



# 2012-2013 Annual Report

National Aboriginal Economic Development Board  
November 2013

The National Aboriginal Economic Development Board  
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## MESSAGE FROM THE CHAIR

I am pleased to share the National Aboriginal Economic Development Board's (NAEDB) annual report for 2012-2013. The Board achieved a number of important milestones this year which have helped set the foundation to ensure that federal policies and programs are well aligned with the real, on the ground needs of First Nations, Inuit and Métis people.

Key highlights from 2012-2013 include:

- The development of a three year Strategic Plan to focus the NAEDB's work in areas critical to the rapid economic advancement of Aboriginal people;
- The launch of the *Aboriginal Economic Benchmarking Report* in June 2012 that assesses the state of the Aboriginal economy across a number of indicators, providing comparative information and a baseline on the economic standing of Aboriginal and non-Aboriginal people in order to inform policy and program directions related to Aboriginal economic development;
- The release of recommendations on *Increasing Aboriginal Participation in Major Resource Projects* in October 2012, which provides the federal government with strategies to help ensure that Aboriginal people, their communities and project proponents can work together to advance their respective interests;
- The development of advice to the federal government on *Addressing the Barriers to Economic Development on Reserve* in April 2013, which provides concrete solutions based on hard evidence to overcome many of the critical legislative impediments to economic development on reserve.



The Board knows all too well that economic development is a process, not a project. Our advice to the federal government is part of an ongoing dialogue to ensure that our long-term vision – that **Aboriginal people are healthy, well-educated, economically self-sufficient and full participants in the Canadian economy** – is achieved.

The NAEDB, made up of Aboriginal people from across Canada, share a common belief that economic development is the single most important factor in improving the lives and wellbeing of all people in Canada, Aboriginal and non-Aboriginal alike. Each member of the NAEDB is unwavering in their dedication to improving the economic outcomes of First Nations, Inuit and Métis people.

On behalf of the Board, I would like to sincerely thank all of the organizations and individuals who contributed to our work in 2012-2013. Together we can make a meaningful difference in Aboriginal economic development.

In 2013-2014, the Board looks forward to continuing on the direction set under our 2012-2015 Strategic Plan.

## ABOUT THE BOARD

The National Aboriginal Economic Development Board (NAEDB) is a Governor in Council appointed body, established on February 23, 1990, mandated to provide policy and program advice to the federal government on Aboriginal economic development.

The NAEDB is a unique advisory body of First Nations, Inuit, and Métis business and community leaders from all regions of Canada. It plays an important role in helping the federal government develop economic policies and programs that are coordinated, accessible, and responsive to the unique needs and circumstances of Aboriginal people in Canada.

## THE MEMBERS

In 2012-2013, the NAEDB had nine members drawn from all regions of Canada (Annex A provides additional details on the NAEDB's 2012-2013 membership). Each member contributed valuable business, community, operational and strategic expertise to the NAEDB's work.

The Board's members are:



**Chair: Chief Clarence Louie, British Columbia**  
Chief, Osoyoos Indian Band

**Vice-Chair: Dawn Madahbee, Ontario**  
General Manager, Waubetek Business Development Corporation

**Member-At-Large: Pita Aatami, Quebec**  
President, Air Inuit Ltd.

**Richard Francis, New Brunswick**  
Past Director, Economic Development, Kingsclear First Nation

**John Michael Keyuk, Saskatchewan**  
Vice President, G. Raymond Contracting Ltd.

**Matthew Mukash, Quebec**  
Grand Chief, Grand Council of the Crees

**Chief Terrance Paul, Nova Scotia**  
Chief, Community of Membertou

**James Ross, Northwest Territories**  
President, AuraRoss Resources Limited

**Chief Sharon Stinson Henry, Ontario**  
Chief, Chippewas of Rama First Nation



## OPERATIONAL ENVIRONMENT & CONTEXT

We have observed a numbers of trends through our work in Aboriginal economic development over the years. Our *Aboriginal Economic Benchmarking Report* tells us that Aboriginal people in Canada have made important gains in the economy. Collectively, we are more active in the labour force, we are starting more businesses and we are earning more money than only a decade ago; however, these gains are not being shared equally among Aboriginal people in Canada and substantial gaps remain between Aboriginal people and other Canadians, such as in income and education. The Community Well-Being Index shows that there exists a significant gap in well-being between Aboriginal communities and other Canadians communities. Across Canada, 97% of First Nation communities and 96% of Inuit communities had a score below the average of other Canadian communities. Despite being in one of the most advanced economies in the world, Aboriginal communities continue to be at the bottom rung of CWBI measures.

