



**Affaires autochtones et
Développement du Nord Canada**

**Aboriginal Affairs and
Northern Development Canada**



Aboriginal Participation in Major Resource Development Opportunities

Presentation to address the
Yukon First Nations Resource Conference and Student Job Fair

March 20, 2013



Resource Development – in the news and on the political landscape

- Pipelines, mines, renewable energy, liquefied natural gas
- Canada's sovereignty in the North
- Responsible Resource Development
- Foreign investment
- New trade agreements with Europe, Asia and India
- Canada as a global energy powerhouse



THE CANADIAN PRESS 

“The department’s [NRCan] most recent calculations project \$650 billion in investment in about 600 major resource projects over the next 10 years. That’s up from previous estimates of \$500 billion.”

– The Canadian Press,
September 2012





Significance of Resource Development to Canada

Natural resources account for:

- 15% of our gross domestic product (GDP) – close to 20% including spin-off industries
- 50% of our exports

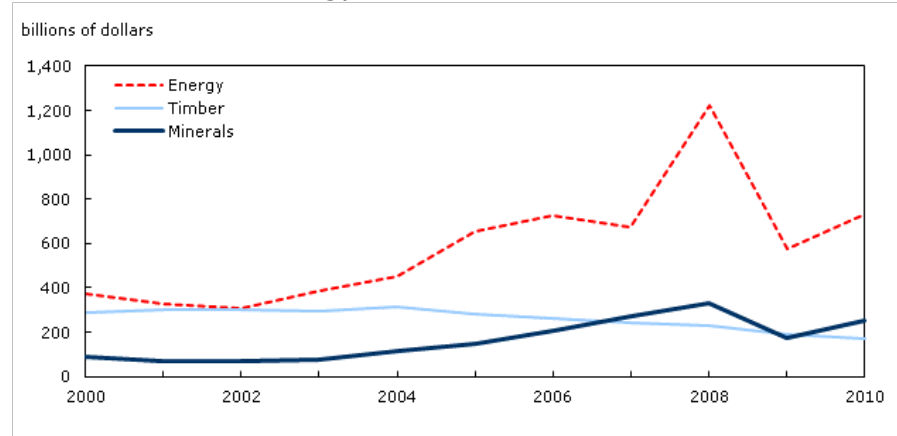
Over \$30 billion/year in revenue to governments from energy, mining and forestry industries

Close to 1.6 million jobs in Canada are linked to natural resources

- largest private sector employer of Aboriginal people in Canada
- about 10% of oil sands workforce is Aboriginal

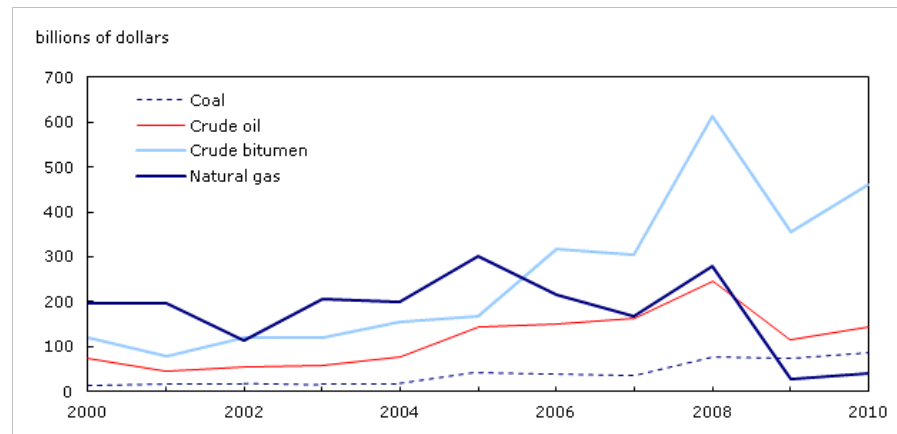
(Source: Economic Action Plan website)

