Supreme Court, Canada has been reluctant to recognize the distinct identity of Métis people and the Métis Nation. Historically, the Métis people have faced colonial violence, exclusion and erasure, including police and military violence intended to suppress demands for self-government and recognition of the Métis Nation. At the same time that the *Indian Act* served to obscure Métis indigeneity, the Métis have been continuously subjected to the assimilationist and exclusionary policies and practices of the Canadian government toward all Indigenous Peoples, including land dispossession, political persecution, economic exclusion, residential schooling, the Sixties Scoop and ongoing invasive child welfare intervention.
>
> Daniels v. Canada, 2016 SCC

---

45 Organisation for Economic Co-operation and Development, *The Well-Being of Nations: The Role of Human and Social Capital*, 2011, page 41.

46 https://www.crrf-fcrr.ca/en/directions/item/23813-systemic-discrimination-against-aboriginal-peoples-vol-5-no-1

While the *Constitution Act, 1982* recognized Métis rights, Canada made no meaningful effort to restore a Métis land base or acknowledge a fiduciary obligation to the Métis people; by virtue of a state-imposed definition of Indigenous identity in the *Indian Act*, Métis people and non-Status Indians are denied access to programs that would otherwise support their well-being. The disparities in socioeconomic outcomes that the Métis people experience, along with First Nations and Inuit, are the product, to a large extent, of the deliberate policy of dispossession and exclusion.

Inuit face some of the most extreme health disparities in Canada. The rate of suicide among Inuit is ten times the national average. Inuit face epidemic levels of illness and disease, including tuberculosis, which is largely unknown in the rest of Canada.[47]

While the Government of Canada had only a limited presence in Inuit territories until the early part of the twentieth century, colonial policies and discriminatory practices have caused tremendous damage to Traditional Inuit Knowledge and practices, health and well-being, and relationship to the land. Since the 1950s and '60s, Inuit lives have been transformed by government policy, including the forced relocation of communities, restrictions on hunting and gathering practices, and the introduction of foreign norms and values through the residential school system.

These measures have contributed to the contemporary disparities in the socioeconomic outcomes of Inuit, including poverty, food insecurity, and decreased consumption of country foods associated with hunting and fishing quotas, the introduction of drugs and alcohol, and elevated rates of violence associated with transition to settlement life and the rupture of intergenerational transmission of Inuit language, knowledge, and practices.

According to the Truth and Reconciliation Commission (2015), "…reconciliation cannot be left up to governments, the courts, and churches alone. There must also be dialogue and action in communities across the country. Reconciliation must happen across all sectors of Canadian society."[48] At the community level, where contact between Indigenous and non-Indigenous peoples is often minimal or marred by distrust and racism, establishing respectful relationships involves learning to be good neighbours. This means being respectful by listening to, and learning from, each other, building understanding, and taking concrete action to improve relationships.

Workplace

Workforce diversity, when managed in a way that fosters inclusion, can be a strong contributor to innovation, organizational performance, and trust in public institutions and businesses. Inclusive workplaces mean that people feel connected to and engaged with the organization.

---

47 https://www150.statcan.gc.ca/n1/pub/99-011-x/99-011-x2019001-eng.htm

48 Canada, *Honouring the Truth, Reconciling for the Future: Summary of the Final Report of the Truth and Reconciliation Commission of Canada*, 2015, page 306.

In a study, *Diversity and Inclusion in Canada*, 2014, Bersin by Deloitte defined *diversity* as the variety of people and ideas within a company.[49] Organizations often define the diversity of their people according to unique and/or legally protected differences, such as race, gender, age, disability, sexual orientation, maternity status, and other "nonvisible" qualities and backgrounds. The same study defined *inclusion* as "…creating an environment in which people feel involved, respected, valued, and connected—and to which individuals bring their "authentic" selves (their ideas, backgrounds, and perspectives) to their work with colleagues and customers."

The term *inclusion* has become an increasingly important concept in recent years. Inclusion focuses less on what makes people different and more on creating an environment that encourages people to bring perspectives, contribute, and be appreciated for all aspects of their diversity in the workplace.

"Market and demographic forces are pushing organizations to look at diversity and inclusion with a fresh perspective and new vigour. Talent shortages, especially in the growing Canadian energy and materials sector, are pushing executives to find new ways to source talent."[50] According to Bersin by Deloitte, nearly one-half of Canadian organizations invested in strategic diversity and inclusion practices within the last five years, indicating increased interest and perceived importance.

The Truth and Reconciliation Commission (2015) called upon the corporate sector in Canada to adopt the *United Nations Declaration on the Rights of Indigenous Peoples* as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources. Specifically:

> ii. Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
>
> iii. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, *the United Nations Declaration on the Rights of Indigenous Peoples*, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.[51]

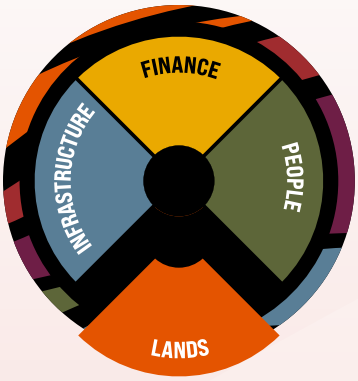
---

49 Bersin by Deloitte, *Diversity and Inclusion in Canada*, 2014, page 11.
50 Bersin by Deloitte, *Diversity and Inclusion in Canada*, 2014, page 38.
51 Canada, *Truth and Reconciliation Commission of Canada Final Report*. Truth & Reconciliation: Calls to Action, 2015.

In their report, the Truth and Reconciliation Commission (2015) also called for professional development and training for public servants.

> 57. We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.[52]

[52] Canada, *Truth and Reconciliation Commission of Canada Final Report*. Truth & Reconciliation: Calls to Action, 2015.



LANDS

In Canada, as in most of the developed world, a secure land base is the foundation of economic development: land provides equity to allow access to financing for investment and entrepreneurship, a taxation base to promote community development, and a critical input for the development of business opportunities in a range of sectors, including natural resource extraction. In 2009, the World Bank noted that real property represents between one-half and three-quarters of wealth in most economies. When sustainably developed and governed through effective management and regulatory regimes, land can be a powerful economic asset and a significant driver of economic growth.[53]

However, Indigenous Peoples in Canada have been largely dispossessed of their land and generally operate within legislative and regulatory systems that severely limit the effective management, sustainability, and economic potential of the lands they do occupy.

In 1996, RCAP described how Indigenous Peoples in Canada "…were dispossessed of their homelands and made wards of a state that sought to obliterate their cultural and political institutions. History shows too attempts to explain away this dispossession by legally ignoring Aboriginal peoples, in effect declaring the land *terra nullius* – empty of people who mattered."[54]

Further, RCAP suggested that the resolution of long-standing—and seemingly intractable—questions about Indigenous jurisdiction related to land require new approaches to conceptualizing land title and managing land use. In particular, Canada must reject the Doctrine of Discovery and *terra nullius*, which have been employed by colonizers to justify European sovereignty over Indigenous lands and Peoples.

53 Canada, *Report of the Standing Committee on Aboriginal Affairs and Northern Development, Study of Land Management and Sustainable Economic Development on First Nations Reserve Lands*, 2014, page 3.
54 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 1, Looking Forward, Looking Back, 1996, page 7.

> A renewed relationship between Indigenous and non-Indigenous Peoples in Canada is only possible if we abandon such unilateral and demeaning assertions, and "…find or rediscover other ways to describe the foundations of this country, to recognize rather than dismiss the rights and contributions of Aboriginal peoples, and to undertake the difficult task of renewal through dialogue and agreement."[55]

The Truth and Reconciliation Commission has also called for the repudiation of these concepts and the adoption and implementation of the *United Nations Declaration on the Rights of Indigenous Peoples* as the framework for reconciliation.

> It is difficult to comprehend the proposition, that the inhabitants of either quarter of the globe could have rightful original claims of dominion over the inhabitants of the other, or over the lands they occupied; or that the discovery of either by the other should give the discoverer rights in the country discovered, which annulled the pre-existing rights of its ancient possessors.[56]
>
> John Marshall, Worcester v. Georgia

Historic injustices have prevented Indigenous Peoples from exercising their rights to development in accordance with their own needs and interests. Indigenous Peoples have been colonized, dehumanized, subjugated, and dispossessed of their lands and resources. Where treaties were entered into with Indigenous governments to share the lands and resources, they too have often been breached.

RCAP reflected on the special relationship of Indigenous Peoples to the land and its resources: a relationship that is at once "… both spiritual and material, not only one of livelihood, but of community and indeed of the continuity of their cultures and societies."[57] From this perspective, land is not understood exclusively as an economic commodity or an important economic asset, but it is also considered a critical component of nationhood, identity, and culture. In other words, the land base is integral to the social, cultural, and political life of Indigenous Peoples and, for many, the basis for the continuity of their communities, societies, and cultures.

This relationship—informed by values and beliefs that emphasized stewardship, sharing, and conservation of resources—was at odds with the prevailing colonizers' values that emphasized ownership, exclusion, and domination over nature.

---

55 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Chapter 2, Restructuring the Relationship, 1996, page 661.

56 John Marshall, *Worcester v. Georgia*, 31 U.S. (6 Pet.) 515, 8 L. Ed. 483 (1832).

57 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Part 2, 1996, page 448.

Far from being ancient history with no relevance for reconciliation today, according to the *Final Report of the Truth and Reconciliation Commission*, "…the Doctrine of Discovery underlies the legal basis on which British Crown officials claimed sovereignty over Indigenous Peoples and justified the extinguishment of their inherent rights to their territories, lands, and resources."[58]

> *The first and perhaps most important element is the need to reject the principles on which the relationship has foundered over the last two centuries in particular – principles such as assimilation, control, intrusion and coercion – and do away with the remnants of the colonial era. As a beginning, we need to abandon outmoded doctrines such as terra nullius and discovery. We must reject the attitudes of racial and cultural superiority reflected in these concepts, which contributed to European nations' presumptions of sovereignty over Indigenous Peoples and lands. The renewed relationship needs to be built on principles that will return us to a path of justice, co-existence and equality.*[59]

Recently, in *Principles Respecting the Government of Canada's Relationship with Indigenous Peoples* (the Principles), Canada recognized that "…the ongoing presence and inherent rights of Indigenous Peoples as a defining feature of Canada is grounded in the promise of Section 35 of the *Constitution Act, 1982*, in addition to reflecting articles 3 and 4 of the *United Nations Declaration on the Rights of Indigenous Peoples*. The promise mandates the reconciliation of the prior existence of Indigenous Peoples and the assertion of Crown sovereignty, as well as the fulfilment of historic treaty relationships."[60]

Yet Canada continues to fail to honour and implement Supreme Court decisions, respect international law, and implement United Nations declarations.

Notably, Canada has failed to publicly respond to the decision of the Supreme Court in *Tsilhqot'in Nation v. British Columbia* that declared that Aboriginal Title extends to territory that a First Nation regularly and exclusively used when the Crown asserted sovereignty. Canada has not ratified the rights-based framework of the International Labour Organization's *Indigenous and Tribal Peoples Convention* (No. 169). And Canada has only recently passed legislation to implement the articles of the *United Nations Declaration on the Rights of Indigenous Peoples*.

Section 35 of the *Constitution Act, 1982* recognizes and affirms Aboriginal Rights. Successive federal governments –both Liberal and Conservative–have stated that addressing Aboriginal Rights through negotiation is key to advancing reconciliation with Indigenous Peoples in Canada. Successive governments have also recognized that the inherent right of self-government is an existing Aboriginal Right within the meaning of Section 35.

True opportunities for Indigenous prosperity will not be realized without properly addressing Aboriginal and treaty rights, which are recognized and affirmed under Section 35 of the *Constitution Act, 1982*. This working group

---

58 Canada, *Truth and Reconciliation Commission of Canada Final Report*. Executive Summary, Volume 1 History, Part 1, page 29.
59 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Looking Forward, Looking Back, Volume 1, page 584.
60 https://www.justice.gc.ca/eng/csj-sjc/principles-principes.html

considers the *United Nations Declaration on the Rights of Indigenous Peoples* a blueprint for reconciliation.

> *Indigenous Peoples have the right to maintain and strengthen their distinctive spiritual relationship with their traditionally owned or otherwise occupied and used lands, territories, waters and coastal seas and other resources and to uphold their responsibilities to future generations in this regard.*
>
> *United Nations Declaration on the Rights of Indigenous Peoples, Article 25*

According to RCAP (1996), the way people have related to and lived on the land also forms the basis of community and governance. Land touches every aspect of life: conceptual and spiritual views; securing food, shelter, and clothing; cycles of economic activities, including the division of labour; forms of social organization, such as recreational and ceremonial events; and systems of governance and management.

> To survive and prosper as communities, as well as fulfil the role of steward assigned to them by the Creator, Aboriginal societies needed laws and rules that could be known and enforced by their citizens and institutions of governance. This involved appropriate standards of behaviour (law) governing individuals and the collective, as well as territorial rights of possession, use and jurisdiction that – although foreign to and different from the European and subsequent Canadian systems of law and governance – were valid in their own right and continue to be worthy of respect.[61]

[61] Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Part 2, page 439.

Land Sovereignty

The *United Nations Declaration on the Rights of Indigenous Peoples,* Article 26[62] provides a framework by which Indigenous land sovereignty can be realized.

1. *Indigenous Peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired.*

2. *Indigenous Peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired.*

3. *States shall give legal recognition and protection to these lands, territories and resources. Such recognition shall be conducted with due respect to the customs, traditions and land tenure systems of the Indigenous Peoples concerned.*

On February 14, 2018, the Prime Minister announced in the House of Commons that "that the government will develop—in full partnership with First Nations, Inuit, and Métis people—a new *Recognition and Implementation of Indigenous Rights Framework* that will include new ways to recognize and implement Indigenous Rights. This will include new recognition and implementation of rights legislation."[63]

Ensuring that Indigenous communities have the tools, information, and advocacy to affirm jurisdiction of their territories begins with the Crown rejecting the Doctrine of Discovery and legally—and unequivocally—recognizing Indigenous Peoples' assertion of rights over their land and jurisdiction over its management, including its resources. Such legal recognition must be premised on the inherent right to self-government.

---

62 United Nations, *United Nations Declaration on the Rights of Indigenous Peoples*, 2007.
63 https://pm.gc.ca/en/news/speeches/2018/02/14/remarks-prime-minister-house-commons-recognition-and-implementation-rights

RCAP identified six criteria for recognizing and affirming the inherent right:[64]

1. Source: it stems from our original occupation of the land since time immemorial and is, therefore, inherent.
2. Scope: it is limited by the need to co-exist with federal and provincial powers.
3. Status: it is not subordinate to the federal or provincial governments – sovereign in some spheres, concurrent in others.
4. Process: the method of recognition and affirmation must have the full involvement and consent of First Nations.
5. Consistent: Section 35 entrenched, but did not create, the Aboriginal and Treaty Rights.
6. Justiciability: as it is inherent, it can be recognized by courts with no further legislative action.

More recently, Indigenous Peoples have repeatedly expressed that recognition legislation must be framed by an understanding that rights, including title, are inherent and not premised on Crown understandings, standards, or recognition. Such legislation must include affirmations of the intent to implement treaties, the *United Nations Declaration on the Rights of Indigenous Peoples*, and the Truth and Reconciliation Commission Calls to Action.

To paraphrase RCAP, the relationship between federal and Indigenous authority should be governed by three principles:

First, the Indigenous sphere of authority under Section 35(1) has roughly the same maximum scope as the federal head of power with respect to 'Indians, and Lands reserved for the Indians' recognized in Section 91(24) of the *Constitution Act, 1867*. This sphere includes all matters relating to the good government and welfare of Aboriginal peoples and their territories. "This approach assumes that, in the interests of constitutional rationality and harmony, the word 'Indians' in section 91(24) carries the same meaning as the phrase 'aboriginal peoples' in section 35; that is, it extends not only to 'Indians' in the narrow sense of the word, but also to the Métis people and Inuit of Canada."[65]

---

[64] Canada, *Report of the Royal Commission on Aboriginal Peoples—The Right to Aboriginal Self-Government and the Constitution: A Commentary*, 1992, page 23

[65] Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, 1996, page 208

Second, within this sphere, Indigenous governments and the federal government generally have independent but overlapping authority. Although "the exercise of federal authority is clearly subject to the terms of section 35(1), which protects Aboriginal and treaty rights, including the inherent right of self-government."[66]

Third, in the case of conflict between an Indigenous law and a federal law, the former will take priority, except where the federal law can be shown to be compelling and substantial and the legislation is consistent with the Crown's basic trust responsibilities to Indigenous Peoples.