First Nations have been effectively legislated out of the mainstream economy through the imposition of laws, regulations and “Indian policies” that were developed and imposed upon First Nations without their consultation or consent. While legislation and regulations in off-reserve contexts typically evolve over time, the largely static *Indian Act* leaves on-reserve communities with outdated and paternalistic rules and procedures which have not kept pace with the modern economy. These barriers have been a detriment to economic development for First Nations.

*First Nations, Inuit and Métis people are unwavering in the belief that they must be involved from the outset to define the solutions that will impact their futures.*

Canada has a diverse and abundant natural resource sector accounting for 15 per cent of its gross domestic product and 50 per cent of exports. Over the past two decades, resource exploration and development activities have pushed further into every region of Canada, bringing significant opportunities in the form of jobs, business opportunities and revenue streams to the doorstep of Aboriginal communities. The federal government projects that, over the next decade, more than 600 resource projects worth over \$650 billion in new investments, are planned across Canada. Indeed, there is solid evidence that First Nations, Inuit and Métis people increasingly play a central role in helping move these projects forward: the mining industry is now the largest private sector employer of Aboriginal people. As of March 2013, 94 of 105 projects under federal review are located on reserve, within an historic treaty area, or in a settled or unsettled claims area. While there is broad agreement on the importance of the resource economy to Canada, the pace and means by which Aboriginal people participate is open for debate.



## NAEDB'S PRIORITIES FOR 2012-2015

The NAEDB has clear, multi-year priorities linked to the federal policy agenda, supported by ministerial direction. In 2012-2013, the NAEDB developed its 2012-2015 Strategic Plan with a view to establishing broad long-term priorities relating to Aboriginal economic development, and to guide its work and activities. These priorities are linked to relevant objectives which will assist the federal government's work to address the gaps between First Nation, Inuit and Métis, and non-Aboriginal Canadians.

For 2012-15, the NAEDB has identified the following long-term priorities:

- 1. Addressing Barriers to Aboriginal Economic Development**
- 2. Increasing Aboriginal Participation in Major Projects**
- 3. Providing Relevant and Timely Advice to the Federal Government**

In a May 18, 2012 letter to Chief Clarence Louie, Chair of the NAEDB, the Minister of Aboriginal Affairs and Northern Development Canada, set out two priorities for the Board in 2012-2013 to contribute to the Economic Action Plan and the implementation of the Federal Framework for Aboriginal Economic Development and to help support the full participation of Aboriginal people in Canada's economy. The Board's work to advise the federal government on Aboriginal economic development included the following:

- the development of strategies to increase Aboriginal participation in major projects and look at specific ways that Canada's Aboriginal peoples, their communities and their businesses, can participate in and benefit from major projects, and how they can establish and build relationships with private industry
- the development and implementation of practical options to address sections of the *Indian Act* that, in the Board's view, create the most significant barriers to economic development on reserve

