Learning from Experience
Aboriginal Programs in the Resource Industries
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Alberta Chamber of Resources
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Foreword

The Alberta Chamber of Resources (ACR) has championed the orderly and responsible development of our natural resources since 1935. Today, our members represent oil sands, forestry, mining, minerals, coal, power generation and transmission, oil and gas, pipelines and service companies. Our diverse membership of approximately 170 companies has created tremendous economic value, employment and growth within Alberta and Canada for over 70 years.

The ACR is well known for its periodic reports and initiatives in areas of interest to its members. Our last publication, Oil Sands Technology Roadmap, outlined the technological advances that will be necessary to triple production from one of the largest petroleum reserves in the world. The Roadmap is now in its second printing and has been shared with industry, governments, research organizations and academic institutions from around the globe.

While the outlook for growth in the resource sector remains strong, companies have been seeking approaches to engage Aboriginal communities whose traditional lands or communities overlap with resource development. In order to assist its members in developing relationships with Aboriginal communities, the ACR began an effort several years ago to document company practices in this area. The governments of Alberta and Canada provided support as well.

This report, entitled Learning from Experience: Aboriginal Programs in the Resource Industries, summarizes that work. It reflects the diversity in approaches used by the resource industry to work with Aboriginal communities. This information is intended to provide well-documented examples that may assist companies in making informed decisions when developing programs and practices. The content represents the views of ACR members and does not imply endorsement by the Aboriginal community. With that said, the report may provide a basis on which industry and Aboriginal communities can come together to share perspectives on opportunities associated with resource development.

A full version of documented company practices is available on our website at www.acr-alberta.com. We are grateful for the financial support provided by members of the Alberta Chamber of Resources as well as that provided by the governments of Alberta and Canada. We thank the project steering committee, the project team, the writers and designers for their work on this project during our respective terms. In addition, we would like to recognize the contributions of the 2002-2003 steering committee under the chairmanship of Doug Golosky. We have also been fortunate to have members of the Aboriginal business community on our Board of Directors for many years and have appreciated their continued leadership and guidance.

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1. THE BUSINESS CASE FOR ABORIGINAL RELATIONS
1. THE BUSINESS CASE FOR ABORIGINAL RELATIONS

It is a compelling fact of geography that most resource companies in Western and Northern Canada are involved with Aboriginal issues. The areas they need to access in order to develop resources are often adjacent to Aboriginal communities or on Aboriginal traditional lands. This makes a strong business case to build positive and mutually beneficial relationships with Aboriginal communities.

As highlighted by the maps on page 3, Alberta has an abundant natural resource endowment in oil sands, oil and gas, forestry, coal, and minerals that supports major projects and otherwise fuels the Alberta economy. The maps also show that the Aboriginal population often makes up a significant portion of the population where these resources are located.

While people reporting Aboriginal ancestry make up approximately 6.7 per cent of Alberta’s population, this number is much higher in the northern and western areas of the province. In northwest Alberta, the Aboriginal share of the population is 38 per cent, the northeast ranges from 15 to 21 per cent Aboriginal and western portions range from 7 to 18 per cent Aboriginal. The Aboriginal share of the population is even greater in northern Saskatchewan (83 per cent), Nunavut (76 to 90 per cent) and the Northwest Territories (43 per cent). It is a fact on the ground in doing business in these areas that Aboriginal communities are often the nearest communities to the resource and Aboriginal people may make up much of the local labour force.

Geographic proximity creates opportunities for Aboriginal people to be involved in and benefit from resource development. It also creates a convincing case for resource companies to develop strong, mutually beneficial relationships with Aboriginal communities and provide meaningful opportunities for Aboriginal people.

ABORIGINAL PEOPLE TODAY

The term “Aboriginal people” includes the Indian, Inuit, and Métis peoples of Canada. The Aboriginal population is growing. In 1996, people reporting Aboriginal ancestry represented 3.8 per cent of Canada’s total population. In 2001, there were just over 1.3 million people reporting some Aboriginal ancestry - 4.4 per cent of the total population.

In 2001, the number of Albertans reporting Aboriginal ancestry was 199,015, which represented 6.7 per cent of the total Alberta population. This consisted of Indians (84,990), Métis (66,060), Inuit (1,090), Aboriginal Not Specified (4,080), and people who reported Aboriginal ancestry but did not self-identify as Aboriginal in the census (42,795).

Appendix A contains an overview of the Aboriginal population in Alberta (including details of First Nations treaty areas and Métis Settlements) and a summary of key demographic trends. The information can help put Aboriginal programs and practices in a wider context with regard to how the Aboriginal population is changing and the implications this has for developing successful initiatives.

Source: Statistics Canada - 2001 Census
Generalized Natural Resources
Map of Alberta

Source: Derived from Alberta Geological Survey Maps (2005)

Percentage of Aboriginal Population
by Census Division, 2001

and businesses to participate in economic development. This is especially relevant in light of the current rapid expansion of resource development in northern Alberta.

The Alberta Chamber of Resources (ACR) initiated the Aboriginal Programs Project as a way for its members to share the benefits of their experiences in working with Aboriginal communities. This book is the summation of learnings from the project.

“If we are going to successfully develop resources, have the least impact on the environment, and ensure that everyone shares in the benefits of economic growth, we must identify best practices,” says Art Meyer, past president of the Alberta Chamber of Resources and a vice president with Enbridge Inc. “For companies, one challenge is how to best engage Aboriginal people on issues that are important to them: environment, traditional use, capacity building, employment and other matters. Companies need to share their best practices in these areas to ensure that industry, as a whole, is advancing in its relationship with Aboriginal people.”

In this spirit of cooperation, 87 companies, organizations and government departments have shared details of their Aboriginal programs and practices for inclusion in this project. Most of the initiatives focus on Alberta, but some are from other parts of Western Canada and the North. The benefit of working together is further exemplified by the non-ACR members who agreed to share details of their programs with this project.

The result is a unique window on what the resource industry is doing in Aboriginal relations. It is not a cook book with recipes to follow. It’s not easy to find the best way to design an Aboriginal program, develop an Aboriginal policy, or foster a relationship with an Aboriginal community. Approaches must be tailored to corporate culture and the individual nature of each Aboriginal community. Because there is no one “best” approach, the ACR’s Aboriginal Programs Project was designed to catalogue and describe a variety of successful approaches used by the resource industry. The programs and practices outlined here should be regarded as examples to guide people who are developing Aboriginal relationships for the first time, or who have Aboriginal relationships but are interested in finding new ways to do things. Ultimately, each company will take its own approach.

FIRST NATIONS IN ALBERTA

In Alberta, there are 44 First Nations in three treaty areas. Alberta has 123 reserves on approximately 700,537 hectares of reserve land. The most commonly spoken First Nations languages are: Blackfoot, Cree, Chipewyan, Dene, Sarcee, and Stoney (Nakoda Sioux).

**Treaty 6**
- Signed at Carlton and Fort Pitt in 1876
- Covers central Alberta and Saskatchewan
- 16 Alberta First Nations
- Total population (2004): 36,325

**Treaty 7**
- Signed at the Blackfoot Crossing of Bow River and Fort Macleod in 1877
- Covers southern Alberta
- Five Alberta First Nations
- Total population (2004): 24,663

**Treaty 8**
- Signed at Lesser Slave Lake in 1899
- Covers portions of northern Alberta, British Columbia, Saskatchewan, and part of the Northwest Territories
- 23 Alberta First Nations
- Total population (2004): 32,700

Source: Indian and Northern Affairs Canada
First and foremost, this publication is a chronicle of industry experience to date with Aboriginal programs. In this early stage of assembling information, the ACR did not seek opinions and views from other groups, including Aboriginal communities.

“This is our first attempt to generate industry best practices,” Meyer says. “We are prepared to do more. Now that we have completed the initial project and have a system to update information from companies, the door is open to include new partners – particularly Aboriginal communities. We see this project evolving so that it eventually reflects the views of all stakeholders.”

**Building capacity**

Does corporate social responsibility make business sense? Many companies believe it does, and strive to operate their businesses in a way that benefits those who have a financial interest in their organizations while at the same time supporting the needs and interests of employees and surrounding communities. For many Alberta resource companies, developing effective Aboriginal relations is a key part of managing their affairs in a responsible way.