These principles remain consistent with the results of national engagement of the Government of Canada on the *Recognition and Implementation of Indigenous Rights Framework*, as reported by Crown-Indigenous Relations Canada in September 2018.[67]

Systemic barriers to Indigenous land sovereignty are removed.

The principles set out in the preceding section are also consistent with the remarks of the Prime Minister on February 14, 2018:

> "While the results of this engagement will guide what the final Framework looks like, we believe that, as a starting point, it should include new legislation and policy that would make the recognition and implementation of rights the basis for all relations between Indigenous Peoples and the federal government moving forward."[68]

In 2020, the Government of Canada introduced Bill C-15, *An Act respecting the United Nations Declaration on the Rights of Indigenous Peoples*, following their commitment to table legislation to implement the *United Nations Declaration on the Rights of Indigenous Peoples*.

Such a step is—in the words of the Prime Minister—an "…opportunity to build new mechanisms to recognize Indigenous governments, and ensure rigorous, full and meaningful implementation of treaties and other agreements… and a chance to develop new tools to support the rebuilding of Indigenous communities, nations, and governments; and advance self-determination, including the inherent right of self-government."[69]

In the spirit of the *United Nations Declaration on the Rights of Indigenous Peoples*, new tools and mechanisms for supporting self-determination through both law and policy can be created. Distinctions-based approaches for First Nations, Inuit, and Métis can be accommodated. The implementation of treaties and agreements can be advanced, including new approaches to recognize the evolution of historic and existing treaties and agreements. And, to ensure the successful removal of systemic barriers to Indigenous land sovereignty, mechanisms must be in place to keep the Government of Canada accountable.

---

66 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, 1996, page 209.
67 https://www.rcaanc-cirnac.gc.ca/eng/1536350959665/1539959903708
68 https://pm.gc.ca/en/news/speeches/2018/02/14/remarks-prime-minister-house-commons-recognition-and-implementation-rights
69 https://pm.gc.ca/en/news/speeches/2018/02/14/remarks-prime-minister-house-commons-recognition-and-implementation-rights

In 2017, Prime Minister Justin Trudeau announced the establishment of a Working Group of Ministers responsible for reviewing relevant federal laws, policies, and operational practices to help further a nation-to-nation, Inuit–Crown, and government-to-government relationship with Indigenous Peoples. At the time, the establishment of the Working Group was emblematic of the government's stated position commitment to achieving reconciliation with Indigenous Peoples through a renewed nation-to-nation, government-to-government, and Inuit–Crown relationship based on recognition of rights, respect, co-operation, and partnership as the foundation for transformative change.[70]

However, following a brief period of activity, the Working Group was disbanded and absorbed into a new Cabinet committee structure that included a decision-making entity, the Cabinet Committee on Reconciliation, tasked with the regular government business related to Indigenous affairs. The Working Group had been welcomed as an opportunity for open and transparent dialogue, and an important opportunity to co-develop legislative and policy solutions to address systemic and long-standing impediments to a new relationship with Indigenous Peoples. This is an opportunity that unfortunately has been missed.

Indigenous communities have the capacity and resources to conduct Traditional Knowledge and land use studies and to reclaim the traditional stories, relationships, and governance that come from the land.

The *United Nations Declaration on the Rights of Indigenous Peoples* recognizes "that respect for Indigenous knowledge, cultures and traditional practices contributes to sustainable and equitable development and proper management of the environment."[71]

Indigenous Knowledge originates from Indigenous worldviews, is a product of dynamic and distinct knowledge systems, and is closely connected to Indigenous languages, values, spirituality, the land, and ways of living. Indigenous Knowledge is typically passed down from generation to generation and can be transmitted in many forms.

Indigenous Knowledge tends to be place-based, arising from Indigenous Peoples' intimate relationship with their natural world. It may be understood to be collective knowledge that encompasses community values, governance structures, teachings, relationships, and rituals. It is cumulative and dynamic, building upon the experiences of earlier generations, and evolving in the context of contemporary society. Indigenous Knowledge can be transmitted through storytelling, experience, intention, and connectedness. Indigenous Knowledge is often contained in stories that provide information as well as entertainment, models of behaviour, and warnings (Dene National Assembly of First Nations, 2019).

---

70 https://www.canada.ca/en/privy-council/services/review-laws-policies-indigenous.html
71 United Nations, *United Nations Declaration on the Rights of Indigenous Peoples*, 2007.

It is well-established—nationally and internationally—that the unique perspectives and value of Indigenous Knowledge make valuable contributions to environmental, regulatory, and resource development decisions when its consideration has been integrated into the decision-making process.

Increasingly, Indigenous Knowledge is being integrated into project reviews and regulatory decisions. Recent amendments to the *Impact Assessment Act*, the *Canadian Energy Regulator Act*, the *Canadian Navigable Waters Act,* and the fish and fish habitat protection provisions of the *Fisheries Act* require the consideration of Indigenous Knowledge in project reviews and regulatory decisions.

Indigenous Peoples have long called for the acknowledgement, respect, and inclusion of Indigenous Knowledge in decisions that affect the governance of their communities and the future of the natural world. At the same time, there is a need to provide resources to collect and manage Indigenous Knowledge, including human resources, education, training, research, translation, information storage, management, and other activities.

As stated by the Truth and Reconciliation Commission:

> Sacred ceremony has always been at the heart of Indigenous cultures, law, and political life. When ceremonies were outlawed by the federal government, they were hidden away until the law was repealed. Historically and, to a certain degree, even at present, Indigenous ceremonies that create community bonds, sanctify laws, and ratify treaty making have been misunderstood, disrespected, and disregarded by Canada. These ceremonies must now be recognized and honoured as an integral, vital, ongoing dimension of the truth and reconciliation process.[72]

Indigenous Peoples have made long-standing and consistent calls to reform the process for resolving land claims, including in a manner that aligns with the Government of Canada's commitment to achieving reconciliation with Indigenous Peoples through a renewed nation-to-nation, government-to-government, and Inuit–Crown relationship based on the recognition of rights, respect, co-operation, and partnership.

Settling such claims advances reconciliation by redressing past wrongs and addressing long-standing grievances related to Canada's failure to discharge its legal obligations to Indigenous Peoples.

A claims resolution process based on reconciliation and the principles articulated in the *United Nations Declaration on the Rights of Indigenous Peoples* will help create the conditions to achieve better outcomes for Indigenous Peoples and for Canada.

---

[72] Canada, *Truth and Reconciliation Commission of Canada Final Report*. Executive Summary, 2015, page 269.

Article 27 of the *United Nations Declaration on the Rights of Indigenous Peoples* states:

> States shall establish and implement, in conjunction with Indigenous Peoples concerned, a fair, independent, impartial, open, and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of Indigenous Peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous Peoples shall have the right to participate in this process.

Treaty land entitlement agreements provide First Nations with the right to select Crown land or with funds to buy private land, or both. The Auditor General of Canada has recognized that acquiring land serves as a means of improving outcomes for Indigenous Peoples by providing an environment for developing Indigenous-owned businesses. In 2009, the Auditor General noted that Canada has "acknowledged that delays in converting land to reserve status under treaty land entitlement agreements affect First Nations' use of these lands and can have an impact on their social and economic development opportunities."[73]

Studies completed on behalf of the NIEDB by Fiscal Realities examined a number of First Nations that completed the Addition to Reserve process. All communities studied demonstrated significant increases in economic development through increased employment and business opportunities, fiscal benefits, increased taxation revenue, service agreements with neighbouring communities, and land lease revenue. Settlement transfers also help First Nations improve infrastructure, service delivery, governance, and land management, which in turn also contribute to economic development and fiscal benefits.

The issue of land and a land base is particularly acute for the Métis Nation. Unlike lands set aside for First Nations under the *Indian Act* or lands for which title has been settled under modern treaties in the case of Inuit and a number of First Nations, the Government of Canada has never set apart lands for Métis people. The *Manitoba Act, 1870* did provide for land to be appropriated for Métis families, but the legislation was implemented in a manner that ultimately allowed the dispossession of Métis in the nineteenth century.

In 2013, the Supreme Court of Canada found "…[t]hat the federal Crown failed to implement the land grant provision set out in s. 31 of the *Manitoba Act*, 1870 in accordance with the honour of the Crown." (*Manitoba Metis Federation Inc. v. Canada*). This declaration was followed by the signing of a Memorandum of Understanding between the Manitoba Métis Federation and the Government of Canada "…to advance reconciliation in a manner consistent with the Supreme Court of Canada's decision in *Manitoba Metis Federation Inc. v. Canada*."[74]

---

[73] Canada, Auditor General, Chapter 4—Treaty Land Entitlement Obligations—Indian and Northern Affairs Canada, 2009, https://www.oag-bvg.gc.ca/internet/english/parl_oag_200903_04_e_32291.html.

[74] http://www.mmf.mb.ca/docs/land_claims/MOU_English.PDF

Land Management

In their comprehensive report, *Study of Land Management and Sustainable Economic Development on First Nations Reserve Lands*, 2014, the Standing Committee on Aboriginal Affairs and Northern Development made this observation:

> *First Nations leaders and policy-makers alike acknowledge that ownership of land alone is not a guarantor of economic success. Rather, land must also be managed in ways that can provide the maximum economic, social and cultural benefit. Without the appropriate capacity and tools to develop and use their lands sustainably, opportunities for First Nations to improve their social and economic outcomes can be severely restricted.*[75]

The sizeable and growing Indigenous land base represents significant economic opportunities for Indigenous communities.

First Nations that operate under the *Indian Act*, in particular, face significant impediments in maximizing reserve lands for economic development: the absence of a reliable title registry system; anachronistic provisions, such as Section 35 of the *Indian Act*, that allows the Crown in right of a province, a municipal or local authority, or a corporation to expropriate lands or any interest in lands without the consent of the owner; and limitations on the use of land for collateral, to name but a few.

The results of such impediments have long been noted:

- The Senate Standing Committee on Aboriginal Peoples stated that "as a result of the *Act*, market forces do not operate properly on Indian lands, thus substantially raising the costs of doing business on reserve."[76]
- The Assembly of First Nations noted that *Indian Act* constraints in areas such as land tenure and land management make it difficult for reserve communities to respond quickly to economic opportunities.[77]
- The Auditor General of Canada concluded that "without the capacity and means to develop and use their lands and resources sustainably for their economic benefit, the opportunities for First Nations to improve their quality of life and approach the standard of health and well-being enjoyed by other communities in Canada are severely restricted."[78]

Additionally, First Nations, through their location, legal status, tax status, and the federal nature of their lands, have often been excluded from provincial and federal infrastructure investment programs. This situation, combined with other factors, has led to deficits in infrastructure both on and near reserve land. These deficits, including substandard telecommunications infrastructure, poor roads, and lack of commercial infrastructure, make it difficult to attract investment. Without infrastructure in place, many projects and investments that would otherwise provide significant dividends in terms of economic development cannot go forward.

---

75 Canada, *Report of the Standing Committee on Aboriginal Affairs and Northern Development, Study of Land Management and Sustainable Economic Development on First Nations Reserve Lands*, 2014, page 3.

76 Canada, *Report of the Standing Senate Committee on Aboriginal Peoples, Sharing Canada's Prosperity – A Hand Up, Not a Handout*, March 2007.

77 https://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ-ECD/STAGING/texte-text/ecd_creating_conditions_1372347251119_eng.pdf

78 Canada, Auditor General of Canada, Chapter 6—Land Management and Environmental Protection on Reserves, 2009.

The system of tenure surrounding the sale and leasing of reserve lands results in a significant portion of on-reserve economic activity taking place on leased lands—often leased to non-members. Yet, even when leases are granted on a long-term basis, the restrictions on the sale and use of reserve land—coupled with the potential power of the band council to levy property taxes or to pass by-laws such as zoning laws—greatly reduces the current value of the leased lands. The Supreme Court held in *Musqueam Band vs. Glass* (2000) that leased land on the Musqueam First Nation was worth 50 percent of the market value of comparable "fee simple" land in the adjoining municipality.

The cost of doing business on reserve land remains many times higher than off-reserve because the cumbersome land management provisions of the *Indian Act* create slow decision-making processes and raise costs. For example, it typically takes days to register in provincial jurisdictions, while it takes an average of 180 days to complete an equivalent registration under the Indian Lands Registry. As a result, it is estimated that the cost of doing business on-reserve is four to six times higher and that simple transactions in a normal business climate take up to five times longer in an on-reserve setting.[79]

The layers of approval, uncertainty around title and registration, and weaknesses in surveys all add time and expense to transactions on-reserve.

Comprehensive claims agreements may be negotiated in parts of Canada that are not subject to historic treaties. Such agreements, negotiated between Indigenous groups, the federal government, and provincial governments, define ongoing rights to land and natural resources and often include Indigenous self-government.[80]

In Inuit Nunangat, under four land claims agreements, Canada recognized Inuit Title to certain northern regions that cover about 40 percent of Canada's land mass. Under the *Western Arctic (Inuvialuit) Claims Settlement Act*, Inuvialuit have title to approximately 91,000 square kilometres of land. Under the *Nunavut Land Claims Agreement Act*, Inuit in Nunavut have title to 352,191 square kilometres of land. Inuit of Nunavik have title to 8,152 square kilometres of land and exercise some rights over 992,307.58 square kilometres of land. They also have title to approximately 5,100 square kilometres of land on the islands in the Nunavik marine region.

Under the *Land Claims Agreement between the Inuit of Labrador and Her Majesty the Queen in Right of Newfoundland and Labrador and Her Majesty the Queen in Right of Canada*, Inuit of Nunatsiavut have title to approximately 15,800 square kilometres of land and rights over 72,520 square kilometres of land in northern Labrador.

79 Fiscal Realities, *The High Cost of Doing Business on Reserve*, 1999.
80 Douglas R. Eyford, *A New Direction: Advancing Aboriginal and Treaty Rights*, 2015.

Outside modern land claim agreements, stand-alone self-government agreements, "sectoral" self-government arrangements including the *First Nations Land Management Act* and the *First Nations Fiscal Management Act* all recognize First Nations law-making authority in areas that improve opportunities for economic development.

More contemporary tools and capacity to effectively manage the Indigenous land base, including modern tools for lands management under modern treaties and under future settlement of Métis land claims, are key to unlocking economic opportunities and responding to Indigenous Peoples' aspirations for growth, development, and self-determination.

The basic frameworks of the *First Nations Land Management Act* (FNLMA) and the *First Nations Fiscal Management Act (FNFMA)*, subject to some modernization and the inclusion of specific language by which Canada explicitly recognizes Indigenous self-governing jurisdiction, are operational models on how jurisdiction could be asserted by Indigenous governments and be recognized by Canada. For example, governments under Inuit land claim settlements do not have access to a public finance authority, similar to the First Nations Finance Authority (FNFA), or comparable to provincial finance authorities. As a result, it is not possible to raise financing for public infrastructure and other works in the manner of other First Nation and municipal governments in Canada.

Environmental Stewardship

> *Indigenous Peoples are among the first to face the direct consequences of climate change, due to their dependence upon, and close relationship, with the environment and its resources. Climate change exacerbates the difficulties already faced by Indigenous communities including political and economic marginalization, loss of land and resources, human rights violations, discrimination and unemployment.*[81]
>
> *United Nations, Department of Economic and Social Affairs*

First Nations, Inuit, and Métis Peoples across Canada are among the most exposed and sensitive to the consequences of climate change. Unprecedented climate impacts exacerbate existing challenges and health stressors, including wildfires, permafrost thaw, changing wildlife patterns, diminishing access to traditional food sources, and flooding. Each of these affect the social and economic well-being of Indigenous Peoples in Canada.[82]

Greenhouse gas emissions originating from Indigenous communities are estimated to be less than 1 megaton per year: an extremely modest amount when compared to Canada's total emissions of between 700 and 720 megatons.

---

81 https://www.un.org/development/desa/indigenouspeoples/climate-change.html

82 Canada, Environment and Climate Change Canada, *A Healthy Environment and A Healthy Economy: Canada's Strengthened Climate Plan to Create Jobs and Support People, Communities and the Planet*, 2020.

At the same time, historic treaties cover nine provinces, three territories, and roughly 50 percent of Canada's land mass, and modern treaties recognize Indigenous ownership of over 600,000 kilometres of land.

Despite the disproportionate impact of climate change on Indigenous Peoples, communities, and territories, until recently, the voice of Indigenous Peoples has been largely silenced in deliberations on climate change action. A form of environmental racism exists that affects many First Nations communities in Canada, such as Grassy Narrows First Nation, which is still dealing with the extreme impacts of mercury contamination over many decades.

Yet, Indigenous Peoples are developing strategies to inform climate change action in Canada and internationally.