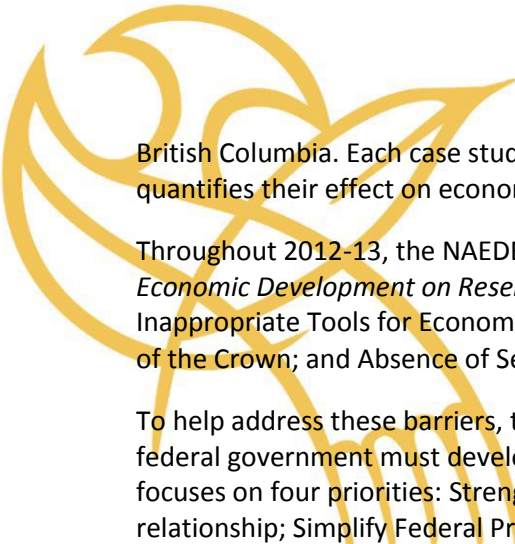
## NAEDB PERFORMANCE HIGHLIGHTS

### Strategic Priority 1 – Addressing Barriers to Aboriginal Economic Development

To inform the development of its recommendations on practical options and ways the federal government should focus its efforts to help First Nations unlock the full economic potential of their communities, the Board established a sub-committee on barriers to economic development on reserve, conducted case studies on three member communities and met with First Nations organizations and federal officials to discuss the key impediments to economic development on reserve.

In 2011-2012, the NAEDB began work to conduct case studies that provide an in-depth and detailed understanding of how barriers to economic development on reserve affected economic opportunities in the Community of Membertou in Nova Scotia, Chippewas of Rama First Nation in Ontario, and the Osoyoos Indian Band in





British Columbia. Each case study identifies legislative and regulatory barriers under the *Indian Act* and quantifies their effect on economic development.

Throughout 2012-13, the NAEDB has worked to develop recommendations on *Addressing Barriers to Economic Development on Reserve* (April 2013), more specifically related to: Outdated and Inappropriate Tools for Economic Development; Insufficient Resources; Bureaucracy and Risk Aversion of the Crown; and Absence of Service Standards.

To help address these barriers, the NAEDB identified that the federal government must develop an integrated approach that focuses on four priorities: Strengthen the Crown-First Nations relationship; Simplify Federal Procedures and Processes; Invest in Existing and Optional Solutions; and, Increase Human Capacity On-Reserve.

#### ***Sub-Committee – Barriers On Reserve:***

- *Richard Francis, Chair*
- *Chief Clarence Louie*
- *Chief Sharon Stinson-Henry*
- *Chief Terrance Paul*

Given the environmental management reform being considered at the time as a result of the Government's 2012 Economic Action Plan on *Jobs, Growth and Long-Term Prosperity Act*, on December 21, 2012, the NAEDB wrote to the ministers of AANDC and Environment Canada, offering its advanced recommendations relating to environmental assessment, the *Species at Risk Act* screening requirements, and processes for projects conducted on First Nation reserve lands. The Board's final recommendations 2.11-2.14 within *Addressing Barriers to Economic Development on Reserve* address the impact of environmental requirements on economic development projects on reserve.

Another key area to address barriers to Aboriginal economic development identified by the NAEDB is Community and Commercial Infrastructure and Services. While in 2011-2012 the NAEDB released its recommendations on *Financing First Nations Infrastructure*, due to the unique circumstances in Northern Aboriginal communities the Board determined that separate recommendations outlining the specific infrastructure needs of these communities were needed. The Board struck a sub-committee to look at this specific issue. A statement of work was developed for the Board to conduct an in-depth and detailed understanding of infrastructure within Aboriginal communities in order to better understand the barriers that currently hinder economic development, and thus develop strategies and recommendations to work within, and around them. The Board looks forward to advancing this file in 2013-2014.

#### ***Sub-Committee – Northern Infrastructure:***

- *James Ross, Chair*
- *Richard Francis*
- *Matthew Mukash*

### **ACTIVITIES**

- Finalized case studies identifying legislative and regulatory barriers to economic development on reserve
- Establishment of a sub-committee to develop recommendations on barriers to economic development on reserve
- Development of statement of work on Northern infrastructure and identification of funding partners
- Meetings with key stakeholders in Ottawa (ON) and Tsuu T'ina (AB)
- Appearance before the Standing Committee on Aboriginal Affairs and Northern Development to provide a statement on the barriers to economic development on reserve and advice relating to the need to improve the processes regarding the land designation provisions of the *Indian Act*
- Development of recommendations on *Addressing Barriers to Economic Development on Reserve*

## Strategic Priority 2 – Increasing Aboriginal Participation in Major Projects

To inform the Board's recommendations, the NAEDB established a sub-committee on major projects, conducted working group meetings, as well as consulted with First Nations, Inuit and Métis groups, industry proponents, and federal and provincial departments and agencies throughout the year. In October 2012, the NAEDB met with the Minister of AANDC to present him with their recommendations on *Increasing Aboriginal Participation in Major Resource Projects*.