“There is a strong business case for Aboriginal relations,” says Jim Carter, president and chief operating officer of Syncrude Canada Ltd., the largest industrial employer of Aboriginal people in Canada. “In our organization, we engage Aboriginal resources, first of all, because we see the benefits in doing so. Bottom-line benefits to the business are things such as a more productive workforce and a higher capacity supply chain. And there are bottom-line benefits to the community as well – people who have a say in the nature of development and who share in the opportunities we all create.

“By working to build community capacity, especially as it pertains to Aboriginal people, Syncrude is now known as a good neighbour. And that is something the regulators also consider as important. What’s more, by holding fast to our principles – and working to instil them up and down the line – Syncrude has earned the respect and trust of all our neighbours, which serves us well in good times and bad.”

Companies surveyed by the ACR identified a number of elements that make up the business case for Aboriginal relations. The main ones are highlighted here.

**Build a stable and dedicated local workforce.** The strong resource economy offers significant opportunities for economic development. Most of the major resource development in Western Canada and the North is happening in the neighbourhood of Aboriginal peoples. The Aboriginal population represents a significant potential workforce.

“Potential” is the key word. The national employment rate for Aboriginal people is significantly lower than for non-Aboriginal people, but the gap is narrowing. Employment rates among Aboriginal people aged 15 years and over increased 5.3 percentage points between 1996 and 2001, reaching 49.7 per cent in 2001. The jump was double the 2.6-point gain for non-Aboriginal people of the same age, whose employment rate was 61.8 per cent in 2001.

The employment situation on reserves is different. In 2001, the national employment rate was only 37.7 per cent among the Aboriginal population who lived on-reserve, almost the same as in 1996. However, a greater proportion of Aboriginal people living in non-reserve areas were employed in 2001 (54.2 per cent), compared with five years earlier (47 per cent). It is important to note that less than one half (47 per cent) of the North American Indian
The Aboriginal population lived on an Indian reserve in 2001. The majority lived in either urban centres or rural off-reserve locations.

Among Aboriginal groups in Canada, the Métis had the highest employment rate (59.4 per cent) in 2001, compared with 48.6 per cent for the Inuit and 44.6 per cent for North American Indians. A higher proportion of Métis than of the other two Aboriginal groups had graduated from high school or completed post-secondary studies.

Demographic trends are also compelling. Aboriginal peoples represent a significant and growing segment of the Canadian population. The Aboriginal population in 2001 was much younger than the non-Aboriginal population. For example, the median age in Alberta for the Aboriginal population was 23.4 years, while that of the non-Aboriginal population was at an all-time high of 35.4 years. (Median age is the point where exactly one-half of the population is older and one-half is younger.)

In Alberta, the age distribution of the Aboriginal population shows that 34.5 per cent are under the age of 15, which is far higher than the corresponding share of 20.1 per cent in the non-Aboriginal population. These young people will be entering the labour force during the next 10 years. The effects of this “baby boom” will soon be felt in the labour market as young people come of age and start looking for employment – at the same time that Canada expects a skilled labour shortage. With the appropriate training and support, Aboriginal youth can become significant contributors to the skilled labour force. This is particularly important in many remote areas where turnover is a large factor.

“I think a key issue facing the industry is this huge untapped potential of Aboriginal youth,” says Gerry Protti, executive vice president, corporate relations, EnCana Corporation. “When we look at the amount of investment and economic activity that’s going to occur in the Canadian North, the number-one resource that’s underutilized is Aboriginal youth. We need industry, governments and Aboriginal people working together to ensure that we’re realizing the potential of those individuals.”

**Encourage diversity in the workplace.**

Aboriginal people can bring many skills to a workplace. They offer new perspectives and enhance the ability to better serve Aboriginal clients at home and indigenous peoples abroad. This can lead to new business opportunities and create a more dynamic workplace.

For most companies, workforce issues dominate the business case for Aboriginal relations. The reason is not only driven by bottom-line economic considerations, it is also tied to social responsibility. “In my view, the best thing I can offer is the same thing I want for my own kids – full participation in the workforce,” says Roger Thomas, president and CEO of Nexen Inc.’s Canadian oil and gas division.

**Build long-term, constructive relationships.**

Resource companies and suppliers face growing uncertainty around resource access and land management decisions as these affect Aboriginal rights on Crown lands. This lack of clarity affects perception of investment risk and thus impacts the ability to raise capital and maximize the return to shareholders.

“The days of resource companies going in, doing their thing and then leaving are over,” says Doug Golosky, owner of the Golosky Group of Companies, which employs more than 500 people in northeastern Alberta. “A more proactive, long-term approach is part of doing business today.”

Building long-term relationships with Aboriginal communities is a key step in putting in place a
process for working together and defining expectations.

“We don’t know each other very well. We don’t understand each other’s cultures so there are frustrations all around,” says Nexen’s Thomas. “It is critically important to make the effort early on to put ‘faces to names’. It all starts with getting to know one another. You’re much better off to develop relationships built on trust and a shared future than you are to just peel off dollars and pay people for access.”

The first step is to understand cultural differences; the next step is to bridge them — not to change them. John Zahary, president and CEO of Viking Energy Royalty Trust, says that information sharing is vital to the bridging process. “It’s no coincidence that many corporate programs involve going into Aboriginal communities, explaining what your project is, and listening to the concerns and aspirations of the community. On the face of it, these might not seem like much. But if you don’t work on this aspect, then you don’t have a bridge and there can be no relationship.”

**Establish a reputation for social responsibility.** Shareholders and the general public are increasingly interested in a broader social and environmental agenda, including how companies manage their relationships with Aboriginal communities. Corporate image and reputation have become important in marketing goods and services, and even in the ability to access certain markets. A positive image with respect to Aboriginal relations can be a significant competitive advantage in the marketplace.

“Having stakeholder support for your endeavour is critical,” says Syncrude’s Jim Carter.

“Aboriginal people are very much stakeholders. We are working in their backyard. We are carrying out our business on traditional lands. If we aren’t careful, Aboriginal people could become strangers in their own backyard. This is not what we want – we need to engage Aboriginal people so that they become part of the success.”

**Find new market opportunities.** Aboriginal communities and businesses represent a significant and growing market for goods and services. There is a need for companies to improve their business understanding of this market and develop cooperative and collaborative approaches with Aboriginal partners to pursue new business opportunities.

“Aboriginal people are taking charge of their future,” says Golosky. “Aboriginal people can’t rely solely on outside opportunities. This is what has happened in the past, and it’s only created a dependent relationship that never solves problems. We need the courage to do more. We need companies to work with Aboriginal employees and contractors on meaningful opportunities – opportunities that make business sense and help Aboriginal people develop the appropriate tools to achieve their goals.”
2. A FRAMEWORK FOR ABORIGINAL RELATIONS
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The ACR undertook the Aboriginal Programs Project to provide members with the benefits of experience of those who had already developed Aboriginal relations programs and practices and were willing to share their insights. Specifically the project was designed to:

• Provide an overall picture of the ways in which the resource industry is currently involved with Aboriginal communities.

• Provide a well-researched body of information to bring business insights into policy discussions with governments on Aboriginal development issues.

• Provide a database of programs and practices that ACR members can use in networking with other companies and developing or improving their own Aboriginal programs and practices.

• Identify key factors that affect business relationships with Aboriginal communities and thus increase the potential for success.

• Provide options for ACR members to integrate their Aboriginal programs and practices, internally and with other companies, in ways that meet multiple objectives.

• Assist companies to compile and report on the scope and nature of their involvement in Aboriginal issues and programs as an internal management tool.

The Aboriginal Programs Project began in September 2002 with Phase One – a confidential survey of ACR members to obtain an overall baseline on the scope, nature and experience gained from their Aboriginal programs and practices. It was completed in December 2002.

Phase Two (January - August 2003) involved in-depth interviews with ACR members and other organizations to identify promising approaches and document these in templates that can be used by ACR members to develop, evaluate and improve their own Aboriginal programs and practices. This information, along with the findings from Phase One, was used to produce the following deliverables:

• Final report – presents the overall project findings, program template summaries and key success factors. It was released to ACR members in August 2003.

• Aboriginal Project website – provides the principal means of access to the detailed survey results, program templates database and the government programs database.