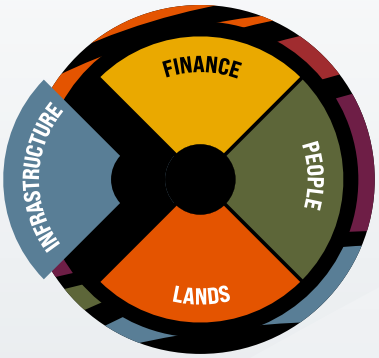
The National Inuit Climate Change Strategy[83] calls for climate actions to be effective, appropriate, equitable, and sustainable for Inuit Nunangat and be in line with the collective Inuit vision for building the sustainability, prosperity, and well-being of Inuit communities in the face of a changing climate. The Strategy identifies five priority areas where integrated approaches and coordinated actions are necessary to meet adaptation, mitigation, and resilience-building needs: knowledge and capacity-building; health, well-being, and the environment; food systems; infrastructure; and energy.

In 2019, the Assembly of First Nations Chiefs-in-Assembly declared a First Nations Climate Emergency, recognizing that "…climate change constitutes a state of emergency for our lands, waters, animals, and peoples."[84] The resolution directed the AFN to plan a National Climate Gathering and develop a National Climate Strategy, which should stress urgent and transformative climate action that reduces emissions in Canada by 60 percent below 2010 levels by 2030 and reach net-zero emissions by 2050.

Consistent within these Indigenous-led efforts are calls to strengthen the role of Indigenous Peoples in climate change action, consistent with the *United Nations Declaration on the Rights of Indigenous Peoples*. Other emerging priorities include new funding arrangements and other structural measures that promote self-determination; clean energy strategies, particularly in remote communities; long-term financial support for the implementation of Indigenous climate strategies; and participation in Canada's carbon pricing regime.

---

83 https://www.itk.ca/wp-content/uploads/2019/06/ITK_Climate-Change-Strategy_English_lowres.pdf
84 https://www.afn.ca/wp-content/uploads/2019/08/19-05-Declaring-a-First-Nations-Climate-Emergency.pdf



INFRASTRUCTURE

"...formal and informal institutions by which people govern themselves hold the necessary, if not sufficient, keys to the wealth of nations."[85]

The relationship between physical and institutional infrastructure and economic development is well understood.

Physical infrastructure is considered the backbone of any developed economy. The availability and quality of housing, transportation, communications, energy, water, and sanitation support and facilitate the economic activities of households, businesses, and markets. The World Bank, in *Productivity Growth Patterns and Determinants across the World*, 2019, describes key drivers of productivity growth, including infrastructure. The evidence that appropriate public infrastructure has a positive impact on productivity and economic growth is unquestionable.

Yet, Indigenous communities and governments continue to struggle with an immense infrastructure deficit—especially on-reserve and in remote and northern communities. Outdated procurement and financing models further strain the dire state of infrastructure in these communities. Innovation in Indigenous infrastructure procurement and financing has lagged behind the rest of the Canadian public sectors, sometimes attributed to the constraints of the *Indian Act*, federal government policies, community capacity, or impediments to accessing capital, to name a few.

[85] Stephen Cornell, and Joseph Kalt, "Successful Economic Development and Heterogeneity of Governmental Form on American Indian Reservations," 1995, page 3.

- A recent study by the Canadian Council for Public-Private Partnerships states that experts estimate the infrastructure deficit across First Nations in Canada to be at least $25 billion and possibly even higher than $30 billion.[86]
- In 2011, the Assembly of First Nations (AFN) estimated that across Canada, capital expenditures on reserves were underfunded by $169 million to $189 million annually and operations and maintenance expenditures by $11 million. At that time, the AFN included in its estimates forty new schools costing $12.5 million each and 85,000 housing units costing as much as $21.25 billion that would have to be built just to meet current needs.[87]
- According to Statistics Canada, in 2016, 26.2% of Inuit, 24.2% of First Nations people and 11.3% of Métis lived in a dwelling that was in need of major repairs.[88]

A report from the Canadian Centre for Policy Alternatives, *Delivering the Goods: Alternative Federal Budget 2015*, estimated that by 2034, there will be a housing shortfall on-reserve of 130,197 units, a need for an additional 11,855 units to replace existing ones, and approximately 10,000 units requiring major repairs, all of which will require an investment of nearly $1 billion per year.[89]

In *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, 2012, Daron Acemoglu and James Robinson articulate current thinking on the relationship between political and economic institutions, rules and enforcement mechanisms, and sustainable development. According to the authors, "Nations fail when they have extractive economic institutions, supported by extractive political institutions that impede and even block economic growth."[90]

They go on to state that conversely, "inclusive economic and political organizations that focused on power-sharing, productivity, education, technological advances and the well-being of the nation as a whole produce prosperity."

The development of wide-ranging and appropriate institutional structures will remain elusive without concrete steps to develop renewed nation-to-nation, Inuit–Crown, and government-to-government relationships, greater self-government and self-determination, and a framework to advance the recognition of First Nations, Inuit, and Métis Rights.

---

86 Canadian Council for Public-Private Partnerships. *P3's: Bridging the First Nations Infrastructure Gap*, Toronto, 2016, page 3.
87 https://www.afn.ca/uploads/files/2011-pre-budget-submission.pdf
88 https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.pdf
89 https://www.policyalternatives.ca/afb2015chapters/First_Nations.pdf
90 Daron Acemoglu and James Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, 2012.

In 1996, the RCAP stated:

> Economic development can acquire considerable momentum as measures to achieve self-government and reallocate lands and resources are implemented, provided the tools of development are available.[91]

Further:

> We have concluded that in every sector of public life there is an urgent need to liberate Aboriginal initiative by making room for Aboriginal institutions. They should be part of education, health and social services, housing, communications and economic development, as well as the administration of government. As self-government is established, Aboriginal institutions will become instruments for meeting needs through self-determined means. They will be a primary place for innovation based on traditional knowledge and contemporary experience and judgement.[92]

Putting in place the appropriate institutional structures will help, in part, address the long-standing impediments to addressing the physical infrastructure deficit.

Some Community-led Innovations in Housing and Infrastructure

The Métis Urban and Rural Housing First Time Home Purchase Program supports the purchase of affordable housing for first-time homes by Métis citizens in Manitoba. The program is provided by the Manitoba Métis Federation and is intended to reduce or remove barriers to accessible, fair, and inclusive home ownership.

The Atlantic First Nations Housing and Infrastructure Network (AFNHIN) provides quality advice and strategic direction and advocacy in the areas of housing, water, wastewater, and emergency response planning. The AFNHIN provides a forum for transparent discussion among Atlantic First Nations communities, regional and tribal First Nations organizations, and the federal government. The Network comprises various working groups and committees that focus on priorities raised by the Atlantic First Nations Chiefs.

The First Nations Housing and Infrastructure Council in British Columbia is leading the transfer of care and control of housing and infrastructure through the development and creation of a First Nations Housing and Infrastructure Authority for First Nations in BC.

The Métis Nation of Ontario (MNO) provides housing services to eligible clients through its Infinity Property Services division as well as housing stabilization supports to Métis citizens. The Canada-Métis Nation Homelessness Accord reaffirmed the collaboration of the Canada and the MNO to develop long-term homelessness solutions and an integrated support system for MNO citizens.

The First Nations Infrastructure Institute is a First Nations-led initiative that will support improved First Nations infrastructure outcomes by providing the skills and processes necessary for First Nations to plan, procure, own, and manage infrastructure assets.

---

91 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 5, Renewal, 1996, page 13.
92 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 5, Renewal, 1996, page 15.

Through the Indigenous Housing Innovation Initiative, which is informed by an Indigenous Steering Committee, the Muskowekwan First Nation is building a Family Healing and Wellness Centre that will allow First Nations families to stay together, promoting a culturally responsive approach to healing intergenerational trauma. The Centre will have four family log homes with two to four bedrooms, as well as a fifth home for healing program delivery. The First Nation will operate the centre with support from Elders, multidisciplinary counsellors, and professional staff. The Centre will provide a welcoming, home-like environment where families in crisis referred to the Centre can get the support they need to help heal together.

Also involved in the above initiative, Pikangikum First Nation is building an eight residential unit Community Safe Village that will provide safe, transitional, emergency housing with professional and culturally sensitive support for community members escaping violence. The facility will also have six hotel units accessible from a separate entrance for those visiting the community and to generate revenue to support the operation and maintenance of the Community Safe Village.

Physical Infrastructure

The current Indigenous infrastructure system is the least effective government infrastructure system in Canada. Infrastructure in Indigenous communities costs the most to build, takes the longest to develop, and has the shortest operational life.

Not only is it the least effective system, but it is also fiscally unsustainable in its current form. Whenever a new infrastructure project is built, further resources are required for ongoing operation, maintenance, insurance, and eventual replacement. In total, these costs are the contingent liability of new infrastructure.

Current federal resources for infrastructure in Indigenous communities are increasingly allocated to operation and maintenance, at the expense of new projects. Current projections suggest that by the end of 2020/21, the operations and maintenance requirements will be so significant that funds for new proposal-based capital projects within the federal Capital Facilities and Maintenance Program (CFMP) budget will be severely reduced.

The projected requirements for new infrastructure are large, and they increase as community populations grow and as health and safety standards rise. Recently, the federal government announced it will be working with Indigenous Peoples to begin the process of moving beyond the *Indian Act*. With respect to infrastructure, this presents a challenge and an opportunity. The challenge will be to manage a large and potentially unsustainable infrastructure liability, but the opportunity will be to design a better infrastructure system that builds more cost-effective and sustainable infrastructure.

Ideally, an improved infrastructure system would:

- recognize Indigenous jurisdiction;
- support local and regional capacity at the local level to speed decisions;
- develop standards;
- provide necessary professional support for all parts of the infrastructure cycle;
- ensure community sustainability through integrated planning and better access to revenues and resources;
- reduce time and costs of infrastructure development;
- encourage cost efficiencies through aggregations and standards;
- improve access to infrastructure financing capital;
- increase revenues available for all parts of the infrastructure cycle;
- provide a modern financing regime;
- better manage projects and costs;
- improve operation and maintenance;
- generate sufficient revenues to support the life cycle and replacement of infrastructure;
- encourage and promote innovations;
- provide insurance options to manage risks;
- increase durability;
- improve health and social outcomes; and
- support the growth of Indigenous economies and revenues to build sustainable communities and nations.

The Government of Canada put forward a vision to build Canada as a global centre of innovation through, among other means, ensuring that "rural and remote communities across Canada are well positioned to take advantage of the opportunities afforded by the digital age." This means that all Canadians should have equitable access to broadband services. The Canada Radio-television and Telecommunications Commission (CRTC) has "established a universal service objective that Canadians—in rural and remote areas—should have access to voice and broadband Internet services."[93]

[93] https://crtc.gc.ca/eng/internet/internet.htm

In 2017, the Internet Society hosted the inaugural Indigenous Connectivity Summit in Santa Fe, New Mexico.[94] More than 200 community network managers/operators, Indigenous-owned Internet service providers, community members, researchers, policy makers, and Indigenous leadership came together to share their stories and experiences with Internet connectivity.

At the Summit, it became clear that "bridging the digital divide" must be driven by Indigenous communities, and participants identified a number of recommendations to help achieve this:

- Creative connectivity solutions that focus on sustainability.
- An enabling environment of supportive policies, funding opportunities, and public education.
- Capacity building and education within communities.
- Easier access to spectrum for Indigenous communities.
- Collaborative backhaul solutions founded on future-proof technology.
- Research on the state of Indigenous connectivity across North America.

The CRTC, in its submission to the Government of Canada's Innovation Agenda, called broadband a "transformative enabling technology" and concluded that any Canadian without broadband access is profoundly disadvantaged. Furthermore, the Commission stated that coordinated national action was necessary to address the problem of insufficient broadband access, and that the risks of non-action included missed opportunities for innovation, creativity and engagement, reduced competitiveness, weakened domestic prosperity, and diminished prospects for Canadians.[95]

For a number of years, researchers and academics have argued that a connectivity infrastructure development policy in Canada must be reframed to address the specific needs of Indigenous Peoples through community-based involvement, control, and ownership. Policy must move beyond the historical context of paternalistic, colonial-derived development policies, particularly in the context of broadband systems development.

COVID-19 has highlighted the significant alarming digital divide that exists in Canada. During the pandemic, hundreds of thousands of people in Canada have been asked to isolate themselves and work and study from home. However, in many Indigenous communities and in the North, this basic public health requirement was challenged by the lack of adequate access—or no access—to reliable Internet.

According to the CRTC:

- 29% of Yukon Territory households are without access to target 50 Mbps download speed.
- 38% of Northwest Territories households are without access to target 50 Mbps download speed.
- 50% of Nunavut households do not have access to download speeds of 5 Mbps, and none had access to speeds of 16 Mbps or faster.
- 31% of First Nations on-reserve households are without access to target 50 Mbps download speed.

In 2018, 85.8 percent of households in First Nations reserves were able to access broadband Internet services with a speed of at least 5 Mbps. Availability decreases to about half of the households at speeds of 25 Mbps or faster and to less than a third at speeds of 50 Mbps or faster.

---

94 https://www.internetsociety.org/events/indigenous-connectivity-summit
95 CRTC, Submission to the Government of Canada's Innovation Agenda, 2016.

Availability varied significantly across provinces and territories, with households on First Nations reserves in New Brunswick and British Columbia having the highest availability of Internet services at speeds of 50 Mbps or faster (87.2% and 69.1% respectively), while these services were not yet available to households in First Nations reserves in the North, Newfoundland and Labrador, or Saskatchewan.

Household food insecurity—the inadequate or insecure access to food due to financial constraints—is a serious public health problem: it negatively impacts physical, mental, and social health and costs our healthcare system considerably.

Access to safe and nutritious food has been internationally acknowledged as a basic human right. In Canada, people in remote areas, hunting and gathering societies (including First Nations, Inuit, and Métis), single parents, inner-city poor, and low-income Canadians are at increased risk of food insecurity. The Conference Board of Canada found that low-income households are especially sensitive to increases in commodity prices including food, since it's one of their largest expenses. Rising shelter and transportation costs also consume an increasing share of household spending, which is a particular concern for low-income Canadians with limited budgets.[96]

Food insecurity can also generate serious physical and emotional consequences. Food-insecure households often tend to choose less nutritious and lower-quality foods, which can increase the risk of chronic diseases and mental conditions. In children, food insecurity can lead to slower development, weaker school performance, and emotional and cognitive problems.

The highest rates of food insecurity in Canada are found in Indigenous households: nearly one in five (18%) of Indigenous persons had low or very low food security in 2012, more than twice the Canadian average. Nunavut has the highest prevalence of food insecurity of all provinces and territories. In Nunavut, 57 percent of households are food insecure and almost half of these households were severely food insecure. Further, 78.7 percent of the children in Nunavut live in food-insecure households.

According to an initiative known as PROOF, an interdisciplinary research team at the University of Toronto, studies of Indigenous Peoples repeatedly demonstrate their extraordinary vulnerability to household food insecurity.[97] Indigenous households in Canada are more likely than non-Indigenous households to experience the sociodemographic risk factors associated with household food insecurity, including extreme poverty, single motherhood, living in a rental accommodation, and reliance on social assistance. Even after these factors are taken into account, Indigenous households remain at a much higher risk of household food insecurity and are more likely to be severely food insecure.

---

96 The Conference Board of Canada—Northern and Aboriginal Policy, 2017.
97 https://proof.utoronto.ca/resources/research-publications/aboriginal-peoples-and-food-insecurity

Researchers and practitioners in Indigenous communities have highlighted the distinct food procurement, preparation, and distribution practices among Indigenous groups. The measure of household food insecurity used in the *Canadian Community Health Survey* was developed in non-Indigenous contexts and does not probe for information that may be important to Indigenous Peoples' household food insecurity. For example, household food insecurity may be related to food procurement from both market and traditional sources, such as fishing and hunting. Broader factors such as climate change and environmental pollution may be salient due to their impact on the availability of edible plants and animals found in nature. Research in the area of household food insecurity among Indigenous Peoples that is grounded in the realities of Indigenous Peoples' culture, beliefs, and political systems is vital to the development of appropriate interventions to reduce household food insecurity among this vulnerable group.

Institutional Infrastructure

> *Indigenous Peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions.*
>
> *United Nations Declaration on the Rights of Indigenous Peoples, Article 4*

The *United Nations Declaration on the Rights of Indigenous Peoples* provides for Indigenous Peoples' right to self-determination and to the right to the improvement of their economic and social conditions. This cannot be achieved without Indigenous-driven organizations and institutions working together to support strong governance and investments in capacity in their communities.