### ***Sub-Committee – Major Projects:***

- *James Ross, Chair*
- *Pita Aatami*
- *Matthew Mukash*
- *John Keyuk*

This report recommends that federal government, in collaboration with other key partners including provincial and territorial governments and private industry, must develop and implement a strategy focusing on four priority areas: Connect Aboriginal communities to Industry; Strengthen the Framework for Collaboration; Develop Human Capital; and, Promote Information Sharing and Awareness.



The NAEDB's recommendations represent a first step in the NAEDB's work to identify ways in which Aboriginal people can fully benefit from Canada's resource economy. The NAEDB expects to delve further into specific elements of this topic in the coming years. In addition to the Board's work on major projects, the NAEDB participated in the Roundtables on Aboriginal Participation in Major Resource Development Opportunities which took place throughout 2012. The Roundtables engaged a select group of senior, multi-sectoral leaders from Canada's Aboriginal communities and Canada's natural resources sector, focusing on key questions of how to improve Aboriginal engagement in these opportunities.

Throughout the NAEDB's discussions in 2012-13, the lack of opportunities and procurement set asides for Aboriginal businesses from the federal departments was seen as a predominant barrier to Aboriginal economic development. To delve further into this issue, the Board struck a sub-committee to look at ways to improve the federal government's procurement practices with regards to Aboriginal businesses and mechanisms to support Aboriginal communities and businesses to take full advantage of procurement opportunities. Further work and exploration on this issue will take place in 2013-2014.

### ***Sub-Committee – Procurement:***

- *Chief Terrance Paul, Chair*
- *Richard Francis*
- *John Keyuk*

## **ACTIVITIES**

- Meetings with key stakeholders in Membertou (NS) and Kuujjuaq (QC)
- Establishment of a sub-committee to develop recommendations on major projects
- Development of recommendations on *Increasing Aboriginal Participation in Major Resource Projects*
- Participated in the Roundtables on Aboriginal Participation in Major Resource Development Opportunities held in Ottawa and Toronto (ON)
- Establishment of a sub-committee on procurement.

### Strategic Priority 3 – Providing Timely and Relevant Advice to the Federal Government

Following a review of the Board's governance, the NAEDB has worked over the past year to implement much of the recommendations outlined in the report "A Review of the National Aboriginal Economic Development Board" by the Institute on Governance, dated March 2012. In response to the NAEDB's governance review, the NAEDB developed its 2012-15 Strategic Plan, which was submitted to the Minister of AANDC on July 20, 2012, and to other national Aboriginal organizations, federal departments and development agencies. The development and extensive distribution of the NAEDB's Strategic Plan has helped create awareness of the Board and developed networks with other organizations and linkages with overarching priorities.

To reach the NAEDB's vision of parity between Aboriginal people in Canada and other Canadians, the NAEDB believes that Aboriginal people need to know where we are coming from, how we are doing, and what we are hoping to achieve. It is in this context that the Board has developed the *Aboriginal Economic Benchmarking Report*, released in June 2012.

The Benchmarking Report evaluates the evolution of the Aboriginal economy and is based on three Core Indicators: Employment, Income and Wealth and Well-Being and five Underlying Indicators: Education, Entrepreneurship and Business Development, Governance, Lands and Resources and Infrastructure. In addition to this report, the NAEDB has developed an interactive map, available on its website, which allows users to obtain data by province/territory and heritage group for the three core indicators.

The key findings of the *Aboriginal Economic Benchmarking Report* indicate that: (1) Aboriginal people in Canada have made gains in a number of important economic measures, including employment and income; (2) Gains have not been shared equally among the three Aboriginal Heritage groups; and (3) Substantial gaps remain between Aboriginal and non-Aboriginal in Canada.