Value of energy, minerals and timber reserves



Source(s): Statistics Canada, September 20, 2011

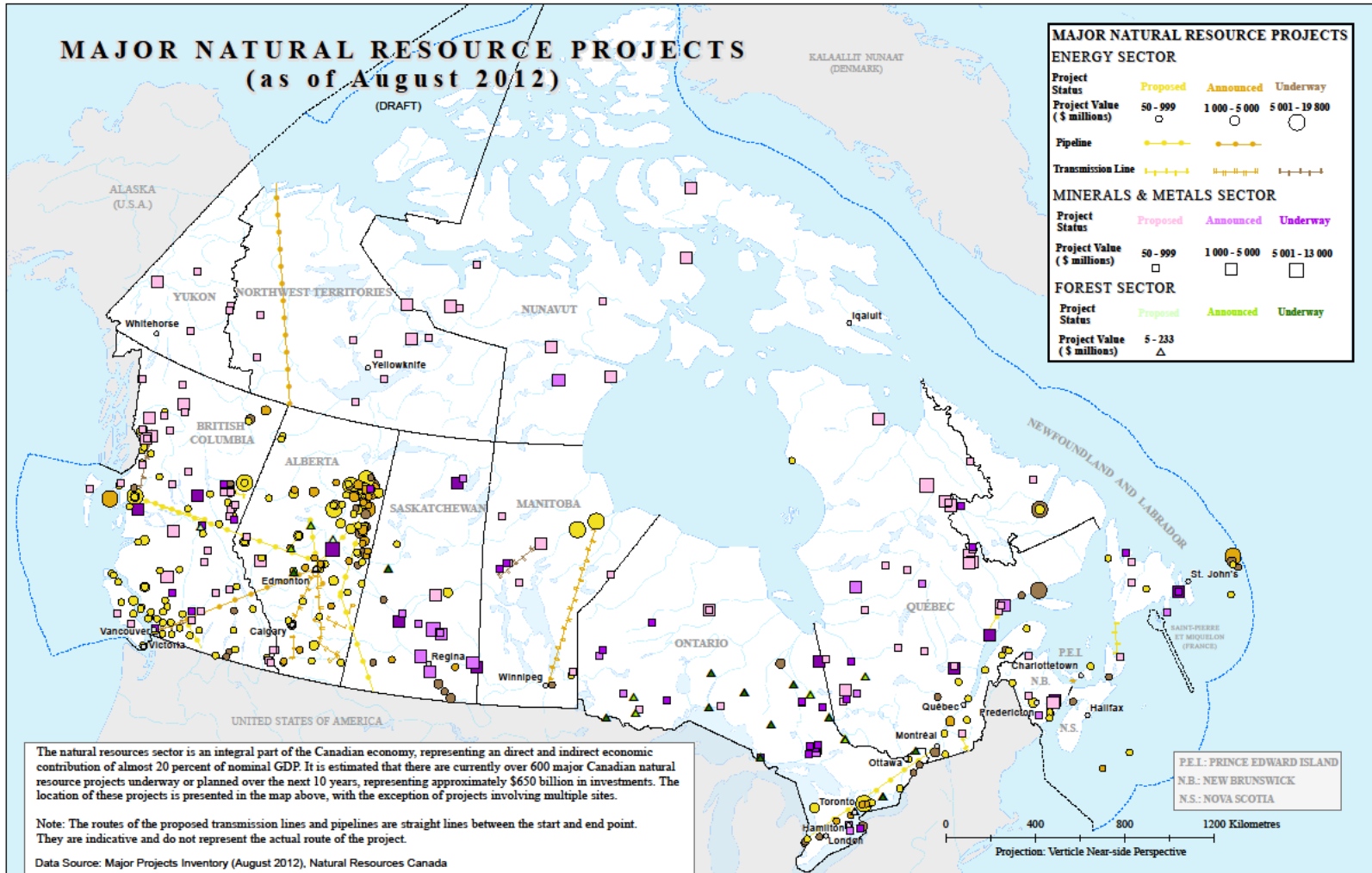
Value of energy resource reserves



Source(s): Statistics Canada, September 20, 2011



Significance of Resource Development to Aboriginal peoples



(Note: More than 500 Aboriginal communities across Canada are located in the heart of some of Canada's biggest oil, gas, forestry and mining projects; 64 out of 65 projects under consideration by the Major Projects Management Office and the Northern Projects Management Office involve Aboriginal rights or interests.