According to Stephen Cornell and Joseph Kalt of the Harvard Project on American Indian Economic Development (the Harvard Project), a "…nation-building approach to development doesn't say 'let's start a business.' Instead, it says 'let's build an environment that encourages investors to invest, that helps businesses last, and allows investments to flourish and pay off."[98] In other words, the nation-building approach sees development as first and foremost a political matter. It focuses attention on laying a sound institutional foundation, on strategic thinking and on informed action.

Also, according to the Harvard Project, assertions of sovereignty will have little impact on Indigenous socioeconomic conditions without effective governing capability. The key to effective governing capability is the institutions through which Indigenous nations govern. One of the consequences of Canada's deliberate effort to dispossess Indigenous Peoples from their governance structures is the legacy of institutional dependency. Cornell and Kalt's observation that "…tribal government has become little more than a grants-and-programs funnel attached to the federal apparatus…" is as much applicable to Canada.

[98] https://hpaied.org/sites/default/files/publications/PRS98-25.pdf

For sovereignty to have a practical effect in "Indian country," according to the Harvard Project, Indigenous governments must develop effective governing institutions of their own, built upon stable institutions and policies; fair and effective dispute resolution; separation of politics from business management; competent bureaucracy; and cultural match.

> In short, de facto sovereignty is an essential precondition for reservation economic development. A decade of Harvard Project research has been unable to uncover a single case of sustained development that did not involve the recognition and effective exercise of tribal sovereignty: the practical assertion by tribes of their right and capacity to govern themselves. There is a major policy lesson here: Sovereignty is one of the primary development resources any tribe can have. The reinforcement of tribal sovereignty should be the central thrust of public policy. One of the quickest ways to bring reservation development to a halt and prolong the impoverished condition of reservations would be to undermine tribal sovereignty.[99]

Recently, ten First Nation organizations and institutions gathered in Vancouver to sign a Protocol on Cooperation and Communication, committing the signatories to coordinating their efforts to support capacity development in governance and governance administration in First Nation communities in British Columbia.[100]

The protocol articulates the pressing need to assist all First Nations in BC in moving beyond the existing fiscal relationship with the Crown and the delivery of delegated programs services. The protocol addresses the need for relevant and effective information sharing to support First Nations in key fiscal issues, capacity development, and in the exercise of their inherent right of self-determination, self-government, including authorities and jurisdictions. The protocol will help support First Nations to drive fiscal discussions and develop capacity in a manner that supports the work of their respective First Nation governments.

The signatory organizations affirm their intentions to work together in a cooperative manner and to provide support for one another's efforts to advance the recognition, respect, and accommodation of Aboriginal Title and Rights and Treaty Rights and to improve the lives of First Nations people in British Columbia.

Indigenous economic development corporations are community-based organizations that provide unique revenue streams and stimulate local Indigenous and regional economies. According to a recent study by the CCAB, these corporations often have sufficient capacity to take on large-scale projects, are active in regional supply chains, and are moving along a growth trajectory. They often form partnerships with non-Indigenous corporations to increase profits, build operational capacity, secure large projects, and support employment and development within the community. The forty-nine Indigenous economic development corporations that participated in the CCAB study employed over 12,000 individuals.[101]

---

99 https://pdfs.semanticscholar.org/b0a5/f81c8740020a2f44fe71577edb9e5d40dab5.pdf?_ga=2.175887842.1153310546.1606336253-2039031781.1606336253

100 https://www.bcafn.ca/sites/default/files/2019-11/FN%20Protocol%20on%20Cooperation%20and%20Communication%20-%20Version%20for%20signing%20Nov%207_2019.pdf

101 https://www.ccab.com/wp-content/uploads/2020/02/CCAB-Report-1-web.pdf

Indigenous economic development corporations share a number of features and objectives: they provide an organizational vision for economic development; generate wealth for the community, expressed alternately as creating revenue, profit, cash flow or earnings, equity growth, or return on investment; prioritize employment, training, and capacity building; seek diversification; and strive for economic and/or community self-sufficiency, sovereignty, or self-sustainability.

In Canada's North, Inuit economic development corporations collectively represent $1.2 billion in annual revenues and have been instrumental in efforts to fulfill the promise of land claims settlements across Inuit Nunangat. For example, the Inuvialuit Development Corporation is a diversified investment, venture capital, and management holding company, wholly owned by Inuvialuit Regional Corporation, that receives its mandate from the Inuvialuit Final Agreement.

The Makivik Corporation was incorporated in 1978 to administer the funds from the James Bay and Northern Quebec Agreement. By investing compensation funds and utilizing selected Inuit title lands, the Corporation "…has demonstrated the extent land claims can influence and lead economic and resource development, political development, scientific and environmental research and community infrastructure investment."[102] A core element of Makivik Corporation's mandate is economic development and job creation.

An overarching theme of the Truth and Reconciliation Commission was that education can remedy the gaps in historical knowledge that perpetuate ignorance and racism.

To be an effective force for reconciliation, a broader history education is required. Such an education would include the history of residential schools, but also integrate First Nations, Inuit, and Métis voices, perspectives, and experience to help facilitate a common ground between Indigenous and non-Indigenous Peoples. The education system itself "…must be transformed into one that rejects the racism embedded in colonial systems of education and treats Aboriginal and Euro-Canadian knowledge systems with equal respect."[103]

This is consistent with the *United Nations Declaration on the Rights of Indigenous Peoples*, which articulates the state's responsibility with regard to public education and the promotion of respectful relationships between citizens:

> Indigenous Peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education and public information [Article 15:1].
>
> States shall take effective measures, in consultation and cooperation with the Indigenous Peoples concerned, to combat prejudice and eliminate discrimination and to promote tolerance, understanding and good relations among Indigenous Peoples and all other segments of society [Article 15:2].

---

[102] https://www.makivik.org/corporate/history/makivik-corporation
[103] Canada, *Truth and Reconciliation Commission of Canada Final Report*, Volume 6, Reconciliation, 2015, page 122.

The Truth and Reconciliation Commission was also clear that establishing constructive, mutually beneficial relationships and partnerships with Indigenous communities will contribute to community economic growth, improve community health and well-being, and ensure environmental sustainability. All of which will ultimately benefit Indigenous Peoples and all Canadians.

Indigenous Nations and communities seek to be part of the decision-making process: they want to be—and their rights require that they are partners—in these processes and that Indigenous communities benefit from business ventures and economic development projects in their territories.

> 92) We call upon the corporate sector in Canada to adopt the *United Nations Declaration on the Rights of Indigenous Peoples* as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous Peoples and their lands and resources. This would include, but not be limited to, the following:
>
> i. Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, and informed consent of Indigenous Peoples before proceeding with economic development projects.
>
> ii. Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
>
> iii. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the *United Nations Declaration on the Rights of Indigenous Peoples*, Treaties and Aboriginal rights, Indigenous law, and Aboriginal-Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism.[104]

While Indigenous Peoples seek to establish and develop their own businesses in ways that are compatible with their identity, cultural values, and worldviews as Indigenous Peoples, they will continue to co-exist socially and economically with non-Indigenous Peoples and businesses. In these cases, Indigenous Peoples should expect, in the words of the Truth and Reconciliation Commission, to work with "…companies that are proactively addressing systemic racism and inequity. Corporations can demonstrate leadership by using the Declaration as a reconciliation framework."[105]

---

[104] Canada, Truth and Reconciliation Commission of Canada. Truth & Reconciliation: Calls to Action, 2015.
[105] Canada, *Truth and Reconciliation Commission of Canada Final Report*, Volume 6, Reconciliation, 2015, page 208.

Financial Resources for Infrastructure

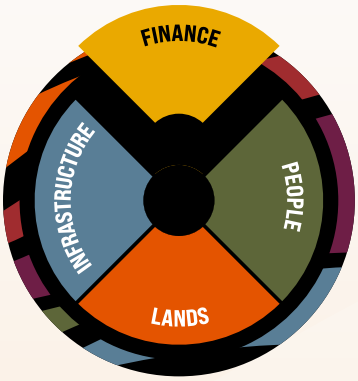
Healthy, vibrant communities need consistent access to energy, sanitation, and clean water, as well as reliable transportation and communication. Governments invest in infrastructure to create lasting economic, social, and environmental benefits for their citizens. In turn, citizens contribute to the growth, progress, and innovation of their communities.

Many Indigenous communities must contend with substandard and, in some cases, non-existent infrastructure, putting the health and safety of the community at risk and inhibiting the ability of their communities to prosper and thrive.

While the Government of Canada has a legitimate role in funding infrastructure in Indigenous communities, and despite recent new investments in housing, water, and wastewater, the current infrastructure deficit requires a new approach to designing, building, operating, and financing Indigenous infrastructure. Comprehensive and transformational change is required to deal with the root causes of the infrastructure gaps and ensure that improved Indigenous infrastructure will be fiscally, environmentally, or economically sustainable.

Specifically, Indigenous jurisdiction over infrastructure must be affirmed by Indigenous Nations and legally recognized by the Crown; institutional structures must be created and, where appropriate, enhanced and reinforced to support Indigenous Nations in the exercise of this jurisdiction; standards and procedures must be developed to ensure consistent service quality and efficiency; and tools and capacity must be developed, and impediments must be removed, to support Indigenous Nations to effectively generate and manage revenues required to invest in improved infrastructure, including own-source revenues, trust funds and settlements, and long-term fiscal transfers for infrastructure.

Consistent with the Truth and Reconciliation Commission Call to Action 92, and the goal of economic reconciliation, the Canadian corporate sector (including financial institutions) must commit to building meaningful relationships with Indigenous communities and businesses, ensure that Indigenous Peoples have equitable access to jobs and training, and support long-term sustainable benefits from economic development projects.



FINANCE

To achieve this vision [of reconciliation], the Government of Canada must take bold, immediate action and make meaningful investments to end the economic marginalization of Indigenous Peoples.

National Indigenous Economic Development Board, 2017

In 1996, RCAP devoted much attention to the issue of economic development, including access to capital. According to the Commission:

> …measures to support economic development must reach and benefit individuals, but some of the most important steps that need to be taken involve the collectivity—for example, regaining Aboriginal control over decisions that affect their economies, regaining greater ownership and control over the traditional land and resource base, building institutions to support economic development, and having non-Aboriginal society honour and respect the spirit and intent of the treaties, including their economic provisions.[106]

RCAP drew a number of broad conclusions. First was the recognition of the complexity of economic development and the need for a multiplicity of approaches. Second was the need for the creation of Indigenous economic development institutions to help plan and facilitate the process of economic development. Third, it noted that the deliberate economic exclusion of Indigenous Peoples from their traditional land and resource base must corrected. Fourth,

[106] Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, Chapter 5, 1996, page 752.

consideration must be given to the appropriate aggregation for purposes of economic development. Fifth, Indigenous economic development must be linked to the broader regional and national economies. And, finally, economic development cannot be considered separately from other factors that have a direct bearing on socioeconomic outcomes, such as education, health, cultural identities, and infrastructure and services for communities and families.

Ultimately, RCAP asserted that prerequisites for success meant "…regaining Aboriginal control over decisions that affect their economies, regaining greater ownership and control over the traditional land and resource base, building institutions to support economic development, and having non-Aboriginal society honour and respect the spirit and intent of the treaties, including their economic provisions."[107]

The Commission concluded that a broad policy framework—sustained over a long period to create a stable, predictable environment for economic development—was required within which Indigenous communities and Nations could design their own instruments to further their objectives.

Access to capital remains one of the greatest challenges to greater autonomy and self-reliance for Indigenous governments, businesses, and individuals. The causes are well-documented: a legal and regulatory environment that is unfavourable for economic and business development; historical and deliberate exclusion from controlling traditional lands and resources; inequitable public investment in housing and infrastructure; high costs of doing business; a lack of support for business growth; and a complex government funding regime. Additionally, among individuals, Indigenous Peoples have lower rates of home ownership and lower values of home equity than other Canadians. An outline of the significant barriers faced by Indigenous governments, businesses, and people is provided below.

Impediments On-reserve

> *Subject to this Act, the real and personal property of an Indian or a band situated on a reserve is not subject to charge, pledge, mortgage, attachment, levy, seizure, distress or execution in favor or at the instance of any person other than an Indian or a band.*
>
> ***Indian Act**, Section 89(1)*

The greatest impediment to economic and business development on-reserve is generally understood to be the anachronistic *Indian Act*. The *Indian Act* regulates almost every aspect of community life on-reserve for nearly 600,000 registered Indians. It defines who is an Indian and, among other matters, regulates band membership, band government, taxation, lands and resources, estates, and money management. While legislation and regulations in off-reserve contexts typically evolve and are updated over time, the *Indian Act* has been mainly static, leaving on-reserve communities with outdated and paternalistic rules and procedures that have not kept pace with a modern economy.

---

[107] Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, Chapter 5, 1996, page 752.

In fact, it is the view of the NIEDB, expressed in its report *Addressing the Barriers to Economic Development on Reserve*, 2013, that the provisions of the *Indian Act* "create the most significant barriers to economic development on reserve."[108]

In their research paper *The High Cost of Doing Business on Reserve*, 1999,[109] Fiscal Realities concluded that market failure occurs on even the best-situated First Nation lands in Canada as a result of high transaction and financing costs caused by the absence of those formal rules that are normally associated with markets and public infrastructure in Canada. These include the lack of specified and enforceable property rights, information related to economic development projects, and contractual stipulations that are required to address the provision of services and infrastructure, identifying heritage and environmental issues, and obtaining insurance and financing.

In addition, delays caused by bureaucratic processes, such as approvals for land designations, permitting, and licensing, which are the responsibility of federal departments and agencies, such as Crown-Indigenous Relations and Northern Affairs, further increase time and costs and make on-reserve lending unattractive for conventional lenders, particularly for small business lending. For the most part, these conditions have not changed since the research paper was produced in 1999: First Nations still do not have specified and enforceable property rights, and the vast majority still operate under the antiquated and insufficient land management provisions of the *Indian Act*.

Multiple Barriers Off-reserve

Off-reserve, First Nation, Inuit, and Métis entrepreneurs face multiple barriers to access financing, including low rates of financial literacy, lack of security, and credit history, and, significantly, low relative rates of home ownership and low values of home equity.

Prosper Canada has documented a number of conditions that contribute to lower rates of financial literacy.[110] A number of these conditions also exist for First Nations living on-reserve.

The absence of mainstream financial institutions in many rural and remote communities and the shift to electronic banking are significant barriers for many Indigenous Peoples. While online and telephone financial services have made it easier for some people to do their banking, pressure to use these services has distanced some Indigenous community members from mainstream banks. According to Prosper Canada, some customers prefer face-to-face interaction that is more consistent with local understandings of trust. Others are unable to access secure technology or may lack computer literacy skills.

By comparison, fringe financial services, such as cheque cashers and payday lenders, may seem more welcoming and easily accessible in Northern and Indigenous communities where there are no mainstream financial institutions. In their research report on financial literacy, AFOA Canada found that 35.5 percent of respondents in their survey had no or little access to banking services in their community.[111]

---

108 National Indigenous Economic Development Board, *Addressing the Barriers to Economic Development on Reserve*, 2013, page 3.

109 Fiscal Realities, *The High Cost of Doing Business on Reserve*, 1999.

110 https://prospercanada.org/Our-Work/Centre-for-Financial-Literacy.aspx

111 https://prospercanada.org/getattachment/1d5fecb2-c778-4780-8a59-34d827cf86c4/The-Shared-Path-First-Nations-report-on-financial.aspx

Financial Exclusion

Financial exclusion more commonly refers to access to financial services by individuals, while "credit rationing" more commonly refers to access to financial services by businesses. However, given the nature, behaviour, and challenges facing Indigenous entrepreneurs and businesses, the broader notion of financial exclusion could be considered more relevant and appropriate in describing issues relevant to accessing financial services by Indigenous entrepreneurs and businesses.

Discouraged borrowers are relevant in examining how financial exclusion relates to Indigenous entrepreneurs and businesses. In a study entitled *A Theory of Discouraged Borrowers*, 2003, Kon and Storey found that "more than twice as many small firms are discouraged as are rejected for loans from financial institutions in the US, implying that discouragement is more important than credit rationing…."[112]

Data also show that Indigenous entrepreneurs and businesses use more equity than debt in their start-ups. The Canadian Council for Aboriginal Business has suggested that the high rates of self-employment by Indigenous Peoples may be attributable to limited access to capital.

Innovations to Address Barriers

In 2016, the Canadian Council for Aboriginal Business identified access to capital as the most significant barrier to business growth, as ranked by entrepreneurs, and found that Indigenous businesses rely to a much higher relative degree on personal savings to finance their businesses. Waterstone Strategies' report *First Nations and Inuit Access to Capital for Economic Development*, 2017, also found that First Nations and Inuit businesses continue to access proportionally less capital than non-Indigenous businesses in Canada.