Phase Three began in July 2005 with the updating of programs in the database. It was decided to produce this publication in order to highlight a range of programs and practices, and supplement the learnings with insights from corporate leaders.

A key innovation of the Aboriginal Programs Project is the development of a robust program framework. The intent was to arrive at a transparent, useful and efficient way of classifying programs that would make sense to practitioners in the area. The project team began by researching program classifications used by other studies, and then developed a unique framework for use in this project.

The program framework organizes templates into five areas. (There are currently 106 programs in the database. A complete list is included in Appendix B.) The framework captures the wide range of programs used by industry, government and other organizations to develop and strengthen relations with Aboriginal communities and increase the participation of Aboriginal businesses and people in the economy. A schematic of the framework is shown on the next page.
The five program areas are organized into a number of program sub-areas that share common objectives, as follows:

**Corporate Policy** - policies, strategies and assessment processes used by companies to define, communicate and measure their commitment to strengthening their relationships with Aboriginal communities and people. Sub-areas include:
- Building commitment (policies and strategies, principles, workforce diversity, business case)
- Benchmarking performance in Aboriginal relations (assessment protocols)

**Workforce Development** - initiatives that assist Aboriginal people in acquiring the skills, training and qualifications necessary for employment and career advancement. Sub-areas include:
- Educational opportunities (stay-in-school programs, scholarships)
- Employment-related training (pre-employment, apprenticeship)
- Recruitment, retention and advancement of Aboriginal employees (targeted measures, mentoring, cross-cultural training)
- Programs sponsored by government and non-profit agencies
Business Development – initiatives that assist Aboriginal communities and businesses in building capacity to successfully compete for contracts to supply goods and services. Sub-areas include:

- Providing business opportunities (procurement contracts, bid criteria and practices, targets)
- Strengthening business capabilities (business start-up support, management skills transfer, joint ventures and partnerships)
- Programs sponsored by government and non-profit agencies

Community Relations – initiatives that foster the development of positive long-term relationships between industry and Aboriginal communities. Sub-areas include:

- Framework agreements and protocols (bilateral and multi-party)
- Support for building and sustaining positive community relationships (sponsorships, awareness workshops, community development initiatives)

Resource Stewardship – initiatives that foster collaborative and consultative processes between industry and Aboriginal communities.

Sub-areas include:

- Strengthening the knowledge base (traditional use studies, ecological and environmental studies, archaeological investigations)
- Implementing consultation processes (early engagement, consultation plans and mechanisms)

PROGRAM FRAMEWORK

The program framework organizes the 106 programs in the database into five areas. The framework captures the wide range of programs used by industry, government and other organizations to develop and strengthen relations with Aboriginal communities and increase the participation of Aboriginal businesses and people in the economy.

Corporate Policy - 13 templates, 12 per cent of programs in the ACR database

Workforce Development - 37 templates, 35 per cent of programs in the ACR database

Business Development - 28 templates, 26 per cent of programs in the ACR database

Community Relations - 16 templates, 15 per cent of programs in the ACR database

Resource Stewardship - 12 templates, 11 per cent of programs in the ACR database
Learning from experience

The survey and interviews conducted as part of the Aboriginal Programs Project provide a rich resource of observations about Aboriginal relations. They reflect the resource industry’s overall experience with Aboriginal programs and practices in Alberta.

Observations on programs

- ACR member organizations have been very active in developing and implementing Aboriginal programs intended to increase the level of Aboriginal participation in their operations. A total of 71 ACR members have Aboriginal programs in place and reported expenditures of $43 million a year (2002) on these programs.
- Most companies focus on workforce (education, training and employment) and business development programs in working with Aboriginal communities. There are fewer programs aimed at community relations and resource stewardship.
- Most suppliers follow the lead of their resource industry clients in implementing Aboriginal programs that reflect the client’s requirements. However, there are some notable exceptions where suppliers have seen a business case in building relationships with Aboriginal communities and organizations as a business development strategy.

Observations on implementation

- There is uncertainty about how to measure the effectiveness of many Aboriginal programs. However, there are a growing number of success stories and the view is that advances should be measured as incremental steps. There are no quick fixes. The response has been to adopt a strategy of continuous improvement – developing new types of programs based on past experience and taking creative approaches to building relationships.
- For many companies, Aboriginal programs are becoming part of an overall corporate strategy for addressing Aboriginal issues. This is a major change from only a few years ago when programs were often not well-documented and tended to be a response at the operational level in reaction to an immediate issue.
- Many companies have developed a formal Aboriginal policy, while others have integrated Aboriginal relations into their overall corporate vision, values and principles framework. Companies are also learning the importance of effectively communicating their policy internally to employees and contractors, as well as externally to shareholders, Aboriginal people and organizations, customers and the public.
- An increasing number of companies are recognizing the need to have a designated advocate for Aboriginal issues at executive management levels.
- Corporate reputation and image with regard to Aboriginal issues are important to many companies. With this recognition comes the need for systematic reporting, assessment or benchmarking of results.
- There has been growing interest in collaboration among companies, Aboriginal communities and other parties (e.g., educational institutions), often on a regional basis, as an approach to Aboriginal programs. This has the advantage of pooling resources to deal with issues that may be beyond the ability of any one party to manage effectively.
What makes a successful program?

The next five chapters highlight some of the successful programs and lessons learned in each of the ACR Aboriginal Programs Project framework areas. Examples were chosen to illustrate the range of Aboriginal programs that have been implemented.

It is important to keep in mind that there is no single best approach. Success arises from the interaction of many factors. What works in one situation may not necessarily transfer to success in other circumstances. Companies must determine what types of programs are appropriate in their situation and take a flexible approach to the design and implementation of their own Aboriginal programs and practices.

Nevertheless there are some common factors that contribute to success. They include:

• The importance of relationships. Long-term relationships with Aboriginal communities are the key to developing trust and understanding.

• The level of corporate commitment to Aboriginal relations and how this commitment is communicated throughout the organization. A respectful culture is more likely to develop the relationships necessary for constructive engagement and communication. Senior management must lead corporate Aboriginal policy, and staff at every level must understand what is expected of them in creating a welcoming environment for Aboriginal employees and businesses.

• Early engagement and consultation. It is very important to engage the Aboriginal community at an early stage. This is necessary to build trust and lay the foundation for a solid relationship. Early engagement also allows opportunity to explore the expectations of the Aboriginal community and to clarify what opportunities the relationship can and cannot deliver.

• The capacity and willingness of the Aboriginal community. Programs and practices that work with one Aboriginal community may not be transferable to others because of differences in culture, capacity to engage and political direction. At the very least, the community must be receptive to engagement. Successful workforce and business development initiatives also depend on level of education, pre-employment skills and the overall wellness of a community.

• Sufficient time and flexibility. Successful Aboriginal relationships don’t happen overnight. It is important to build in enough time to make a relationship work, and enough flexibility so that programs can be easily modified as experience is gained and conditions change.

Ultimately, success in Aboriginal programs is incremental. Programs cannot be evaluated on a strict success/failure measure. Companies must start with small, manageable projects that help build community capacity and develop a relationship of trust from the outset. The quality of the relationship is key. Everything builds upon that base.

ON THE WEB

The Aboriginal Programs Project website is an important resource for anyone requiring information on building relationships with Aboriginal communities. All the intelligence gathered by the project – including project results, template database and government programs summary – is available on the website. Updated templates are added as they are received. This resource is accessible through the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.
3. CORPORATE POLICY
3. CORPORATE POLICY

It is one thing for a company to have an Aboriginal program – or several - in place; it is yet another to have a formal Aboriginal policy. Individual programs are often driven by the operations side of a business and tend to be very specific responses to specific issues. A clearly stated corporate policy, on the other hand, is proactive. It anticipates issues, outlines objectives and strategies for meeting them, and spells out criteria for measuring success. It provides a framework for identifying the kinds of programs the company will support.

Establishing Aboriginal relations at the corporate policy level signals the support of senior management and ensures that it becomes a part of the corporate culture. A corporate Aboriginal policy provides direction to staff and contractors, and communicates the company's commitment to external audiences, including shareholders, for whom social issues are becoming increasingly important.