The Benchmarking Report led to the development of a substantial body of data on the socioeconomic conditions of First Nations, Inuit and Métis across Canada. The Benchmarking Report will play a key role in tracking and assessing the economic development outcomes of all three heritage groups. It will also measure the extent to which the Government of Canada has been successful in implementing the Federal Framework for Aboriginal Economic Development.

Furthermore, the NAEDB increased its presence and participation in international and domestic fora on Aboriginal economic development; appeared before the Standing Committee on Aboriginal Affairs and Northern Development; participated in national roundtables on Aboriginal Participation in Major Resources Development Opportunities organized by the federal government and the Public Policy Forums; and participated on federal program and policy advisory boards. The Board participated in Committee appearances such as at the Standing Committee on Aboriginal Affairs and Northern Development to advise on proposed amendments to modify the voting and approval procedures in relation to proposed land designations under the *Indian Act* (November 2012). The NAEDB also participated on other advisory bodies, such as the Federal Coordinating Committee for Aboriginal Economic Development; Aboriginal Financial Institutions External Advisory Group; and the Strategic Partnerships Initiative investment panel.





## ACTIVITIES

- Release of the *Aboriginal Economic Benchmarking Report*
- On-going participation in the Federal Coordinating Committee for Aboriginal Economic Development, the Aboriginal Financial Institutions External Advisory Group and the Strategic Partnerships Initiative investment panel
- NAEDB member participated as a guest speaker at the National Aboriginal Capital Corporation Association in Vancouver (BC)

## BOARD REMUNERATION IN 2012-2013

Remuneration for Board members has been fixed on August 22, 1996. In 2012-2013, board members were paid at the following rates: Chairperson \$450.00 per diem; member \$325.00 per diem.

With some of the most significant resource development projects in Canada set to take place in or near Aboriginal communities, the country's economic prosperity hinges on not only building strong partnerships with Aboriginal people, but ensuring they are opportunity ready and can participate in a manner that best fits with their financial, community and cultural aspirations. That is why the NAEDB will be focusing its efforts in 2013-2014 on addressing issues related to barriers and participation of Aboriginal peoples in major resource projects. The Board's planned activities are:

#### **Strategic Priority 1 – Addressing Barriers to Aboriginal Economic Development**

- Work in collaboration with the government of Canada to develop and implement a federal strategy to ensure Aboriginal communities are ready to take advantage of potential business and infrastructure opportunities from resource development and realize the full benefits of Impact Benefit Agreements.

#### **Strategic Priority 2 – Increasing Aboriginal Participation in Major Projects**

- Work in collaboration with the government of Canada to develop and implement a federal strategy to ensure First Nations, Inuit and Métis communities are able to share in the financial benefits of resource opportunities as other levels of governments.

#### **Strategic Priority 3 – Providing Timely and Relevant Advice to the Federal Government**

- Release of individual detailed reports of core indicators contained in the Benchmarking report.
- Continue to hold quarterly Board meetings and participate in working groups on Aboriginal economic development, as necessary.



## NAEDB 2012-13 DEMOGRAPHIC PROFILE

NAEDB Members	Gender		Aboriginal Heritage			Regional Representation			
	Female	Male	Métis	First Nation <sup>1</sup> MT IA	Inuit	North <sup>2</sup>	West (BC, AB, SK, MB)	Central (ON, QC)	East (NB, NFL, NS, PEI)
Chief Clarence Louie		X		X			X		
Dawn Madahbee	X			X				X	
Richard Francis		X		X					X
Pita Aatami		X			X	X			
Chief Sharon Stinson Henry	X			X				X	
Chief Terrance Paul		X		X					X
John Keyuk		X	X				X		
Matthew Mukash		X		X		X			
James Ross		X		X		X			
<b>TOTAL</b> 9	2	7	1	2	5	1	3	2	2

<sup>1</sup> Modern Treaty (MT) or Indian Act (IA)

<sup>2</sup> Includes the three territories (Yukon, Northwest territories and Nunavut) and the Northern comprehensive land claim regions—Nunatsiavut, Nunavik and the First Nations lands covered by the James Bay and Northern Quebec Agreement.