To help address these challenges, a number of successful Indigenous-led innovations have been developed. Notably, among these, are the national network of Aboriginal Financial Institutions (AFIs) and the institutions created under the First Nations Fiscal Management Act (FNFMA), in particular, the First Nations Finance Authority (FNFA).

The financing and services provided by AFIs are deliberately designed to take these conditions into account and respond to the unique needs, circumstances, and requirements of entrepreneurs situated on-reserve.

Through developmental lending and business support services, AFIs have successfully supported Indigenous small businesses by providing development lending where entrepreneurs cannot access mainstream financing, including by providing non-repayable contributions where entrepreneurs lack sufficient equity and hands-on business support services that mainstream lenders are unable or unwilling to provide.

Since its beginnings, the Government of Canada's partnership with AFIs has been extremely successful from the points of view of leverage of federal subsidies, performance (as expressed by default rates), the number of jobs attributed to businesses supported by AFIs, and impacts on the economy.

- The network has provided $2.4 billion in loans to Indigenous businesses, turning over $365 million in government funding (including $240 million in loan capital) several times over the past twenty-five years.

---

[112] Y. Kon and D. Storey, Theory of Discouraged Borrowers. *Small Business Economics* 21, 37–49 (2003).

- Of the $2.4 billion in loans made to the end of 2015/16, AFIs have written off only 5.2%. This is well below the 10% average loss rate for developmental lending.
- In 2016/17 alone, 1,277 AFI loans created or maintained 4,602 jobs.
- The network's innovative approach to risk management has yielded both lower loan losses and impacts including a GDP contribution of up to $3.60 for every dollar loaned.[113]

The FNFMA provides First Nations with fiscal powers similar to those exercised by other orders of government in the areas of real property taxation, financial management, and access to capital. Institutions created under the regime promote accountable on-reserve taxation and financial management regimes and access to pooled borrowing for infrastructure and other public works.

The regime has demonstrated its value as an important instrument for First Nation governments to access capital to promote economic development and sustainable First Nations communities. Since the issue of its inaugural bond in 2014, and as of October 2020, the FNFA has raised $860 million on behalf of seventy-one First Nations through the securitization of their own source revenues, as well as $120 million of interim funding. One hundred and nine First Nations are now qualified borrowing members, and an additional 190 First Nations have indicated their interest in joining the borrowing pool, by scheduling to the *Act*.[114]

These innovations have helped Indigenous businesses and communities achieve, in part, their economic development aspirations. However, additional steps can be taken to further expand on their success and develop a more complete framework to address the persistent barriers that Indigenous governments, businesses, and individuals face in accessing capital and financial services.

Revenue Sources

> *Self-government without a significant economic base would be an exercise in illusion and futility. How to achieve a more self-reliant economic base is thus one of the most important questions to be resolved.*[115]

First Nations, Inuit, and Métis people in Canada control a significant and growing land and resource base. Twenty-six modern treaties and self-government agreements, covering over 50 percent of Canada's land mass, have been concluded with Indigenous groups: many of these agreements provide Indigenous governments with control and rights over the surface and subsurface resources. Eight Métis Settlements in Alberta comprise over 500,000 hectares. Five hundred and eighty-five First Nations live on a total land base of 3.5 million hectares, an area that has grown by nearly 25 percent since 1990, and which is expected to continue growing through additions to reserve and the settlement of land claims.

---

113 https://nacca.ca
114 https://www.fnfa.ca/en/
115 Canada, *Report of the Royal Commission on Aboriginal Peoples*, Volume 2, Restructuring the Relationship, Chapter 5, page 750.

A New Partnership to Manage and Share Canada's Natural Resources

> *Governments derived $22 billion annually on average from the natural resource sectors during 2012-2016. There are 418 major resource projects under construction or planned over the next 10 years in Canada, worth $585 billion in investment.*[116]

Resource extractive projects are typically either fully located on the traditional territories of Indigenous communities; pass through their territories; or some aspect of the development, such as transportation routes, has a bearing on Indigenous lands. In many scenarios, the natural environment and Section 35 rights that have sustained the Indigenous Peoples for millennia are impacted, which in turn requires consultation.

Extractive and renewable resource projects hold the potential to contribute to economic and social development opportunities for Indigenous communities. For example, since 1974, Impact and Benefit Agreements have been a common vehicle by which Indigenous communities can derive benefits from these projects.

Indigenous communities can also derive benefits from resource development projects through Resource Revenue Sharing (RRS). RRS is increasingly making its way into talks between provincial and Indigenous governments. But this is not a new concept or conversation. The roots of this concept and conversation go back to at least the mid-1840s, when Anishinaabe leaders began requesting a share of the resources extracted from their land.

Seven provincial and territorial jurisdictions currently have RRS agreements with First Nations, Métis, and Inuit governments.

Resource Revenue Sharing

While sharing resource revenues from extraction on traditional territories with Indigenous governments may be considered a positive development, as noted in the Yellowhead Institute paper *Land Back: A Yellowhead Institute Red Paper*, 2019, some have questioned the extent to which such arrangements—which are a function of public policy choices—recognize Indigenous jurisdiction and consent.

> There are four provinces in Canada (British Columbia, Manitoba, Ontario, and New Brunswick) that have RRS policies for First Nations and they all differ in allocation formulas and application. The policies are legal contracts negotiated between provincial and territorial Crowns with individual bands, tribal councils, treaty groups, or clusters of regionally-affected bands. In addition, Quebec, Newfoundland and Labrador, Northwest Territories, Nunavut, and Yukon all have GRRS [Government Resource Revenue Sharing] policies that were negotiated through comprehensive claim agreements with modern treaty organizations or Indigenous governments.[117]

According to the above-noted Yellowhead Institute paper, governments make deliberate effort to characterize these arrangements as "…in no way reflect[ing] Aboriginal treaty rights or historical reparation."

---

[116] https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/201529E
[117] https://redpaper.yellowheadinstitute.org/wp-content/uploads/2019/10/red-paper-report-final.pdf

Ontario

These agreements with First Nations, represented by Grand Council Treaty #3, Wabun Tribal Council, and Mushkegowuk Council, commit Ontario to sharing 45% of government revenues from forestry stumpage, 40% of the annual mining tax and royalties from active mines at the time the agreements were signed, and 45% from future mines in the areas covered by the agreements.

Resource revenue sharing will enable First Nations to share in the economic benefits of forestry and mining operations near their communities. The First Nations will have full control of the allocation of these funds into key initiatives that support economic development, education, health, community, and cultural priorities.

31 First Nations are parties to revenue sharing agreements with Ontario.

British Columbia

Economic and Community Development Agreements (ECDAs) are agreements between Government and First Nations for sharing the direct mineral tax revenue on new mines and major mine expansions.

British Columbia, for example, incorporated Economic and Community Development Agreement (ECDA) goals into the government's commitment to a New Relationship, drafted in 2005. Economic Development Agreements ensure that First Nations in the province share the direct mineral tax revenue on new mines and major mine expansions. The tax, payable under the *Mineral Tax Act*, provides for a payment of 2% of net current proceeds until certain expenses have been recovered, then the First Nation receives a payment of 13% of the net revenue of the operator for the balance of the life of the mine. As all mines are not created equal, the amount of the tax payable is dependent upon the profitability and lifespan of the mine.

Twenty First Nations are parties to Economic and Community Development Agreements.

While there are clear financial benefits associated with these arrangements, reconciliation will remain elusive until federal and provincial governments recognize Indigenous governments as the third order of government in Canada and refute the Doctrine of Discovery by recognizing Indigenous jurisdiction over traditional territory and resources.

Engaging Indigenous Communities in Major Resource Projects

1. Participation in project assessments and regulatory decisions

Indigenous Nations have increasingly asserted their inherent jurisdiction and rights in respect to major project development decisions within their traditional territories. This assertion has been driven by the demand for the recognition of the right of free, prior, and informed consent (FPIC) and important Supreme Court decisions that have paved the way for a renewed relationship between Indigenous governments, the federal and provincial governments, and project proponents. The commitment of a number of Canadian governments to implement the *United Nations Declaration of the Rights of Indigenous Peoples* represents a new foundation for Indigenous participation in project assessments and regulatory decisions.

Most recently, new legislation governing impact assessments of major projects requires regulators to consider any adverse impact a project may have on the rights of Indigenous Peoples, and requires the mandatory consideration of Indigenous knowledge, when provided. Significantly, it also includes provisions that effectively recognize the jurisdiction of Indigenous governments to exercise decision-making powers in impacts assessment processes.

The *Impact Assessment Act*[118] allows the Minister of the Environment to enter into agreements with Indigenous governing bodies and to authorize them to exercise powers or perform duties related to an impact assessment. Depending on the nature of the regulations, such an agreement could result in an Indigenous governing body being the sole regulatory body undertaking all aspects of the impact assessment.

Cooperation Regulations in Impact Assessments

Under Section 114 of the *Act*, there is now an opportunity for Indigenous governments to enter into agreements with the Minister to assume responsibilities for conducting certain parts of the IA. Through a Section 114 agreement, an Indigenous government may be authorized to exercise any powers or perform any duties or functions under the *Act* (except decide whether an IA is required).

Under Section 29 of the *Act*, the Agency may delegate any part of the IA and preparation of the impact assessment report to an Indigenous Governing Body. This means Indigenous governments can conduct part or all of the assessment depending on their capacities and resources. Under Section 31 of the *Act* (subject to certain limits set out in Sections 32–33), it is now possible to substitute the responsibility to conduct the assessment to an Indigenous government.

[118] *Impact Assessment Act* (S.C. 2019, c. 28).

2. Honour of the Crown and the Duty to Consult

The Crown has a duty to consult Indigenous Peoples when their Rights or Title may be adversely affected. This duty stems from the principle of the "honour of the Crown," which flows from Section 35 of the *Constitution Act*, *1982*:

1. The existing Aboriginal and treaty rights of the Aboriginal peoples of Canada are hereby recognized and affirmed.
2. In this Act, "aboriginal peoples of Canada" includes the Indian, Inuit, and Métis peoples of Canada.

Between 2004 and 2019, a series of pivotal Supreme Court of Canada decisions required the federal and provincial governments to meaningfully consult and accommodate Indigenous Nations regarding the potential impacts of proposed projects on Aboriginal and Treaty Rights, prior to issuing permits and other project approvals.

- Haida Nation v. British Columbia (Minister of Forests), [2004] 3 S.C.R. 511, 2004 SCC 73: https://scc-csc.lexum.com/scc-csc/scc-csc/ en/item/2189/index.do
- Taku River Tlingit First Nation v. British Columbia (Project Assessment Director), [2004] 3 S.C.R. 550, 2004 SCC 74: https://scc-csc.lexum.com/scc- csc/scc-csc/en/item/2190/index.do
- Mikisew Cree First Nation v. Canada (Minister of Canadian Heritage), [2005] 3 S.C.R. 388, 2005 SCC 69: https://scc-csc.lexum.com/scc-csc/ scc-csc/en/item/2251/index.do
- Carrier Sekani Tribal Council v. Rio Tinto Alcan Inc., [2010] 2 S.C.R. 650, 2010 SCC 43: https://scc-csc. lexum.com/scc-csc/scc-csc/en/item/7885/ index.do
- Little Salmon/Carmacks First Nation v. Beckman, [2010] 3 SCR 103, 2010 SCC 53: https://scc-csc.lexum.com/scc-csc/scc-csc/ en/item/7896/index.do
- Tŝilhqot'in Nation v. British Columbia, 2014 SCC 44, [2014] 2 S.C.R. 256: https://scc-csc.lexum.com/scc-csc/ scc-csc/en/item/14246/index.do
- Clyde River (Hamlet) v. Petroleum Geo-Services Inc.[2017] 1 SCR 1069, 2017 SCC 40: https://scc-csc. lexum.com/scc-csc/scc-csc/en/item/16743/ index.do
- Chippewas of the Thames First Nation v. Enbridge Pipelines Inc. [2017] 1 SCR 1099, 2017 SCC 41: https://scc-csc.lexum.com/ scc-csc/scc-csc/en/item/16744/index.do

Article 19 of the *United Nations Declaration on the Rights of Indigenous Peoples* states:

> *States shall consult and cooperate in good faith with the Indigenous Peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.*

In Canada, the honour of the Crown places a general duty on the Crown in its dealings with Aboriginal peoples to determine, recognize, and respect the rights of Aboriginal Peoples, and has been invoked in support of the obligation of the Crown to consult Aboriginal Peoples in the face of infringements of established Aboriginal Rights.[119] Specifically, courts have found that the honour of the Crown:

- gives rise to a fiduciary duty when the Crown assumes discretionary control over a specific Indigenous interest;
- gives rise to a duty to consult when the Crown contemplates an action that will affect a claimed but as of yet unproven Indigenous interest;
- governs treaty-making and implementation, leading to requirements such as honourable negotiation and the avoidance of the appearance of sharp dealing; and
- requires the Crown to act in a way that accomplishes the intended purposes of treaty and statutory grants to Indigenous Peoples.[120]

The honour of the Crown must be upheld by all jurisdictions and requires federal and provincial governments to act with honour, integrity, good faith, and fairness in all of its dealings with Indigenous Peoples.

3. Equity partnerships in major projects

According to the NIEDB, in its report *Increasing Aboriginal Participation in Major Resource Projects*, 2012:

> *Aboriginal equity ownership is key:*
>
> *Ownership provides Aboriginal groups with a voice in decision- making, aligns our interests with project partners, increases our self-reliance and ensures that we share in the benefits and risks of resource development activities on our lands. Equity participation also provides spin-off benefits in communities, including revenues to improve housing, social services and the local economy.*[121]

[119] https://digitalcommons.osgoode.yorku.ca/cgi/viewcontent.cgi?article=1125&context=olsrps
[120] https://www.osler.com/en/resources/regulations/2020/resource-projects-and-the-honour-of-the-crown-more-than-just-consultation-about-a-project-s-impacts
[121] http://www.naedb-cndea.com/reports/increasing-aboriginal-participation-in-major-resource-projects.pdf

Toward this end, it has been argued that current and new financing mechanisms, such as the First Nations Finance Authority and possible loan guarantee instruments, could be enhanced and developed to facilitate equity participation of Indigenous governments and communities in major projects.

In their study *The Role of Indigenous People in Major Project Development: Paths for Indigenous Participation in Electricity Infrastructure*, 2019, the First Nations Major Project Coalition (FNMPC) highlights the growing world examples of Indigenous ownership in major projects including energy generation, transmission and distribution networks, oil and gas pipelines, mines and ancillary operations, transportation routes, and other projects.

According to the FNMPC:

> The new reality is that investors, governments, and project proponents must now address Indigenous rights and concerns as a core element of their infrastructure and resource projects. Project proposals that enable a local community to achieve shared development goals are more likely to proceed.[122]

The First Nations Major Project Coalition (Canada) is a national fifty-one Indigenous Nation collective working towards the enhancement of the economic well-being of its members, understanding that a strong economy is reliant upon a healthy environment supported by vibrant cultures, languages and expressions of traditional laws, and in particular to:

a) Safeguard air, land, water, and medicine sources from the impacts of resource development by asserting its members' influence and traditional laws on environmental, regulatory and negotiation processes;

b) Receive a fair share of benefits from projects undertaken in the traditional territories of its members; and

c) Seek ownership opportunities of projects proposed in the traditional territories of its members, such as pipelines and electric infrastructure.

[122] https://static1.squarespace.com/static/5849b10dbe659445e02e6e55/t/5d279f23bfceb4000114c6ff/1562877756904/MPC+-+Final+v.11.pdf

The sources of the under-development, poverty, disease and dependence within our First Nations can be found in the disregard and violation of our treaties and of Canada's own constitution. Likewise, the seeds of the solutions to the fundamental problems and contradictions can be found in the honouring and faithful implementation of these sacred treaty rights and obligations.

Report of the Royal Commission on Aboriginal Peoples

Impediments On-reserve

The Indian Act

In their examination of the barriers on-reserve, the National Indigenous Economic Development Board has noted a multiplicity of impediments. Specifically, the *Indian Act* restricts the use of reserve land as a source of collateral for First Nation communities and individuals. Section 89 of the *Indian Act* explicitly restricts the mortgage of property on-reserve, with the exception of certain designated lands. The inability to obtain collateral against property located on-reserve is a major barrier for businesses seeking financing for start-up or expansion.

The lack of secure land tenure on-reserve—and, consequently, the absence of a conventional home ownership regime similar to that which exists off-reserve—also presents a considerable impediment to accessing financing. Under the *Indian Act*, legal title to reserve lands is vested neither in a band nor in an individual band member. Rather, under Section 18(1) of the *Act*, legal title to reserves (with certain specific exceptions) is vested in either the federal or provincial Crown: neither a band nor an individual member of the band can offer the fee simple title to its reserve lands as collateral for a loan, or to a potential purchaser of lands, including non-Indians. The only process by which interests in reserve lands can be granted to non-Indians is through a surrender or designation to the Crown.