Unique opportunities to act ...

- A young and growing Aboriginal population
- A growing land base
- Proximity to resource development
- Focus on jobs and economic growth

... and some persistent challenges

- The *Indian Act*
- Limited, expensive access to capital
- Deficits in capacity and expertise
- Labour market shortages, critical skills gap

Illustrative example: The Ring of Fire (northwestern Ontario)

- Significant discoveries of chromium, copper, zinc, nickel, platinum, vanadium and gold.
- 30,000 claims, 35 prospecting companies, and currently two active proposals.
- 9 First Nations totalling 5,000 residents in close proximity.
- Persistent social, health and education issues severely impede First Nations' ability to pursue fully the opportunities available to them.
- Industry open to working with governments & First Nations to address challenges as part of Corporate Social Responsibility (CSR) approach.
- Federal governance structure established to coordinate federal actions and investments & facilitate coordination with province, industry & First Nations.





Comparing First Nations and Other Canadians

**Unemployment Rate (age 15+), Census 2006
First Nations On-Reserve vs. Non-Aboriginal Populations**



Source: Statistics Canada, 2006 Census of Population, AANDC Tabulations, Socio-Economic and Demographic Statistics Section

First Nations people living on-reserve are significantly more likely than other Canadians to be unemployed. Nearly 25% of First Nations people living on-reserve do not have jobs.

First Nations people living on-reserve are significantly less likely than other Canadians to hold a high school diploma; 50.1% do not complete high school.

**High School Completion Rate (ages 25-64), Census 2006
First Nations On-Reserve vs. Non-Aboriginal Populations**



Source: Statistics Canada, 2006 Census of Population, AANDC Tabulations, Socio-Economic and Demographic Statistics Section



Comparing First Nations and Other Canadians *(continued)*

**Median Income, Census 2006
First Nations On-reserve vs. Non-Aboriginal populations**

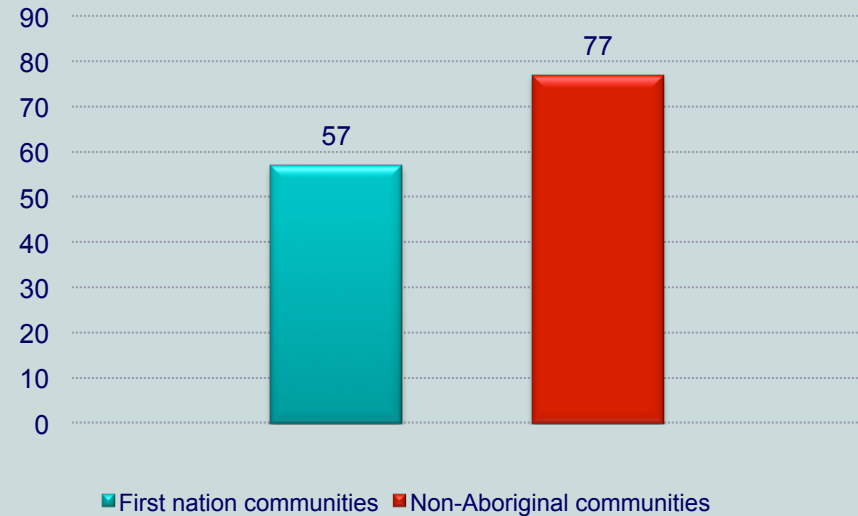


Source: Statistics Canada, 2006 Census of Population, AANDC Tabulations, Socio-Economic and Demographic Statistics Section

The average annual income of First Nations people living on-reserve is less than half that of the non-Aboriginal population.