While a large proportion of ACR corporate members – 84 per cent of resource companies and 49 per cent of suppliers and contractors – have some type of Aboriginal program in place, a surprising number do not have a formal Aboriginal policy. Among companies with Aboriginal programs, only 58 per cent of resource companies and 19 per cent of suppliers and contractors said they have a corporate Aboriginal policy.

The ACR database contains 13 corporate Aboriginal policies – 12 per cent of all programs in the database. The ACR program framework breaks corporate policies into two categories:

- Building commitment to corporate Aboriginal policies – workforce diversity, principles and commitments, business case
- Benchmarking performance in Aboriginal relations

Corporate Aboriginal policies range from general one-page policy statements to comprehensive documents with detailed implementation strategies and evaluation criteria. Some companies designate a “champion” at the executive level to be accountable for carrying out Aboriginal policy and to ensure support throughout the organization. Key to the success of any Aboriginal program is the ability to make a business case to support the program even when markets are in a downturn.

Few companies have a process in place to measure and report on results of their Aboriginal policy. Some review results as part of an annual Corporate Social Responsibility (CSR) report, which considers a number of social and environmental issues. Others subscribe to third-party benchmarking and recognition programs such as the Progressive Aboriginal Relations program (PAR), described later in this section. However, these are the exception.

The following discussion shows the range of corporate Aboriginal policies carried out by respondents to the ACR survey. Descriptions of all 13 corporate Aboriginal policies are available on the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.

CORPORATE POLICY FRAMEWORK

The ACR database organizes corporate policies into two sub-areas:

- Building commitment – policies and strategies, principles, workforce diversity, business case
- Benchmarking performance – assessment protocols
Making the business case

A strong business case is basic to any company's Aboriginal relations policy. A company may state a commitment to Aboriginal relations because it is the right thing to do, but unless the company can show a direct link to its core business needs, its Aboriginal programs are unlikely to be sustainable. A solid business case may include the cost benefits of hiring and procuring locally, new market opportunities, and avoidance of delays due to resource access issues.

"There is definitely a business case," says Barrie Robb, vice president for Aboriginal relations with EnCana. "It makes sense to be a good neighbour, to make those early 'front-end' type investments in an effort to establish, and then to maintain, a strong business relationship - one that will continue into the future and will help the company and the Aboriginal groups through those inevitable and hopefully occasional 'hiccups' in the working relationship."

Canada's biggest natural gas producer, EnCana works with approximately 70 Aboriginal communities and organizations in Canada. The company has established clear and consistent corporate “Aboriginal Guidelines” for developing and maintaining mutually beneficial relationships with these communities. A leader in this area, EnCana developed the first version of its guidelines in 1997. To ensure commitment to the policy at all levels of the company, Gwyn Morgan, president and CEO at the time, championed the guidelines and personally took them to the board of directors for their endorsement. The guidelines are backed up by the values spelled out in EnCana's unique corporate constitution: open communication, integrity, mutual respect, trust and making a positive difference through community capacity building.

"When we talked to our board and structured the guidelines we emphasized the importance of taking the words and putting them into concrete practice," says Gerry Protti, EnCana's executive vice president for corporate relations. "It's one thing to have an Aboriginal policy, it's another thing to actually create those opportunities and we have focused on achieving results."

EnCana's Aboriginal guidelines cover community relations, employment opportunities, education and business opportunities. They also include specific steps for implementing the policy in each area and criteria for measuring results.

EnCana provides training to its employees and contractors to raise awareness of the corporate business case for Aboriginal relations programs and to increase understanding of Aboriginal peoples. Aboriginal leaders and elders are invited to participate in some sessions.

"Basically, our employees have an obligation to abide by the company's Aboriginal guidelines," Robb says.
There are at least three important lessons companies can learn from EnCana’s experience, Robb says:

• A successful Aboriginal relations program takes creativity. “You have to look for the opportunities. They are not always obvious. The communities themselves might not know the opportunities. It takes the two of you. Just because you have a system that worked once doesn’t mean you repeat the same format in a future situation – there is no single ‘cookie cutter’ type approach that will work.”

• Aboriginal relationships take time. “You don’t know what experiences people are drawing on. You have to get inside the heads, that is understand the interests, of your neighbours.”

• Aboriginal relations is never done. “The work of maintaining relationships is ongoing.”

EnCana employees have instant access to a wealth of information about the company’s relations with Aboriginal communities neighbouring its operations. All they have to do is tap into EnCana’s Aboriginal relations intranet website. The website includes the company’s Aboriginal policy mission statement, values and guidelines, plus:

• What’s New
• A Look Ahead
• Press Clippings

• Band Information – Alberta, British Columbia, Saskatchewan, NWT
• Photo Album
• Myths and Truths
• Aboriginal Scholarship Information
• Aboriginal Links – federal and provincial/territorial governments, Aboriginal organizations
• Aboriginal Contractor Database

The website was launched in 2002 and has improved Aboriginal relations communication and awareness across the company.
Top-down commitment and accountability

Hand-in-hand with a good business case for Aboriginal relations is a buy-in from top management. Enlightened direction is essential to success, says Doug Willy, a consultant who works with natural resource developers on Aboriginal issues. “If you don’t have top-down direction, it’s something like peeing into the wind.”

Willy says corporate commitment to Aboriginal relations follows the same pattern as the development of safety and environment as corporate priorities in previous decades. “It was only when executive management got on side and said this is going to work that it worked. It all has to do with attitude. There’s an attitude that has to come down from the top.”

Buy-in at the top for Aboriginal relations must be supported by a framework for making it happen, says Bob Winship, forest resources manager responsible for Aboriginal relations, Weyerhaeuser Alberta Operations. He also sees similarities to the safety and environment issues in terms of getting Aboriginal policy off the ground. “You can state your policy in one page or less. What we’ve found as a company was there are parallels with safety and environment – that if you want to move things along you have to get right down to the level of strategies. It’s one thing to say here’s our policy and let your businesses figure it out for themselves. That doesn’t carry any weight.”

Weyerhaeuser Company Ltd. has a corporate policy for building Aboriginal relationships that spells out a strong business case, explains how the policy should be used by various business units, and defines specific objectives, strategies, and procedures – including examples of potential initiatives that could be undertaken by each unit. It also sets long and short-term goals and procedures for monitoring progress in key areas: direct and indirect employment, business relationships, education and training, and community involvement.

Weyerhaeuser is not yet getting the results it wants in some areas, but Winship says the company is learning valuable lessons. “When you have a target for Aboriginal inclusion in employment or business relationships, somebody has to be held accountable for making some of these key results happen. Otherwise we find as an organization it just doesn’t get done.

“The performance management system is probably what bites everybody’s tail. So if you want to start talking about results and improving results, you must first make results part of performance management for the executive. Secondly, set down tactics as to what you are going to do to improve Aboriginal relations as part of your business planning.”

Weyerhaeuser is developing a model Aboriginal relations business plan that each operating unit can use. These plans taken together form a company-wide Aboriginal relations business plan. “This gets your senior leadership right down to the level of understanding what the action plan is and what is needed to achieve it and to allocate the resources,” Winship explains.

“It also creates the understanding across the company that Aboriginal relations is a business function just like safety or environment. And if it’s part of a business plan, executive leadership can hold a particular business unit accountable for results.”

Building internal capacity

While senior management is ultimately accountable for Aboriginal relations policy at ATCO Electric, local responsibility and delivery is
ABORIGINAL PROGRAMS IN THE RESOURCE INDUSTRIES

Critical to its success, ATCO Electric faces a unique challenge: its service area encompasses 27 First Nations and six Métis settlements spread out over northern and eastern Alberta. The communities are ATCO Electric’s customers as well as neighbours who can be impacted by the company’s activities.

In February 2004, ATCO Electric’s president introduced a comprehensive Aboriginal relations framework to employees. The framework includes policy commitments for achieving each of three main objectives:

- Building and supporting community relationships
- Maintaining an appropriate business relationship in the short term
- Identifying efforts that lead to longer-term opportunities

Actions have focused on identifying targets in departmental business plans, reviewing resources needed for effective community relationships, consulting with Aboriginal communities about planned maintenance, contracting with First Nations and Métis brushing and clearing companies for major transmission work, supporting community projects, negotiating good neighbour agreements, and developing relationships with educational institutions.