Other factors also contribute to undermining the conditions for economic development on-reserve, generally, and, in turn, small business creation and expansion, as described below.

The Crown as Fiduciary

Partly as a result of its fiduciary duty to First Nations, the federal government often acts in ways that hinder economic and business development on-reserve. As a fiduciary, the Crown is required to protect the interests of First Nations and is liable if it fails to do so. This slows down transactions considerably, as the Crown often acts in a manner designed to reduce potential liability that may result from decisions taken across the wide-ranging number of areas over which it has ultimate authority under the *Indian Act*. According to research conducted by Fiscal Realities, in its report *Expanding Commercial Activity on Reserve Land*, "as a result of delays and a reluctance of the Crown to allow First Nations to share risk, First Nations are not only protected from bad deals but also lose many good ones."

Lack of Control over Decision-making

On the vast majority of those reserves that operate under the *Indian Act*, a significant amount of control over community decisions rests with the federal government and not the First Nation. There are nearly ninety provisions that give the Minister a range of law-making,

quasi-judicial, and administrative powers in a variety of areas of community life. In addition, another twenty-five provisions give the Governor in Council wide powers.

Because most authority is vested in the federal government, First Nations leaders are often not seen as responsible for economic outcomes at the community level. But, as the authors of the Harvard Project on American Indian Economic Development note, when federal decisions lead to lost opportunities or wasted resources, the costs are borne most directly by the affected community, not by the federal bureaucracy. While the government is held accountable by Canadian taxpayers at large, who are typically unaware of, and not directly affected by, economic outcomes in First Nations, First Nations communities are most deeply affected by the government decisions regarding reserve land and have little recourse if government decisions lead to poor outcomes.

Regulatory Gap and Approaches to Service Delivery

While municipalities, provinces, and the federal government work together to provide a comprehensive regulatory environment and tailored economic development services off-reserve, on-reserve the *Constitution Act, 1867* gives the federal Parliament exclusive authority in respect of "Indians, and lands reserved for the Indians." Subsequent interpretation of the *Indian Act* by the Courts has determined that provincial laws of general application apply to "Indians," but not their lands. As a result, exclusive federal jurisdiction applies to on-reserve lands.

Significant regulatory gaps exist in federal land jurisdiction because the *Indian Act*, as well as other laws and regulations that apply on-reserve—such as the *Species at Risk Act*—were not designed to provide a complete regulatory regime that would provide a comparable investment climate to the one found off-reserve.

The effect of this legislative and regulatory void means that where provincial and municipal services are replicated by the Government of Canada, they are done so less effectively than in jurisdictions set up for this type of role. The Government of Canada is far less able than municipalities to customize services for the local context—such as provision of streets, water and sewers, public works, fire and public health, economic development support services and training—as the federal government must deliver programs across an extremely diverse set of communities.

In its report *Opportunities to Improve the Financial Ecosystem for Aboriginal Entrepreneurs and SMEs in Canada*, 2017, prepared for the Business Development Bank (BDC) and the National Aboriginal Capital Corporations Association (NACCA), the Conference Board of Canada found that:

> *Yet, despite growing Aboriginal business demand for financial services, and the increased interest in meeting that demand, there remain significant barriers in the financial ecosystem that get in the way of Aboriginal entrepreneurs, communities, and their goals. NACCA and BDC both recognize an insufficiency in the current penetration rate of services to finance Aboriginal entrepreneurs.*[123]

[123] Conference Board of Canada, *Opportunities to Improve the Financial Ecosystem for Aboriginal Entrepreneurs and SMEs in Canada*, 2017, page 3.

When combined with the lack of security, credit history, and track record, regulatory uncertainty and unfamiliarity with the nature of the legal environment on-reserve, small business lending in First Nations communities is often considered not worth the time or expense for mainstream financial institutions.

Multiple Barriers Off-reserve

According to the 2009 *Canadian Financial Capability Survey*, 4.2 percent of Indigenous respondents with low net worth indicated that they did not have a bank account, almost double the rate of 2.2 percent for low net worth Canadians.[124] Other studies estimate the rate of unbanked individuals in Indigenous communities to be as high as 15 percent. In Ontario, according to the 2011 Task Force Report on Aboriginal Financial Literacy and more recent online research, there are only five First Nations with a bank or credit union located in their community.[125]

Moreover, according to Prosper Canada, Indigenous Peoples in urban, rural, and remote communities sometimes feel unwelcome in mainstream financial institutions. These circumstances contribute not only to increased reliance on fringe financial services but to difficulties effectively managing day-to-day finances, including paying bills on time and regular saving for the future.

Perhaps the most significant impediment to financing from mainstream banking is the low relative rate of home ownership for Indigenous Peoples off-reserve, in particular among Status Indians and Inuit. According to the Canada Mortgage and Housing Corporation, home ownership among Status Indians living in Census Metropolitan Areas (CMAs) was 51 percent compared to the Canadian average of 70 percent.[126] Average household income is also considerably lower for Status Indians and Inuit living in CMAs, with a corresponding correlation to the value of home equity in those cases where Status Indians and Inuit are homeowners.

These conditions are significant impediments for Indigenous entrepreneurs to access financing from mainstream financial institutions.

Financial Exclusion

In his paper prepared for the Task Force on Financial Literacy, *Aboriginal Financial Literacy in Canada: Issues and Directions*, 2011, Dominique Collin asserts that Indigenous Peoples face significant barriers to financial literacy and economic well-being:

> While a large array of financial services are available in urban centres, the capacity to access them remains limited or non-existent. Lacking sufficient personal identification to open a bank account, for example, has resulted in vulnerability to cheque-cashing services, even for government-issued cheques. The lack of basic language, literacy, and numeracy skills, combined with little urban life experience, makes simple financial decisions a challenge and the consequences of wrong decisions a heavy burden.[127]

Added to this may be "cultural exclusion," described by Collin as a product of

> a long and painful history of mistreatment, exclusion, and abuse from non-Aboriginal individuals, officials, authorities, corporations, and governments. In the absence of the confidence provided by a sufficient degree of financial literacy, this history often results in a generalized lack of trust toward what are perceived as unwelcoming, intimidating "white" institutions.

---

124 Financial Consumer Agency of Canada, *Key Findings from the 2019 Canadian Financial Capability Survey*, 2019.
125 https://prospercanada.org/getattachment/f988e655-6033-40b1-8445-cd539bfdcf09/Financial-Literacy-and-Aboriginal-Peoples.aspx
126 https://assets.cmhc-schl.gc.ca/sf/project/cmhc/pubsandreports/pdf/68547.pdf?rev=5773bef6-2634-454c-a344-fa56a8085893
127 Dominique Collin, *Aboriginal Financial Literacy in Canada: Issues and Directions*, 2011, page 9.

Supporting this assertion is data from a study completed by Paul Bowles, et al., *Urban Aboriginal Use of Fringe Financial Institutions: Survey Evidence from Prince George, British Columbia*, 2011, which found that 60 percent of fringe financial institution clients self-identified as Indigenous.[128] Further, Bowles et al. found that twice as many Indigenous respondents reported that they found mainstream financial institutions unwelcoming, which correlates with Collin.

In 2016, the Canadian Council for Aboriginal Business found that Indigenous entrepreneurs and businesses continue to rely on personal savings to finance their activities. Waterstone Strategies' report *First Nations and Inuit Access to Capital for Economic Development*, 2017, found that First Nations and Inuit businesses continue to access proportionally less capital than non-Indigenous businesses in Canada.[129]

Stimulus Funds

According to Dominique Collin and Michael L. Rice, as stated in their recent report, *Evening the Odds: Giving Indigenous Ventures Access to the Full Financial Toolkit*, 2019:

> Indigenous communities have made it clear that they want to become part of the economic mainstream and want to end dependency on government programs. [However, research points] to systemic barriers and fragilities that urgently need to be addressed in order to meet Indigenous needs as they continue to press for broadly based economic reconciliation.[130]

According to the authors, these barriers include a regulatory environment that restricts Indigenous entrepreneurship, the extraordinarily limiting scope of the *Indian Act*, limits on control and use of trust funds, and the lack of ability for Indigenous Peoples to generate wealth via the ownership of homes or land. These unfair restrictions have resulted in a situation in which Indigenous businesses face a capital gap. This "gap" is the shortfall of economic outcomes that First Nations people and Inuit could have if they had the same level of access to borrowing options as the rest of Canada, and at last count it was at more than $80 billion and growing.

Since 2003, Indigenous Peoples have made significant gains when it comes to accessing market capital. Collin and Rice found that access to loans, venture capital, and equity have more than doubled between 2003 and 2013. In addition, Indigenous businesses have seen a ten-fold increase in attracting high-risk venture capital, indicating a greater confidence in Indigenous business ventures overall.

Significantly, over 50 percent of the capital accessed by Indigenous communities is market capital. Collin and Rice note that "for the first time in Canadian history, conventional market sources of capital have overtaken government transfers as the main source of Indigenous economic development capital."[131]

These changes are attributable to a significant degree by innovative sectoral self-government arrangements, such as the jurisdiction exercised over financial management, taxation and capital under the FNFMA and over lands and resources under the FNLMA, transformative Supreme Court decisions, innovative lending available to First Nations, Inuit and Métis entrepreneurs through the network of AFIs, and the establishment of regional and community-owned economic development corporations.

---

128 Paul Bowles, et al., *Urban Aboriginal Use of Fringe Financial Institutions: Survey Evidence from Prince George, British Columbia*, 2011.
129 Waterstone Strategies, *First Nations and Inuit Access to Capital for Economic Development*, 2017.
130 https://macdonaldlaurier.ca/files/pdf/MLI_IndigenousCapital_F.pdf
131 Dominique Collin and Michael L. Rice, *Evening the Odds: Giving Indigenous Ventures Access to the Full Financial Toolkit*, 2019, page 4.

Increased Indigenous economic participation in the economy requires Indigenous access to a diversified array of market capital instruments for business, infrastructure, and housing, ideally on the same terms as other Canadians. Understanding the contribution of the current suite of mechanisms is necessary to optimize the value of these innovations and design and build new initiatives to support the economic development aspirations of First Nations, Inuit, and Métis governments, communities, and individuals.

Trade

Some important progress has been made to recognize the importance and place of trade in the economies of First Nations, Inuit, and Métis Nations. For example, in addition to chapter-specific reservations and exceptions related to Indigenous Peoples and Indigenous businesses, the *Canada-United States-Mexico Agreement* (CUSMA) includes a general exception that provides greater certainty that the Government of Canada can adopt or maintain measures necessary to fulfill its legal obligations to Indigenous Peoples, including Aboriginal Rights as recognized and affirmed by Section 35 of the *Constitution Act, 1982*, and those rights set out in self-government agreements.

A trade-focused Indigenous Working Group, advising the Minister of Small Business, Export Promotion, and International Trade, is seeking additional provisions to increase opportunities for First Nations, Inuit, and Métis governments and entrepreneurs to benefit from trade and investment. Priorities include:

- acknowledge the importance of enhancing the ability of Indigenous Peoples and Indigenous businesses to benefit from the opportunities created by international trade and investment
- reaffirm a number of important existing Indigenous-specific international instruments, such as the *United Nations Declaration on the Rights of Indigenous Peoples*
- recognize the important role of the environment in the economic, social, and cultural well-being of Indigenous Peoples and the importance of respecting, preserving, and maintaining the knowledge and practices of Indigenous Peoples that contribute to the conservation of the environment
- facilitate cooperation activities between the parties, including the sharing of information and establishment of a dedicated website containing information on the agreement that is useful to Indigenous entrepreneurs and businesses
- establish a mechanism under the agreement to determine and facilitate cooperation activities between the parties to support the trade related interests and objectives of Indigenous Peoples.[132]

[132] https://www.international.gc.ca/trade-commerce/indigenous_peoples-peuples_autochtones/approach-approche.aspx?lang=eng

While recognizing that the relationship between Indigenous Rights and international trade has started being recognized in international trade and economic agreements, some have advocated for a proposal for a Joint Declaration on Trade and Indigenous Peoples.

According to Risa Schwartz and Judy Whiteduck, in their paper *A Proposal for a Joint Declaration on Trade and Indigenous Peoples*, 2020, such a Declaration could pave the way, for example, for exclusions for Indigenous Peoples in Annex 7 to the *Agreement on Government Procurement* (GPA) or reaffirm commitments at the World Trade Organization to the *United Nations Declaration on the Rights of Indigenous Peopl*es and to the 2030 *Agenda on Sustainable Development* and the Sustainable Development Goals.[133]

Some have also advocated for the creation of Foreign or Free Trade Zones (FTZ) to facilitate Indigenous trade and business development. Generally, a FTZ refers to a geographic location within a country that is officially designated for eligibility for tariff and tax exemptions with respect to the purchase or importation of raw materials, components, or finished goods. Such materials and goods can generally be stored, processed, or assembled in the FTZ for re-export or for entry into the domestic market. In such instances, taxes and duties would be deferred until the time of entry, or taxes and duties generally would not apply.

Procurement

The Government of Canada is the largest purchaser of goods and services in the nation, spending approximately $22 billion annually on acquiring goods and services from thousands of businesses in every sector and region in Canada.

However, despite stated commitment to "…increase federal contracting opportunities and to gain access to the overall federal procurement process for Aboriginal businesses," initiatives such as the Procurement Strategy for Aboriginal Business have been unmitigated failures. Year over year, Indigenous businesses have received less than 1 percent of the value of contracts for tendering goods and services to the Government of Canada.

Conversely, in many instances, the Canadian private sector is significantly increasing its procurement from Indigenous businesses. For example, in 2019 alone, Suncor Energy spent over $800 million acquiring goods and services from Indigenous businesses.[134] By contrast, the entire Government of Canada spends about $68 million a year acquiring goods and services from Indigenous businesses.[135]

Both government and corporate Canada have a duty and responsibility to support the economic prosperity of First Nations, Inuit, and Métis peoples.

---

133 https://www.cigionline.org/articles/proposal-joint-declaration-trade-and-indigenous-peoples
134 https://sustainability.suncor.com/en/communities/partnering-with-indigenous-businesses-and-communities
135 https://www.ccab.com/wp-content/uploads/2019/05/CCAB_Research-Report_web.pdf

The Truth and Reconciliation Commission recognized that:

> ...industry and business play an extremely significant role in how the economic, social, and cultural aspects of reconciliation are addressed, including the extent to which opportunities and benefits are truly shared with Indigenous Peoples and the environment of traditional homelands is safeguarded.[136]

Establishing constructive, mutually beneficial relationships and partnerships between Canada's corporate sector and Indigenous communities will contribute to Indigenous economic growth and community health and well-being and will ensure environmental sustainability. According to the Commission, corporations can demonstrate leadership by using the *United Nations Declaration on the Rights of Indigenous Peoples* as a reconciliation framework, as per Call to Action 92.

Many recommendations have already been developed to improve public procurement policies targeted for Indigenous businesses, which are operating in Australia, Canada, and the United States, including:

- Using a combination of targets and set asides to facilitate the inclusion of Indigenous-owned businesses in public procurement markets and providing regular reporting on outcomes.
- Designing procurement packages in a way that reduces barriers to entry for micro- and small businesses.
- Providing "wraparound" business development support for Indigenous businesses in the public procurement market (mentoring and joint ventures, certification training, and targeted equity and loan instruments).
- Providing information about the scheduling of future public works between different levels of government at the regional level to provide greater certainty for Indigenous-owned businesses.

[136] Canada, *Truth and Reconciliation Commission of Canada Final Report*, Volume 6, Reconciliation, 2015, page 297.

BIBLIOGRAPHY

Documents/Reports

Acemoglu, Daron and James Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, 2012

Bersin by Deloitte, *Diversity and Inclusion in Canada*, 2014

Bowles, Paul, et al., *Urban Aboriginal Use of Fringe Financial Institutions: Survey Evidence from Prince George, British Columbia*, 2011

Brookfield Institute, *Ahead by a Decade: Employment in 2030*, May 2020

Brookfield Institute, *Forecast of Canadian Occupational Growth*, 2020

Canada, Auditor General of Canada, Chapter 6—Land Management and Environmental Protection on Reserves, 2009.

Canada, Auditor General of Canada, Report 5 – Socio-economic Gaps on First Nations Reserves – Indigenous Services Canada, 2018

Canada, Auditor General of Canada, Chapter 4—Treaty Land Entitlement Obligations—Indian and Northern Affairs Canada, 2009

Canada, Environment and Climate Change Canada, *A Healthy Environment and a Healthy Economy: Canada's Strengthened Climate Plan to Create Jobs and Support People, Communities and the Planet*, 2020.