Community well-being on First Nation reserves is significantly lower than that of non-Aboriginal communities.

**Community Well-being Index, Census 2006
First Nations communities vs. Non-Aboriginal communities**



Source: Statistics Canada, 2006 Census of Population, AANDC Tabulations, Socio-Economic and Demographic Statistics Section



Resource Development offers Aboriginal peoples opportunities for...

Jobs
&
Economic
Growth

Education
&
Skills
Training

Business
Development

Infrastructure
Investment

Community
Well-Being

Resource development holds enormous potential for Aboriginal Canadians

An additional \$8B would be injected annually into the national economy if income and employment parity between Aboriginal and non-Aboriginal Canadians were achieved

(Centre for the Study of Living Standards, "Investing in Aboriginal Education in Canada: An Economic Perspective," 2010)

To take advantage of these opportunities, Aboriginal Canadians need to be ready - at the individual, business and community levels

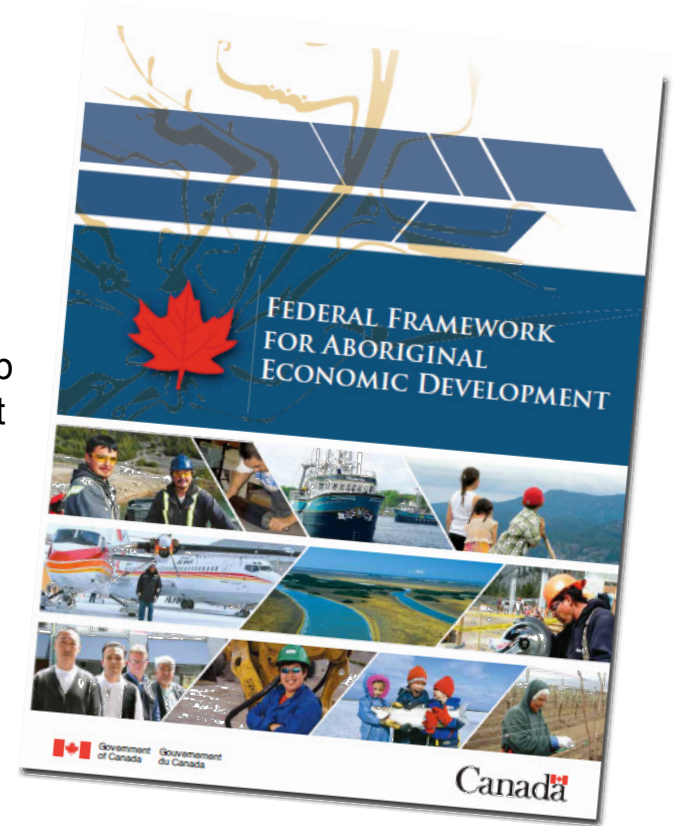
Budget 2012 allocated \$691.8 million to support Aboriginal skills development, education and infrastructure

Education, skills development and community well-being are vital to Aboriginal communities' ability to move forward.



Federal Framework for Aboriginal Economic Development

- Jobs and economic growth are fundamental to improving the lives of Aboriginal Canadians and contributing to Canada's long-term prosperity.
- Launched in 2009, the Framework is a modern, federal approach to promoting Aboriginal economic development that, first and foremost, recognizes that Government can help create the right conditions, but it cannot do it all and it cannot do it alone.
- The Framework is about working with willing partners to focus our efforts on real opportunities and positive results; tailoring our efforts to specific situations and needs; and adapting to new and changing conditions as they arise.



Framework Strategic Priorities:

Strengthening Aboriginal Entrepreneurship | Developing Aboriginal Human Capital
Enhancing the Value of Aboriginal Assets | Forging New and Effective Partnerships
Focusing the Role of the Federal Government



What We're Working to Achieve



Opportunity-ready
Aboriginal communities

Viable Aboriginal
businesses

A skilled Aboriginal
workforce