One of the biggest challenges is building internal capacity. “Putting words on paper was the easy part,” says Tony Palladino, ATCO Electric’s human resources manager. “What’s difficult is having people act according to those words. We’re now embarking on an era of targets and measures, and maybe that will change conduct a bit.”

Getting the right people on the ground is also key. Responsibility for community liaison is commensurate with the size of the project. Generally it falls with Aboriginal relations business manager Wayne Erasmus and local operations people. But completion of the 350-kilometre Dover-Whitefish transmission line between Fort McMurray and Edmonton in 2004 – ATCO Electric’s biggest project in 20 years – had a vice president in the field meeting “chief to chief” with leaders of the eight Aboriginal groups in the region. The company completed the challenging project – much of it through environmentally sensitive areas during sub-freezing temperatures – in record time and on budget. “It was very important for us to get the key people to make things smooth right from the get-go on that project,” Palladino says.

MEASURING COMMITMENT

Dave Tuccaro, a member of the Mikisew Cree First Nation from Fort Chipewyan, is the owner of a group of successful companies spread throughout Western Canada. He says corporate commitment – from the top down – is key for companies that want to foster Aboriginal business development. “Doesn’t matter whether there’s a written policy or not. The people at the top have to believe it’s important and they have to tell that to their managers.”

The next step, says Tuccaro, is setting targets that managers’ performance will be measured against. “So you set a target of contracting out a certain percentage of your work to Aboriginal companies. At the end of the year, you see how you’ve done. The people who have this as part of their job evaluation, they are the ones who are really working on it. It’s not that other people aren’t supportive of Aboriginal programs, it’s just that everyone is so busy. Unless it’s part of your job evaluation, these things can be – and they are – put on the back burner.”

DAVE TUCCARO
Finding the right people to relate on the ground day-to-day is both an art and a science, he adds.

“Internally, you have to have the right people,” Erasmus agrees. “You can have everything you want on paper, but if you don’t have the right people to do it – if their heart and mind aren’t in it, or their time – you’re not going to get there. As my dad always used to tell me, you have to be put together right in order to work in these communities and with them. If you can find someone who can do that, you’re doing pretty well.” Erasmus has a network of people in the communities that keep him on top of things – “kind of like a little liaison circle.”

One of the key decisions ATCO Electric made is not to isolate Aboriginal relations from the company’s other activities, says David Berger, ATCO Electric’s manager for Aboriginal strategy. Aboriginal relations is treated as a special case of community relations within the company, he explains.

“Our philosophy is don’t hive it off to the side – don’t throw it all to the Aboriginal expert because that isolates it from the rest. Link it very carefully to your business drivers and be very careful that you identify what they are, articulate it internally and make it clear in your business plan why you’re doing it.”
Linking policy to ethics

During 25 years of managing Aboriginal relations for law enforcement agencies, John Young was adopted into Aboriginal communities, was given a Native name, and learned to speak a couple of Native languages. He also carries a sacred pipe. Young doesn’t wear these honours lightly, so his first impulse was to decline when Petro-Canada offered him a position as its first Aboriginal affairs manager. He had seen too many “slick business deals” by companies over the years.

“I wasn’t prepared to give up on those honours bestowed by communities that trusted me,” he explains. “The only thing I knew about the oil and gas industry was from putting gas in my car.”

What changed his mind was Petro-Canada’s Aboriginal Relations Framework and the commitment it represents. “I looked at their framework and I could tell a lot of thought had gone into it. They spent close to a year developing it and they did a lot of benchmarking internally and a lot of surveying externally, including with Aboriginal communities, governments and other corporations to make sure they had a good solid grounding, a really good plan. And then they made sure they dedicated the adequate resources.” Young was also impressed that the company’s commitment to Aboriginal relations is aligned with a strict set of corporate values and ethics.

The framework began as a one-page statement that Petro-Canada is committed to building relationships with Aboriginal people. It evolved into a document of over 40 pages that sets out guiding principles, policy and a strategy focusing on building relationships, training and education, employment, business development and community investment. It also includes key long-term objectives and measurable criteria in each of these areas.

Petro-Canada chose Young to shepherd the framework and coordinate the company’s Aboriginal relations efforts primarily for his extensive experience with Aboriginal communities and in spite of his lack of experience in the industry.

Young and his staff provide liaison with communities in various regions where Petro-Canada operates. “We’re the go-to people in the relationship. If I go out to a community to talk about the wells we’re going to drill next year, I bring all the operations people to talk about the technical stuff.” He also involves operations people and senior management in significant community events.

Internally, Young conducts “lunch and learn” Aboriginal awareness sessions. “There’s still a lot of understanding from the staff that needs to be there. But at the end of it, when I get people saying ‘I had no idea,’ I know that’s the start of something good.”

Young reports quarterly to an Aboriginal committee made up of the heads of all the business units at the vice-president level. He also meets once a year with the executive or board of directors.”

Petro-Canada doesn’t have specific targets, Young says. “They don’t tell me to create four businesses by this time, or have 42 more Aboriginal employees here by this date. It’s a matter of reporting on quality opportunities.”

How does he measure success? “When I came here there were at least three major roadblocks that they had, but since I’ve been here we
haven’t had any. Is that a success story? Well, I’d say yes. Does that mean you’re never going to have a roadblock? No."

But relationships based on trust will lessen the risk. “My experience has been that ethics are everything,” Young says. “For Aboriginal cultures, the relationship is more important than the deal. If more people understood that their own ethical approach and their values were important, they would value the relationship more than the deal as well. The deal can come another day. But that relationship – once it’s damaged or destroyed or if they find out I’ve lied to them about something, I’m toast out in that community.”

Service company strategies

Most service companies follow the lead of their resource industry clients with respect to Aboriginal relations and do what is necessary to meet bid requirements rather than initiate their own programs. However, there are some notable exceptions where suppliers have seen a business case for building relationships with Aboriginal communities and organizations.

Flint Energy Services Inc., a midstream production services provider, has a policy to provide meaningful employment and business opportunities to Aboriginal and other local people within 100 kilometres of the company’s shop facilities and temporary work areas. The company’s proactive Aboriginal and Local Development Program is part of its marketing approach to secure contracts with resource development companies.

Flint tries to forge cooperation agreements in areas where it will be working so that when it wins a contract, it already has an established relationship with the local community. Flint also works with clients to understand their needs with respect to their corporate policy on Aboriginal relations.

“We must develop something that meets the needs of the community as well as the needs of the client,” says Todd Anderson, general manager for business development and marketing with Flint Energy. “We are not driven by the client. We work in concert with them. But we continue to do what we think is right as Flint.”

The company employs one person who is responsible for Aboriginal community relations. Components of the program include conducting job interviews in the Aboriginal community; meeting with local councils and economic development officers to discuss where Flint can support their initiatives; providing scholarships, summer employment and mentoring opportunities; participating in community events; and offering Aboriginal awareness training to its employees. The company tries to maintain its relationships with Aboriginal groups even when it is no longer working in their area.

The program has had the best results in stable situations where the company expects to have a long-term presence. It has proved more difficult to apply in short-term contracts where there isn’t time enough to develop satisfactory relationships. However, even in these situations, Flint persists by focusing on providing short-term jobs and business opportunities wherever possible.

“We continue to do this because it’s the right thing to do,” Anderson says. “This affects the success for our client. And at the end of the day, we have to continue down the path to finding the solution that brings success to everyone.”

Ledcor Group of Companies, a large construction corporation that builds major projects for the mining, oil and gas, forestry and power industries, takes a different approach.
Ledcor is actively involved in numerous initiatives to benefit and improve Aboriginal involvement in project developments. These include active leadership in associations such as the Western Aboriginal Business Association and participation with the Northeastern Alberta Aboriginal Business Association, as well as stay-in-school initiatives and joint venture business relations with Aboriginal groups. Ledcor is also a sponsor for the Alberta Aboriginal Apprenticeship Program and the First Nations Training-to-Employment Partnership Program.

“When we establish a client for a certain project or area, we move towards establishing specific regional Aboriginal relationships,” says Ron Nalewajek, Ledcor’s vice president for strategic planning and development. “Often our clients have Aboriginal commitments in place already. We determine the regional obligations each client has – agreements, relationships, objectives. Ledcor must make sure that nothing we do will interfere with these obligations. The owners stay in an area and manage their operations. Their long-term relationships are paramount. We do our best to assist in that long-term development.”