Canada, Report of the Royal Commission on Aboriginal Peoples, *The Right to Aboriginal Self-Government and the Constitution: A Commentary*, 1992.

Canada, *Report of the Royal Commission on Aboriginal Peoples*, 1996.

Canada, Department of Finance Canada, Budget 2016, Growing the Middle Class, 2016

Canada, Indigenous and Northern Affairs Canada, Evaluation of On-Reserve Housing Project Number: 1570-7/15108, January 2017

Canada, Report of the Standing Committee on Aboriginal Affairs and Northern Development, *Study of Land Management and Sustainable Economic Development on First Nations Reserve Lands*, 2014

Canada, Report of the Standing Senate Committee on Aboriginal Peoples, *Sharing Canada's Prosperity – A Hand Up, Not a Handout*, March 2007

Canada, Truth and Reconciliation Commission of Canada. *Executive Summary*, 2015

Canada, *Honouring the Truth, Reconciling for the Future: Summary of the Final Report of the Truth and Reconciliation Commission of Canada*, 2015

Canada, Truth and Reconciliation Commission of Canada. *Truth & Reconciliation: Calls to Action*, 2015

Canada, Truth and Reconciliation Commission of Canada, *Volume 5, Canada's Residential Schools: The Legacy*, 2015

Canada, Truth and Reconciliation Commission of Canada, *Volume 6, Reconciliation*, 2015

Canadian Board Diversity Council, *Annual Report Card 2018, CARD 2018: Advancing Diverse Leadership on Canada's Corporate Boards*, 2018
https://cdn.ymaws.com/wxnetwork.com/resource/resmgr/images/diversity_council/arc_report_2018_-_pdf/arc_-_annual_report_card_201.pdf

Canadian Centre for Policy Alternatives, *Delivering the Goods: Alternative Federal Budget*, 2015

Canadian Council for Aboriginal Business, *Promise and Prosperity, The Aboriginal Business Survey*, 2016

Collin, Dominique, *Aboriginal Financial Literacy in Canada: Issues and Directions*, 2011

Collin, Dominique and Michael L. Rice, *Evening the Odds: Giving Indigenous Ventures Access to the Full Financial Toolkit*, 2019
https://macdonaldlaurier.ca/files/pdf/MLI_IndigenousCapital_F.pdf

Conference Board of Canada, *Opportunities to Improve the Financial Ecosystem for Aboriginal Entrepreneurs and SMEs in Canada*, 2017

Conference Board of Canada, *Northern and Aboriginal Policy*, 2017

Cornell, Stephen, and Joseph P. Kalt, *Sovereignty and Nation-Building: The Development Challenge in Indian Country Today*, 1998
https://pdfs.semanticscholar.org/b0a5/f81c8740020a2f44fe71577edb9e5d40dab5.pdf?_ga=2.175887842.1153310546.1606336253-2039031781.1606336253

CRTC, Submission to the Government of Canada's Innovation Agenda, 2016.

Drummond, Don, Alexander Murray, Nicolas Mask, and Andrew Sharpe, Centre for the Study of Living Standards, "The Contribution of Aboriginal People to Future Labour Force Growth in Canada," 2017

Eyford, Douglas R., *Forging Partnerships, Building Relationships*, 2013

Eyford, Douglas R., *A New Direction: Advancing Aboriginal and Treaty Rights*, 2015

First Nations Major Project Coalition, *The Role of Indigenous People in Major Project Development: Paths for Indigenous Participation in Electricity Infrastructure*, 2019

Fiscal Realities, *Expanding Commercial Activity on Reserve Land*, 1999 http://www.fiscalrealities.com/uploads/1/0/7/1/10716604/expanding_commercial_activity.pdf

Fiscal Realities, *The High Cost of Doing Business on Reserve*, 1999

Fiscal Realities, *Investing in Canada's Future Prosperity: An Economic Opportunity for Canadian Industries: Methods and Sources Paper*, 2017

Indigenous Youth Voices, *A Roadmap to the Truth and Reconciliation Commission Call to Action #66*, 2018

International Labour Organization, *C169 - Indigenous and Tribal Peoples Convention*, 1989 (No. 169) https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312314

Inuit Tapariit Kanatami, *National Inuit Climate Change Strategy*, 2019 https://www.itk.ca/wp-content/uploads/2019/06/ITK_Climate-Change-Strategy_English.pdf

Institute for Competitiveness & Prosperity, *Strength in Numbers: Targeting Labour Force Participation to Improve Prosperity in Ontario*, 2017

Kon, Y., Storey, D. A Theory of Discouraged Borrowers. *Small Business Economics* 21, 37–49 (2003). https://doi.org/10.1023/A:1024447603600

Memorandum of Understanding on Advancing Reconciliation between: Manitoba Metis Federation Inc. and Her Majesty The Queen In Right Of Canada http://www.mmf.mb.ca/docs/land_claims/MOU_English.PDF

National Indigenous Economic Development Board, *Increasing Aboriginal Participation in Major Resource Projects*, 2012

National Indigenous Economic Development Board, *Addressing the Barriers to Economic Development on Reserve*, 2013

National Indigenous Economic Development Board, *Reconciliation: Moving Canada Forward by $27.7 Billion*, 2016

National Indigenous Economic Development Board, *Reconciliation: Growing Canada's Economy by $27.7 Billion, Background and Methods Paper,* 2016

National Indigenous Economic Development Board, *Statement from the NIEDB on the United Nations Declaration on the Rights of Indigenous Peoples*, 2017 http://www.naedb-cndea.com/en/statement-on-the-united-nations-declaration-on-the-rights-of-indigenous-peoples

National Indigenous Economic Development Board, *Economic Progress Report*, 2019

Organisation for Economic Co-operation and Development, *Linking Indigenous Communities with Regional Development in Canada*, 2020

Organisation for Economic Co-operation and Development, *Linking Indigenous Communities with Regional Development*, 2019

Organisation for Economic Co-operation and Development, *Indigenous Employment and Skills Strategies in Canada*, 2018

Organisation for Economic Co-operation and Development, *The Well-Being of Nations: The Role of Human and Social Capital*, 2011.

Pasternak, Shiri, and Hayden King, *Land Back: A Yellow Institute Red Paper*, 2019

Public Policy Forum, *Skills Next—Mapping the Landscape: Indigenous Skills Training and Jobs in Canada*, June 2020

Richardson, Lisa, and Allison Crawford, COVID-19 and the Decolonization of Indigenous Public Health, *CMAJ,* September 21, 2020

RBC, *Humans Wanted: How Canadian Youth Can Thrive in the Age of Disruption*, 2018

SHARE, *Business and Reconciliation: How Can Investors Evaluate the Efforts of Canadian Public Companies*? 2017

Stiglitz, J., J. Fitoussi, and M. Durand (eds.), *For Good Measure: Advancing Research on Well-being Metrics Beyond GDP,* OECD Publishing, Paris, 2018
https://doi.org/10.1787/9789264307278-en

United Nations, *United Nations Declaration on the Rights of Indigenous Peoples*, 2007

Waterstone Strategies, *First Nations and Inuit Access to Capital for Economic Development*, 2017

Links

AFN Pre-Budget Submission, 2011
https://www.afn.ca/uploads/files/2011-pre-budget-submission.pdf

Principles respecting…
https://www.justice.gc.ca/eng/csj-sjc/principles-principes.html

https://pm.gc.ca/en/news/statements/2015/12/15/statement-prime-minister-release-final-report-truth-and-reconciliation

https://www150.statcan.gc.ca/n1/pub/89-645-x/2015001/housing-logement-eng.htm

https://www.nationalbcc.org/about-us

https://corpgov.law.harvard.edu/2020/10/11/board-diversity-no-longer-optional/

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52012PC0614&from=EN

https://www.wipo.int/pressroom/en/briefs/tk_ip.html

https://www.reconciliation.org.au

https://pm.gc.ca/en/news/speeches/2018/02/14/remarks-prime-minister-house-commons-recognition-and-implementation-rights

https://www.afn.ca/wp-content/uploads/2019/08/19-05-Declaring-a-First-Nations-Climate-Emergency.pdf

LED, *Creating the Conditions*, 2013
https://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ-ECD/STAGING/texte-text/ecd_creating_conditions_1372347251119_eng.pdf

Remarks by the Prime Minister in the House of Commons on the Recognition and Implementation of Rights Framework, February 14, 2018, Ottawa, Ontario
https://www.rcaanc-cirnac.gc.ca/eng/1536350959665/1539959903708

Working Group of Ministers on the Review of Laws and Policies Related to Indigenous Peoples
https://www.canada.ca/en/privy-council/services/review-laws-policies-indigenous.html

United Nations, Department of Economic and Social Affairs, Indigenous Peoples
https://www.un.org/development/desa/indigenouspeoples/climate-change.html

Statistics Canada, The Housing Conditions of Aboriginal People in Canada, Census of Population, 2016
https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016021/98-200-x2016021-eng.pdf

https://www.cbc.ca/news/canada/shacks-and-slop-pails-infrastructure-crisis-on-native-reserves-1.1004957

CRTC, Broadband Fund: Closing the Digital Divide in Canada, 2016
https://crtc.gc.ca/eng/internet/internet.htm

Proof: Food Insecurity Policy Research: Indigenous Peoples and Food Insecurity
https://proof.utoronto.ca/resources/research-publications/aboriginal-peoples-and-food-insecurity/

Prosper Canada
https://prospercanada.org/Our-Work/Centre-for-Financial-Literacy.aspx

Norah Kielland, Library of Parliament, *Supporting Aboriginal Participation in Resource Development: The Role of Impact and Benefit Agreements*, 2015
https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/201529E

Alastair Neil Craik, *Process and Reconciliation: Integrating the Duty to Consult with Environmental Assessment*, 2016
https://digitalcommons.osgoode.yorku.ca/cgi/viewcontent.cgi?article=1125&context=olsrps

Martin Ignasiak, Sander Duncanson, and Jesse Baker, *Resource Projects and the Honour of the Crown: More than Just Consultation about a Project's Impacts*, 2020
https://www.osler.com/en/resources/regulations/2020/resource-projects-and-the-honour-of-the-crown-more-than-just-consultation-about-a-project-s-impacts

Statistics Canada, *Canadian Financial Capability Survey*, 2009
https://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&Id=53283

International Trade Agreements and Indigenous Peoples: The Canadian Approach
https://www.international.gc.ca/trade-commerce/indigenous_peoples-peuples_autochtones/approach-approche.aspx?lang=eng

Risa Schwartz and Judy Whiteduck, *A Proposal for a Joint Declaration on Trade and Indigenous Peoples*, 2020
https://www.cigionline.org/articles/proposal-joint-declaration-trade-and-indigenous-peoples

Assembly of First Nations, First Nations Post-Secondary Fact Sheet
https://www.afn.ca/wp-content/uploads/2018/07/PSE_Fact_Sheet_ENG.pdf

Statistics Canada, *National Household Survey*, 2011
https://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/index.cfm?Lang=E

Protocol on Cooperation and Communication
https://www.bcafn.ca/sites/default/files/2019-11/FN%20Protocol%20on%20Cooperation%20and%20Communication%20-%20Version%20for%20signing%20Nov%207_2019.pdf

CMHC, 2011 Census/NHS Housing Conditions, 2016
https://assets.cmhc-schl.gc.ca/sf/project/cmhc/pubsandreports/pdf/68547.pdf?rev=5773bef6-2634-454c-a344-fa56a8085893

AFOA and Prosper Canada, *The Shared Path: First Nations Financial Wellness*, 2019
https://prospercanada.org/getattachment/1d5fecb2-c778-4780-8a59-34d827cf86c4/The-Shared-Path-First-Nations-report-on-financial.aspx

Makivik
https://www.makivik.org/corporate/history/makivik-corporation/

Indigenous Tourism Association of Canada, *Forward Together: A Strategic Recovery Plan for the Indigenous Tourism Industry. Industry in Canada 2020-2024*
https://indigenoustourism.ca/plans-reports/

Conference Board of Canada, *Canada's Indigenous Tourism Sector: Insights and Economic Impacts,* 2019
Canada's Indigenous Tourism Sector: Insights and Economic Impacts (conferenceboard.ca)

Legislation

Indian Act (R.S.C., 1985, c. I-5)

Constitution Acts, 1867 to 1982

Western Arctic (Inuvialuit) Claims Settlement Act (S.C. 1984, c. 24)

Nunavut Land Claims Agreement Act (S.C. 1993, c. 29)

Labrador Inuit Land Claims Agreement Act (S.C. 2005, c. 27)

First Nations Land Management Act (S.C. 1999, c. 24)

First Nations Fiscal Management Act (S.C. 2005, c. 9)

Bill C-15, *An Act respecting the United Nations Declaration on the Rights of Indigenous Peoples*

Impact Assessment Act (S.C. 2019, c. 28)

An Act to amend and continue the Act 32-33 Victoria chapter 3; and to establish and provide for the Government of the Province of Manitoba, 1870, 33 Vict., c. 3 (Can.)
https://www.justice.gc.ca/eng/rp-pr/csj-sjc/constitution/lawreg-loireg/p1t21.html

Court and Tribunal Decisions

John Marshall, *Worcester v. Georgia*, 31 U.S. (6 Pet.) 515, 8 L. Ed. 483 (1832)

Musqueam Indian Band v. Glass, [2000] 2 S.C.R. 633
https://scc-csc.lexum.com/scc-csc/scc-csc/en/item/1816/index.do

Canada (Human Rights Commission) v. Canada (Attorney General), 2012 FC 445
https://canlii.ca/t/fr018

Tsilhqot'in Nation v. British Columbia, 2014 SCC 44, [2014] 2 S.C.R. 256
https://scc-csc.lexum.com/scc-csc/scc-csc/en/item/14246/index.do

Daniels v. Canada (Indian Affairs and Northern Development), 2016 SCC 12, [2016] 1 S.C.R. 99
https://scc-csc.lexum.com/scc-csc/scc-csc/en/item/15858/index.do

ORGANIZATIONS: CONTRIBUTORS AND INVITED

The following organizations led development of the National Indigenous Economic Strategy for Canada.

Core Group

Canadian Association of Native Development Officers
Canadian Council for Aboriginal Business
Indigenous Works
National Aboriginal Capital Corporations Association
National Indigenous Economic Development Board

Advisory Body

Aboriginal Financial Officers Association
Assembly of First Nations (invited)
Nunasi Corporation
National Aboriginal Trust Officers Association

Peer Review Organizations

Centre for First Nations Governance
First Nations Finance Authority
First Nations Financial Management Board
First Nations Tax Commission
Indian Resource Council
International Intertribal Trade & Investment Org.
Indigenous Tourism Association of Canada
Inuit Tapiriit Kanatami (invited)
Les Femmes Michif Otipemisiwak
Métis National Council (invited)
National Association of Friendship Centres
National Aboriginal Forestry Association
National Aboriginal Lands Managers Association
National Indigenous Fisheries Institute
Pauktuutit Inuit Women of Canada

Literature Review

Allan Clarke
Lee Ahenakew (Contributor)
Dr. Mark Dockstator (Academic Review)

Editing

Kaitlin Littlechild

Proofreading

Maxime Vollant (French)
Jeela Paluq Cloutier (Inuktut)

French Translation: Melanie Vincent
Inuktut translation: Uuttuvak Consulting Incorporated

ADDENDUM

CASE STUDIES

däna Näye Ventures' Micro-Loan Program: Helping Indigenous Women Entrepreneurs Support Their Families While Staying Connected

https://dananaye.com/service/yukon-micro-loan-program

"A lot of Indigenous women entrepreneurs that we've helped are home-based businesses," says Elaine Chambers, General Manager of däna Näye Ventures (DNV). "That's a great success because they can be home when their kids come home from school and when they're growing up while also supporting their families."

And that's exactly what Lisa Organ of Frozen Dreams did, with the support of DNV. She started her business in her kitchen at home, and it took off from there. After getting sick and being unable to go to work for a while, she decided to make Frozen Dreams a full-time thing, so she created a kitchen in the shed on her property.

Seven years later, she's looking for a more permanent space with a storefront. All these years, being a home-based business has allowed her to balance work, support her family, and actually spend time with them.

"I got to stay home with my children, watch all of them grow; one's graduating next year," says Organ. "The family aspect, being close to home, deciding when I want to work, creating my own schedule has been great. The scariest part is figuring out my finances, but that's where a coach comes in."

Those "coaches" are what DNV is all about. As an Aboriginal Financial Institution (AFI), they take care of their clients from start to finish: from developing a business plan to tax season and supporting long-term growth.

Chambers says their hands-on approach helps Indigenous women who may be scared to get started. "It is scary going out and fending for yourself and wondering if you're going to put bread and butter on the table when you're supporting your family," she says.