Ledcor’s Aboriginal policy states: “It is our intention to develop and nurture every possible opportunity for local and Aboriginal workers, suppliers and trade contractors. Where a choice exists between local/Aboriginal and non-local workers, suppliers and subcontractors, providing there is no compromise to cost and quality, the local/Aboriginal workers, suppliers and subcontractors will be given preferential treatment.”

Adds Nalewajek: “Effectively, our Aboriginal policy is to maximize the opportunities for individuals in the Aboriginal community, to train and recruit as many local and Aboriginal personnel as possible. This ties in nicely with our clients’ goals.”

Nalewajek notes that developing Aboriginal relationships in the construction industry can be difficult because of the short-term nature of the projects. “If the bid opens in June, you typically tender in August, and the work starts in September. There’s little time to structure relationships in this scenario.” But things are changing. “There’s more long-term planning in the construction industry. Owners recognize there is a lot of work to be done so it’s in their best interest to make long-term commitments. We are regularly approached about upcoming projects and are structuring longer-term relationships. This gives us an opportunity to develop local relationships.”

In one example – a project in Canada’s North – Ledcor’s client was planning work in an area that affected four Aboriginal groups. Over a period of two years before the work started, Ledcor used the pre-established relationships of the owner and moved them forward into various workforce agreements with three of the four Aboriginal groups.

For a project done for Imperial Oil at Cold Lake, Ledcor was on the team one year before on-site work started. “We had an opportunity to meet and deal with Aboriginal communities,” says Nalewajek. “We could start recruiting drives and training programs. Many of the Aboriginal people who worked for us went on to work in long-term operations with the owner.”

In another example in the Cold Lake area, Ledcor is working closely with EnCana’s team to develop construction opportunities for local Aboriginal groups. This work will extend past 2012 with operational opportunities that will continue long after construction is complete. “Similar long-term commitments are happening across Canada. It’s the way of the future in construction,” says Nalewajek.
Ledcor has a dedicated community alliance manager, George Desmarais, who operates locally and focuses on community and Aboriginal affairs. As well, Nalewajek is responsible for Aboriginal relations for Ledcor Industrial. “We see the need for a senior-level corporate commitment. Executive involvement illustrates the importance that Ledcor puts on these relationships.”

Benchmarking performance

A good corporate reputation on Aboriginal issues is important to many companies. This may become an even more significant issue in the future if customers, shareholders and the general public demand evidence of corporate responsibility on Aboriginal relations.

Few companies systematically report or benchmark the results of their Aboriginal programs. However, this situation is changing as an increasing number of companies are looking to assess and track their performance. The mechanisms for doing this are still being developed but some good tools are emerging to help companies get started.

One such tool is the Progressive Aboriginal Relations (PAR) program developed and operated by the Canadian Council for Aboriginal Business (CCAB). The program, which lets businesses earn the right to display a hallmark that demonstrates their results in achieving equitable dealings with Aboriginal communities, was launched in 2001 after two years of development and testing. Twenty-five companies are now enrolled.

PAR provides companies with a framework for setting organizational objectives, developing action plans, measuring performance, achieving results, and eventually excelling as leaders in Aboriginal relations. The program focuses on four sectors of corporate Aboriginal involvement: employment, business development, individual capacity development (i.e., education and training), and community relations.

To participate in the program a company starts at the commitment level by filing a statement of intent to develop respectful relations with Aboriginal businesses and communities by taking action in the four PAR sectors. It then sets objectives in each sector and develops action plans and performance measures for
achieving them. Each company sets its own performance benchmarks.

Companies must pass a rigorous self-assessment and an independent on-site verification by the National Quality Institute, an internationally recognized business standards organization. An independent jury consisting of eminent Aboriginal and non-Aboriginal business leaders reviews the self-assessment and verification and then confirms the level of recognition a company has earned – gold, silver or bronze.

Companies that already have active Aboriginal relations programs can earn PAR recognition by completing a PAR self-assessment workbook and applying to have the results verified.

Participating companies include Syncrude Canada, Al-Pac, BMO Financial Group, Cameco Corporation, Scotiabank, Xerox, and Western Lakota, among others. More information on the PAR program is available on the CCAB website at www.ccab.com.

An increasing number of companies – including Syncrude Canada, Enbridge Inc. and Cameco Corporation – track their performance on Aboriginal relations in Corporate Social Responsibility (CSR) reports issued in addition to their annual reports to shareholders. CSR reports communicate to external stakeholders and the public and describe the performance of the company on a range of social, environmental and community issues, including Aboriginal engagement. CSR includes such factors as investment in community outreach, employee relations, creation and maintenance of employment, environmental responsibility, human rights and financial performance.

The Conference Board of Canada offers one of several CSR assessment tools available to help companies benchmark and track their overall performance in this area. The Conference

TOWARDS DEVELOPING A FRAMEWORK FOR CONSTRUCTIVE RELATIONSHIPS

The aspiration to develop, build and sustain long-term, enduring relationships between industry and Aboriginal communities was the impetus for research supported by the Sustainable Forest Management Network. Partnering with the Little Red River Cree Nation as a case study, the study team developed a number of ground rules that industry and Aboriginal communities can use as the basis for a constructive relationship including:

- Modify, relocate or reduce activities that have a negative impact on wildlife species important to the community.
- Ensure community access to land and resources.
- Protect areas identified by community members as having biological, cultural or historical importance.
- Respect Aboriginal and treaty rights to hunting, fishing, trapping and gathering activities.
- Support economic opportunities for community members.
- Involve community members in decision-making.

For each of these ground rules, the approach is to identify goals, indicators and actions that both industry and the Aboriginal community can agree on for local, sustainable resource management. This “criteria and indicators” approach provides a framework for continuous improvement of management objectives and serve as a means of managing conflict. While the methodology was developed as a case study specifically for forest management, it may be generally applicable to other resource industries operating on traditional livelihood lands.
A MARKETING STRATEGY TO COPY

Xerox Canada Ltd. has developed a national Aboriginal program that builds Aboriginal community capacity and new markets for its products and services at the same time.

The program was created in 1994 and consists of a community relations component and a marketing component and operates on four levels:

• Employment – recruitment activities such as participating in career fairs and providing Aboriginal community awareness resources for hiring managers aimed at achieving an Aboriginal workforce population across all occupational categories.

• Business development – contributing to the success of Aboriginal-owned businesses by purchasing their products and services and seeking new Aboriginal business partners.

• Capacity development – helping Aboriginal people develop their full potential through scholarships, mentorships, training and knowledge transfer such as the international award-winning collaboration on the Aboriginal Community Records and Information Management certification program with SAIT and the Association of Records Managers and Administrators. The scholarship program supports students pursuing studies related to business or information technology – skills required for Xerox’s future workforce. The company also sponsors events that promote Aboriginal professional development and leadership such as the Aboriginal Financial Officers Association/Xerox Canada Excellence in Leadership award.

• Community relations – activities such as financial contributions to Aboriginal organizations and employee participation in Aboriginal communities.

The Aboriginal marketing program is an integral part of the Xerox business model, which includes support for existing and new customers through sharing business development learning and expertise.

Responsibility for the company’s commitment to the program lies at the top executive level and every member of the senior leadership team. Every facet of the program is reviewed and measured quarterly, and every manager and vice president is accountable for results. A key measure is increased sales of Xerox products and services to Aboriginal customers. In 2003, Xerox earned the Silver Level designation in the Progressive Aboriginal Relations (PAR) program sponsored by the Canadian Council for Aboriginal Business.
Board’s Corporate Responsibility Assessment Tool (CR AT) is a Web-based internal assessment tool designed to give management an understanding of how developed their CSR practices are compared to public expectations for responsible behaviour. Most areas in the CR AT can be adapted to measure progress in corporate Aboriginal relations including:

- Aboriginal representation in the company’s workforce
- Aboriginal policy/cultural diversity programs
- Engagement/inclusion of Aboriginal communities in those areas in which the company operates
- Joint business ventures in Aboriginal communities
- Training/education of Aboriginal peoples
- Percentage of contracts given to Aboriginal businesses
- Strong communication between the company and the Aboriginal community

Companies set their own targets, measure against those targets, and track their improvement over time. CR AT results show a company where its strengths lie and what areas need improvement.