But helping them get off their feet, pursue their dreams, and ensure long-term support is what it's all about. DNV sees being able to support Indigenous women entrepreneurs as crucial, which is why they've been running their micro-loan program on behalf of the Yukon government for over twenty years.

The micro-loan program helps people who have bad credit ratings improve their credit rating while starting their business. It helps them purchase or lease equipment, renovate or make improvements to their place of business, buy inventory or supplies, and help pay first and last month's rent. This is huge for many entrepreneurs because according to Chambers, a lot of women don't have that kind of money to put down.

'Nuu-Chah-Nulth Economic Development Corporation: A Lending Portfolio that is Over 50 Percent Women

https://www.nedc.info

"When you're in a smaller community, and you're fairly isolated, there's not a lot of options where you can go and work," says Al Little, General Manager of Nuu-Chah-Nulth Economic Development Corporation (NEDC). "So, if you want to stay in your community, in a lot of cases you need to make a job for yourself or start a business."

And that's what Indigenous women entrepreneurs are doing. They're finding employment by creating employment, not only for themselves but for their communities.

The majority of NEDCs staff are women, the majority of their board are women, the majority of their loan committee are women, and over 50 percent of their clients are women, but Little says it's just happened that way.

NEDC is able to support so many Indigenous women entrepreneurs partially because they make themselves as available and as accessible as possible, by creating a comfortable environment for aspiring entrepreneurs and by trying to eliminate the intimidation factor.

"What we're looking at is the business case, and that's it," says Little. "It doesn't matter if your short, tall, man, woman, young, old. It doesn't matter, it just comes down to does your business makes sense."

And Tamara and Jennifer Wensley of Primal Sisters' business makes sense.

Their business – of making pork crisps and cracklings – started in 2015 after they had experimented with a paleo way of eating as an attempt to solve some health issues and realizing there weren't enough snacks available.

Luckily their parents owned commercial property so all they needed was financing, and that's where NEDC came in. "We knew the banks thought 'no' and weren't taking us seriously. So, NEDC to the rescue," says Tamara Wensley. "We were immediately grateful for that relationship because we didn't know how to grow this. With the help, support and financing from NEDC, we've been able to grow at the right time and it's been amazing."

Primal Sisters aren't the only business NEDC has helped; they've supported 13 and 15-year-old sisters who've started up an RV rental company, BigFoot Donuts a Courtney based- donut shop, and a pair of fashion designers from Nanaimo. And while Vancouver Island is seeing an uptick in Indigenous women entrepreneurs, NEDCs portfolio is growing too.

Little says a lot of their business comes from word of mouth, and that's large in part thanks to women.

"We've found that we're getting a lot more networking, and it actually isn't even coming from us, but from Indigenous women in business," says Little. "I don't mean to try and stereotype it from what I've seen, women are a lot better at networking."

While their portfolio is over 50 percent women, it isn't by quotas, and that's something Little hammered home. He said it has all just been a natural process, and Indigenous women aren't only contributing to their families and communities, but to NEDC as well.

Nk'Mip Cellars: North America's first Indigenous-owned and -Operated winery

https://www.nkmipcellars.com/About-Us

In addition to being an award-winning winery, consistently ranking in the top tier of Canadian wines for their world-class products, Nk'Mip Cellars exemplifies how the Osoyoos Indian Band has used economic development to successfully fuel community development and create a path to greater self-reliance.

The winery was established in 1968 as Nk'Mip Vineyards with the help of funding from the Government of Canada. At the time, the community faced many challenges associated with poverty and addictions, and few opportunities for employment opportunities. By the early 1980s, the Band had been declared bankrupt and was being managed by the then-Department of Aboriginal Affairs. The vineyard had accumulated significant debt, and the promising project appeared to be failing.

In 1984, Clarence Louie was elected as Chief of Osoyoos Indian Band and identified the management of Nk'Mip Vineyards as a key priority. New strict financial controls and accountability measures were instituted, and a new manager was hired for Nk'Mip Vineyards. Within two years, Nk'Mip Vineyards made a profit for the first time in its history. The Band focused on developing business opportunities that would create long-term employment opportunities for band members and bring revenue into the community.

In 2001, Osoyoos partnered with Vincor International Inc. (now Constellation Brands) in a joint partnership to develop the Nk'Mip winery while remaining the majority owner of the winery. The success of the partnership has built a foundation on which to create additional on-reserve economic development and business opportunities. It has created a tourism business generating annual revenues in excess of $40 million and employs 1,200 people. The Band operates ten businesses, including the internationally renowned Spirit Ridge Vineyard Resort & Spa. With more jobs on-reserve than members, the Osoyoos Indian Band is employing Indigenous Peoples from across Canada to fill the demand.

Built on a foundation of strong leadership and strategic partnerships, the 450-member Osoyoos Indian Band, through the Osoyoos Indian Band Development Corporation (OIBDC), expects profits to reach $36.1 million by 2022.

Great Bear Rainforest Agreements: Incorporating Indigenous Stewardship in Resource Management

https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/great-bear-rainforest#The%20Great%20Bear%20Rainforest%20Agreement

The Great Bear Rainforest covers 6.4 million hectares on British Columbia's north and central coast—equivalent in size to Ireland.

In 2016, the Government of BC, First Nations, environmental groups, and forest industry representatives put in place a historic agreement to secure the future of the Great Bear Rainforest by protecting more old- and second-growth forest while still ensuring opportunities for economic development and jobs for local First Nations.

The Great Bear Rainforest Agreements set out how the Great Bear Rainforest would be managed now and into the future. The approach is Ecosystem-Based Management (EBM) and incorporates traditional and local knowledge.

The 2016 Great Bear Rainforest Land Use Order and *Great Bear Rainforest (Forest Management) Act* will conserve 85 percent of the forest and 70 percent of old growth over time, achieving a high level of ecological integrity. They will also fulfill cultural, social, and economic objectives of First Nations and other communities to achieve better socioeconomic outcomes.

To many people, the Great Bear Rainforest Agreements present a model for a new relationship between First Nations and the Crown. Based on a government-to-government relationship (within input from industry and environmental groups), the agreements recognize First Nations' shared decision-making with the province over land use in their traditional territories. The new management framework also requires maintenance of areas of cultural, ecological, and economic significance to First Nations and provides economic opportunities for the communities.

Clearwater Seafood Inc.: A Major Acquisition to Secure First Nation Prosperity

https://www.clearwater.ca/en/our-story/indigenous-ownership

On January 8, 2021, the Nova Scotia Supreme Court approved the sale of Clearwater Seafood Inc. to a joint venture formed by Premium Brands, a specialty foods manufacturer and distributor based in British Columbia, and a coalition of seven Mi'kmaq First Nations led by the Membertou First Nation of Cape Breton Island, Nova Scotia, and the Miawpukek First Nation of Newfoundland and Labrador, by way of a plan of arrangement.

The coalition invested $500 million for its portion of the purchase, bringing access to Clearwater's fishing licenses, including shrimp, snow crab, scallop, and offshore lobster. Financing came in the form of a thirty-year loan from the First Nations Finance Authority (FNFA), an Indigenous-governed institution that raises money from institutional investors in Canada, the U.S. and beyond.

The purchase represents a significant achievement for the Mi'kmaq, who not only become 50 percent owners of the company but expect to hold Clearwater's Canadian fishing licences within a fully Mi'kmaq-owned partnership. This collective investment by First Nations in Clearwater represents the single largest investment in the seafood industry by any Indigenous group in Canada and transforms the Mi'kmaqs' participation in the commercial fishing sector.

Unama'ki Economic Benefits Office: Supporting Procurement and Business Development

https://www.membertoucorporate.com/unamaki

In 2007, five First Nations communities in Cape Breton (Unama'ki) joined forces to open the Unama'ki Economic Benefits Office in Membertou. The UEBO is mandated to maximize economic benefits of major construction projects happening on the island.

The office serves as a liaison between the Indigenous communities, Indigenous and non-Indigenous businesses, and the Sydney Tar Ponds Agency. The Economic Benefits Office also provides guidance and organizes training to help ensure the success of Unama'ki businesses in putting together economic development proposals and procurement opportunities. The office will also support the development of partnerships and co-ventures between Indigenous companies and non-Indigenous companies.

Local First Nations communities expect to secure a minimum of $8 million in contracts with the Tar Ponds cleanup and employ a minimum of twenty people. The Unama'ki Economic Benefits Steering Committee emphasizes that these numbers are minimum targets. They plan to be aggressive and proactive in securing contracts; they hope to gain up to $38 million in contracts to employ as many as sixty full-time workers.

Kwoiek Creek Hydroelectric Project: Partnerships for Renewable Energy

https://www.innergex.com/sites/kwoiek-creek

Kwoiek Creek is a 49.9 megawatt, run-of-river project located on the lower reaches of Kwoiek Creek, a tributary to the Fraser River, approximately 14 kilometres south of Lytton, British Columbia. Kwoiek Creek includes a water diversion and intake facility, a buried penstock, and a powerhouse located on Kanaka Bar Indian Band's Whyeek IR No. 4 near Lytton.

Kwoiek Creek also includes a 71-kilometre-long, 138 kV transmission line to transmit electricity generated by the Project to the BC Hydro's Highland Valley Substation near Mamit Lake. Operating under a gross head of 564 metres and a maximum design flow of 13.5 cubic metres per second, the Kwoiek Creek Hydroelectric Project produces an average of 215,000 MWh of electrical energy per year.

The developer of the project is Kwoiek Creek Resources Limited Partnership ("KCRLP"). KCRLP is an equal partnership between the Kanaka Bar Indian Band (KBIB) and Innergex. The KBIB is a member of the Nlaka'pamux Nation, within whose traditional territory the Project is located. The project was facilitated by a $168.5 million construction loan arranged with a group of life insurance companies comprising The Manufacturers Life Insurance Company as agent and lead lender, and also The Canada Life Assurance Company and The Great-West Life Assurance Company as lenders.

The powerhouse, transformer, and several other elements of the Project are situated on reserve lands of the KBIB. Kwoiek Creek provides significant benefits to the host, local, and regional communities, as well as the province, including:

- financial benefits to the Kanaka Bar Indian Band to support development of, or enhance existing, educational, social, recreational, and health programs;
- tax revenues for the provincial and local governments;

- almost 40% of the total project construction employment was fulfilled by qualified First Nation and local workers;
- several long-term jobs for plant operators with contracted maintenance and other required services during the 40-year operational period;
- business opportunities linked to the facility operation for the host, local, and regional businesses; and
- new "green power" of approximately 215,000 MWh per year.

Makivik Corporation: Building Prosperity through the Affirmation of Indigenous Rights

https://www.makivik.org/subsidiary-companies

Makivik Corporation is the legal representative of Quebec's Inuit, established in 1978 under the terms of the James Bay and Northern Quebec Agreement, the agreement that established the institutions of Nunavik.

Makivik Corporation's principal responsibility is the administration of Inuit lands and the over CA$120 million in compensation funds it has received under the terms of the James Bay and Northern Quebec Agreement of 1975 and the more recent offshore Nunavik Inuit Land Claims Agreement that came into effect in 2008. The Corporation's distinct mandates range from owning large, profitable business enterprises and generating jobs; to social economic development, improved housing conditions; to the protection of the Inuit language and culture and the natural environment.

Makivik has become a leader within Canada and the world in successfully combining Indigenous Rights, political negotiation, and business acumen into successful business and economic initiatives that contribute to the national, provincial, and regional economies. Makiivik invests in economic development opportunities to acquire ownership or participate in joint ventures, including Air Inuit, Canadian North, Nunavik Geomatics, Halutik Enterprises, Pan Arctic Inuit Logistics, Unaaq Fisheries, Nunavut Eastern Arctic Shipping, and Nasiq Investment Corporation.

Fisher River Economic Development Corporation: Economic Development leads to Community Development

https://www.frecdev.ca

The Fisher River Economic Development Corporation" (FRED) was incorporated in April 2013 by the Fisher River Cree First Nation. FRED focuses on the economic, social, cultural, environmental, and educational needs of Fisher River individuals and the community as a whole.

FRED emphasizes that the people of a community should be directly involved in pursuing and managing their own economic development. It recognizes that different regions have different needs and opportunities, and all economic development must be charged with local community-led planning and implementation.

FRED is driven by a community-based bottom-up approach to economic development.

FRED's mandate is to identify, develop, and undertake activities that will expand employment, stimulate economic activity, and contribute to overall community investment. It creates new revenue streams through its oversight, investment, and partnerships in business.

Dokis First Nation: The Okikendawt Hydro Project

https://www.sac-isc.gc.ca/eng/1459449220161/1611868098139

The Okikendawt Hydro Project is a clean-energy initiative of the Dokis First Nation of Ontario, developed in partnership with Hydromega Services Inc. The hydro project will drive long-term sustainable and economic development for the Dokis First Nation.

The project is located adjacent to an existing dam that controls an outflow from Lake Nipissing into the French River on traditional Dokis territory. The project consists of two turbines with a total capacity of approximately 10 megawatts and will sell 100 percent of its power to the IESO for a forty-year term through a Feed-in-Tariff (FIT) power purchase agreement.

Former Chief Martin Restoule's vision to restore the heritage of the Dokis people, revitalise the local economy, and reinvigorate the Dokis nation gained the support of the community, who made a collective decision to support the Okikendawt Hydro Project. Today, the plant is operational: around 4 percent of the renewable energy generated flows into the Dokis community—making the community's energy 100 percent renewable—while the remaining 96 percent flows into the power grid, offsetting coal-based generation.

Mesgi'g Ugju's'n: 150 MW Wind Farm in Partnership with the Mi'gmaq Communities in Quebec

http://www.muwindfarm.com

The Mesgi'g Ugju's'n wind farm is located on public lands in the Avignon Regional County municipality in Quebec. The farm consists of 47 wind turbines with a total installed capacity of 150 megawatts.

It generates enough electricity to power the equivalent of approximately 30,000 households.

Indigenous Economic Development Corporations

Long before mainstream understanding of social enterprise and social impact became more commonplace, First Nations, Métis, and Inuit governments were putting in place economic development corporations to act as major drivers of economic and community development.

These community-owned businesses invest in, own, and/or manage subsidiary businesses with the goal of providing financial support to advance community interests. Such corporations play a major role in driving Indigenous economic advancement through business development, employment, and community-based projects.

According to a recent study by the Canadian Council for Aboriginal Business, Indigenous economic development corporations are now managing and investing in major industrial projects across Canada, including natural resources, energy, construction, hospitality, travel and tourism, the arts, professional services, and information technology. Because these corporations are often established to generate own-source revenue for the community, they have a built-in social purpose that guides their operations.

According to the CCAB study, 61 percent of economic development corporations report that up to half of their after-tax revenue earned in the past fiscal year was invested back into the community. These corporations are also important creators of employment—the forty-nine Indigenous economic development corporations that participated in the study are responsible for more than 12,000 jobs.

Nunasi was created in 1976 as the Inuit Development Corporation and now has important investments in construction, transportation, retail, logistics, expediting, bulk fuel storage and supply, medical boarding homes, digital communications, and manufacturing. The shareholders for Nunasi represent the Inuit of all three regions in Nunavut: Qikiqtani Inuit Association, Kivalliq Inuit Association, and Kitikmeot Corporation.

Nunasi's values are rooted in the communities it serves and are centred on supporting its shareholders' strategic priorities in a manner that demonstrates respect for the land and natural environment as well as the cultural, social, and economic advancement of Inuit.

https://www.nunasi.com

Infinity Métis Corporation is a Métis-owned and -operated company and is the business arm of the McMurray Métis Local 1935, representing the members of the McMurray Métis through regulatory support and engagement.

The Corporation was created to generate revenues for the McMurray Métis, with a vision to support Métis people in community, business, and social well-being.

Recently, Powell Infinity Corporation, a newly formed joint venture between Powell Canada Inc. and Infinity Métis Corporation, secured a five-year valve sourcing and servicing contract with Suncor across the Fort McMurray – Wood Buffalo region. This agreement is intended to increase Métis economic development while also offering valuable employment and training opportunities for members of the Métis community.

https://infinitymetiscorp.com

Des Nedhe Group was established in 1991 by English River First Nation (ERFN) to grow sustainable employment and business opportunities for ERFN community members.

Today, the Group pursues a range of investment opportunities that support growth, add value, and diversify income streams and operations in construction, mining, retail, property management, professional services, trucking, and trades industries. Companies owned by the corporation include TRON Construction, MTM Mining, Iron Trail JV, MakawaJV, Neetah LP, SAGE Power, Creative Fire, as well as retail and property management.

https://desnedhe.com

National Indigenous Economic Strategy For Canada 2022

Pathways to Socioeconomic Parity for Indigenous Peoples