More information on the CR AT is available at www.conferenceboard.ca/GCSR/CR_AT.

**Corporate policy success factors**

The ACR project identified a number of factors that contribute to the success of corporate Aboriginal policies. The following may be useful to companies interested in developing or improving their policies by learning from the experiences of others.

**Success in Aboriginal relations requires a clear commitment in corporate policies reinforced by senior management and driven by explicit goals, targets and timetables.** This often requires a champion at the executive level – even the CEO – to ensure that the message gets through to all levels of the organization. Managers, front-line staff and consultants need to be held accountable for results and rewarded for performance.

**Make the business case for building Aboriginal relationships.** Unless a company can make a direct linkage to its core business needs, programs are unlikely to be sustainable. Examples of a business case include reduced uncertainty on resource access and management, reduced potential for costly interventions in regulatory approval processes for projects, a stable local workforce, new market opportunities, and better customer service.

**Success in Aboriginal programs needs to be measured as incremental gains rather than success or failure.** Start with small, manageable projects or steps that help build community capacity and develop a relationship of trust between the company and the Aboriginal community from the outset.

**Understand the long-term ramifications and complexities of signing agreements and acceding to demands that result from a lack of upfront consultation or relationship building.** It is important to take
measured decisions when the pressures and demands become intense because the precedents they may be setting can have long-term consequences for the company and the resource industry. The interface between Aboriginal communities and the resource sector is complex and requires time and effort.

**Seek out and develop either internal or external expertise related to Aboriginal engagement.** Such expertise will prove invaluable in understanding local Aboriginal practices or protocols.

**Companies need to find ways to improve the continuity of Aboriginal relations staff in dealing with Aboriginal communities.** The situation is characterized today by high turnover and burn-out rates and low recognition. This is a destabilizing factor in working with communities and trying to build long-term relationships.
4. WORKFORCE DEVELOPMENT
4. WORKFORCE DEVELOPMENT

The looming skills shortage combined with the huge cohort of Aboriginal youth due to enter the workforce within the next decade makes workforce development a natural focus for Aboriginal programs. As a result, many companies have some kind of program in place to help Aboriginal people acquire the skills, training and qualifications necessary for employment and career advancement. The ACR’s database contains descriptions of 37 workforce development programs – 35 per cent of all programs – the largest category of Aboriginal programs.

Workforce development programs span a wide range. They include:

- Educational opportunities such as stay-in-school programs and scholarships
- Employment-related training such as pre-employment and apprenticeship programs
- Recruitment, retention and advancement measures, including mentoring Aboriginal employees and providing company-wide cross-cultural training to improve communication between Aboriginal and non-Aboriginal employees

There are also programs sponsored by governments, educational institutions and non-profit agencies involving corporate partners.

A company may pursue one or a number of these types of initiatives depending on its desired level of involvement. For example, support for educational opportunities in the form of scholarships and bursaries is often a limited commitment, taking place outside the organization with no connection to employment. On the other hand, employment-related training brings the candidate into the organization with expectation of ongoing employment.

Recruitment, retention and advancement programs go further and commit a company to a range of actions intended to increase the level of Aboriginal participation in their workforce.

Some companies use Aboriginal employment targets to increase participation in the workforce, but most choose to hire by merit while providing opportunities for Aboriginal people to acquire the skills needed to be successful in the workplace.

The programs outlined in this chapter were selected to illustrate the range of programs and key issues in Aboriginal workforce development reported by respondents to the ACR survey. Descriptions of all 37 workforce development programs are available on the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.

WORKFORCE DEVELOPMENT PROGRAM FRAMEWORK

The ACR database organizes workforce development programs into four sub-areas:

- Educational opportunities – stay-in-school, upgrading, post-secondary
- Employment-related training – pre-employment, apprenticeship
- Recruitment, retention and advancement – targets, mentoring, cross-cultural
- Programs sponsored by government and non-profit agencies
**Education: the next buffalo**

Nexen Inc., a global energy company with a number of operations in Western Canada, set out to increase the percentage of Aboriginal people in its workforce across the board, from field operators to engineers and accountants. “The demographics were telling us that a lot of our future employees are going to be Aboriginal,” says Tom Hunter, Nexen’s manager for Aboriginal partnerships. “The company also felt a sense of responsibility to provide employment and business opportunities to the communities impacted by our operations.”

The company looked for qualified individuals, but didn’t set quotas. “We definitely wanted to focus on hiring very well-qualified students, largely out of post-secondary institutions,” Hunter says. “I would guess that in the oil and gas business roughly 75 per cent of the people have post-secondary education of some sort. Drill operators certainly have gained their positions largely through their mechanical aptitude and experience. But more and more students applying for entry-level field operator positions are coming in with petroleum technology certificates or heavy oil operator training certification.”

Nexen quickly realized there weren’t many Aboriginal students enrolled in math or science-based programs such as engineering, accounting or IT. So the company developed strategies aimed at increasing the numbers of Aboriginal students who qualify to enter such programs, supporting them through post-secondary education, and ultimately recruiting them into Nexen’s workforce.

Nexen found a good fit with Sunchild E-Learning, originally an education initiative of the Sunchild First Nation to meet the unique needs of Aboriginal students (grades 9 through 12) in remote and rural communities. Sunchild E-Learning differs from conventional distance education in that Alberta Education-approved courses are delivered over the Internet combining real-time instruction with audio, video, whiteboard and chat capabilities. An in-class teacher supports students on site and ensures student participation. Students can speak with the distant teacher at any time through text messaging or a microphone. Students work at a comfortable pace and if they miss class time, they can catch up by reviewing archived classes. Students entering Sunchild E-Learning can obtain their entire high school certification online.

The program, now operated by the not-for-profit Sunchild E-Learning Community Inc., is very successful, achieving a graduation rate of 80 per cent, four times the national average for on-reserve students.

Sunchild E-Learning was piloted in 2000 and expanded to include 312 students in 10 Alberta communities in 2005. Nexen was a founding corporate sponsor along with Burlington Resources, ConocoPhillips, and TransCanada Pipelines. They were later joined by Suncor, Syncrude, and Shell/Albian Sands to double the program’s reach to 20 communities in the 2005-06 school year. Sponsors commit funds to support an e-learning site and develop relations with the community. Nexen and ConocoPhillips partnered with Fort McMurray
First Nation and the Chipewyan Prairie First Nation to bring the Sunchild E-Learning model to their northern Alberta communities.

According to Nexen’s Hunter, the program ensures a solid math and science education to students in communities where it is often difficult to find qualified teachers. “This allows excellent math and science teachers to teach via the Internet from pretty much anywhere.”

Nexen has an Aboriginal awards program aimed at students entering post-secondary institutions in programs that will eventually qualify them to work for the company. It also has an aggressive campus recruitment program designed to identify highly qualified Aboriginal students early in their post-secondary studies. The company works through Aboriginal student centres to establish relationships with motivated students and introduce them to opportunities in the oil and gas industry. Nexen then offers summer work experience to promising students and maintains contact with them throughout their school year.

Hunter is impressed with the quality of Nexen’s summer students. “There are a lot of good students out there now. And that wasn’t true five or 10 years ago. It’s exciting to think of all the potential there.” Hunter attributes the increase in good students to the recognition by Aboriginal communities that education is essential to their future. “I’ve heard people say ‘education is our next buffalo – the way we’re going to earn a living.’ It’s that fundamental recognition that’s pushing kids in ever-increasing numbers into the school system and they’re being more and more successful and coming out with qualifications to enrol in university.”

Although its programs are long-term, Nexen’s efforts are starting to pay off. “Education is a very slow process,” Hunter says. “It takes 15 years to create an engineer. But our programs are starting to make a difference. We’re starting to have very qualified Aboriginal employees in some higher profile positions. I believe we have some Aboriginal employees here currently that have the potential to be the president of our company some day. They’re just exceptional by any standard.”

**Trades on wheels**

While hiring locally is the most economical workforce strategy for a resource company, the reality for many northern resource developers is a lack of skilled labour in the small communities nearest their operations. Residents of remote communities often must leave home to acquire even a high school education. Many drop out, overwhelmed by the dislocation and the difference in pace between their forest communities and larger cities.

This was the case in Conklin, a Métis community of about 200 where the local school stops at Grade 9 and the nearest high school is in Fort McMurray, 90 minutes to the north. With a huge dropout rate, the communities of Conklin and nearby Chard were ill-equipped to exploit employment opportunities offered by billions of dollars of new oil sands development in the region. These include Devon Canada Corporation’s Jackfish bitumen project and EnCana Corporation’s operation at Christina Lake.

The communities partnered with the Métis Nation of Alberta, the Northern Alberta Institute of Technology (NAIT), Keyano College and
corporate partners to put a unique apprenticeship readiness program on wheels and deliver it to the local community. Known as Trades in Motion, the program uses NAIT’s two $800,000, “NAIT in Motion” truck-mounted mobile workshops to provide basic pre-apprenticeship skills in the welding, millwright, pipefitting/steamfitting, and electrical trades – the trades that are most in demand in the region. Each unit is self-contained, with retractable sides that roll out to create a 1,000-square-foot workshop outfitted to accommodate 12 students. Devon and EnCana provided NAIT with funding to create the mobile classrooms.

Keyano College provided an initial 12-week Preparation for Academic and Career Education (PACE) program at the Conklin Keyano Adult Learning Centre. The program includes academic upgrading, life skills, employability skills and safety certification. Then the students received eight weeks of training in the mobile workshop, learning hands-on trade skills including how to use power tools, measurement and layout techniques, and how to read blueprints.

“We introduce them to four trades,” says Stephen Crocker, NAIT’s manager for Aboriginal initiatives. “Part of the program is discovery. If you don’t know what a millwright does, how do you know you don’t want to be a millwright? At the beginning most said they wanted to be welders. By the end of the program many changed their choice of trade. They had discovered something about themselves.”

The program comes with a commitment on the part of corporate sponsors to provide work placements and apprenticeships. Students spend four weeks in a work term practising the skills they’ve acquired. Each is matched to the most relevant work placement taking into account factors such as location of the work site, transportation and opportunities for full-time employment after graduation.

Of the 12 students from the Conklin/Chard region enrolled in the first round of the Trades in Motion program in 2005, 10 graduated. “Every single one has a full-time job,” says Crocker. “In fact, even before the four-week work experience component, the companies said ‘we’re just going to hire them right away today.’” The grads include a single mother of three who had previously been unsuccessful in juggling family responsibilities with attempts to gain education and training away from home.
“We need skilled employees and it’s a tremendous win to develop them locally,” Devon president Chris Seasons said when the program was launched. “With an oil sands project, you’re there for 25 years or more. You know you can put investment and time into developing capacity in the community.”

The NAIT in Motion trailers were booked into other communities in Alberta through May 2006.

**Targets and standards**

Many companies that set targets or make other commitments to increase their Aboriginal workforce must overcome the challenge presented by low levels of education in Aboriginal communities.

BHP Billiton Diamonds Inc. is developing the Ekati Diamond Mine approximately 300 kilometres northeast of Yellowknife and 200 kilometres south of the Arctic Circle in the Northwest Territories. The company is committed to building a sustainable Aboriginal and northern workforce and has signed socio-economic agreements with the NWT government and various local Aboriginal groups that commit the company and its contractors to hiring a workforce comprised of at least 62 per cent northern residents and 31 per cent northern Aboriginal people. However, almost 30 per cent of the Aboriginal people in the small communities that form the potential workforce have less than a Grade 9 education.

In order to meet its workforce commitments, the company does not require a minimum education for entry-level positions. “People up here don’t have the same skill sets as in the south,” says Trevor Weir, training superintendent for BHP Billiton Diamonds. “They traditionally made their living hunting and fishing. Diamond mining is the first major industry to arrive here, so before we started eight years ago, education was not a priority. These are smart people, but it had never been important to them to get an education.”

Instead of educational attainment, BHP looks at “attitude and aptitude” for entry-level positions, Weir says. The company worked with Calgary’s Bow Valley College to develop appropriate assessment tools. Prospective employees are interviewed and gaps in their essential skills become the focus of addressing the training needs.

As a result of the education waiver, many entry-level employees have low literacy levels. To meet this challenge, the company offers a Workplace Learning Program. The program includes individual literacy assessment, and one-on-one and group instruction. Computer-based literacy training is also used. Lessons are relevant to each individual’s job duties. The program is voluntary and is tailored to the employee’s immediate and long-term needs, ranging from pre-literate to pre-apprenticeship levels.

“Safety is our first priority, so if an employee’s skill set is too low, we set up a plan and work with them,” Weir says. He adds that a key element of the program is that a significant portion of the training is offered during paid work hours.

Over the past four years about 160 people have gone through the program. “We’ve brought many along to the point where some can prepare for the GED [General Educational Development test],” Weir says. Positive effects of the program are evident on the work site, he
ON TARGETS

Should a company set targets for Aboriginal employment? Resource companies are grappling with this issue as they try to meet commitments to grow their Aboriginal workforce. Some say targets are discriminatory. Others say you can’t measure performance on a commitment without setting targets. Still others caution that a target should be conceived as a minimum – otherwise it could become limiting. Here are some viewpoints:

“There is a saying in business: if it isn’t measurable you can’t do it. How do you measure your success in recruiting new people into the workforce if you don’t have a target? What’s the definition of a target? It has to do with attitude. If I say to my son, you’ve got to pass your Grade 12, does that mean you get 50 per cent or does that mean you get the best mark that you can? I say forget the target. Let’s do the best we possibly can.”

Doug Willy,
Doug Willy Consulting Ltd.

“Targets are important. But they must be backed up by decisions. You can run in ‘best effort’ mode forever, and not accomplish much. But targets can be dangerous because you can just give up once you reach the target. The important point about Suncor targets is that they are floors, not ceilings.”

Jerry Welsh, Aboriginal Affairs Manager,
Suncor Energy Inc.

“I think about 90 per cent of our workforce is Aboriginal. We don’t have a target. We don’t want to discriminate in employment. That was a critical part of our negotiations [with the Pavilion Band in British Columbia]. We did not want to give the impression we would discriminate in favour of the band and the band understood and accepted that.”

Peter Darbyshire, Senior Vice President,
Graymont Western Canada Ltd.

adds. “Employees who go through the program can communicate better, their self esteem goes up, and they become more active members of their team. And they have more opportunities for advancement. Some came in with almost no literacy skills and are now in apprenticeship programs. One man has moved to the top level in the pit operation.” Employees are also better able to complete their log books and have an increased awareness of safety.

Benefits of the program extend beyond the workplace into the workers’ home lives, Weir adds. “One man told us he’s now able to read to his daughter at night, where he used to avoid it. He was essentially illiterate and now he can help his kids with their homework.”

BHP’s literacy program has also had a positive impact on the community in terms of an increased awareness of the importance of education. When the company first arrived, the number of people in the community with a high school education was “in the single digits,” Weir says. “The numbers going into post-secondary education have increased ten-fold. We’re noticing our younger candidates coming in today are better educated.”

The company plans to continue hiring employees at current standards and will continue the Workplace Learning Program as long as it is needed.

Suncor Energy Inc. set a business goal in 1998 to increase Aboriginal full-time direct employment at its oil sands mining site near Fort McMurray to about 12 per cent of its workforce by 2002 to reflect the demographics of the region.
“It’s a recognition of our social responsibility to our community,” says Jerry Welsh, Suncor’s manager for Aboriginal affairs. “Second, it makes good business sense to have people who live up here work up here. But you have to confront some basic issues including a pervasive lack of education and training.”

To meet its employment target, Suncor adopted a strategy to work with communities, training institutions and government agencies to increase the number of qualified Aboriginal candidates, as well as initiatives to recruit and retain Aboriginal employees.

“One of the things we did was set guidelines and made a high school diploma or GED a requirement of employment,” Welsh says. “This was supported by the Aboriginal leadership.” In addition, all candidates must write and pass the Test of Workplace Essential Skills (TOWES). These are the same standards for all new hires.

Suncor partnered with Keyano College to create the Aboriginal Mine Operations Program, which trains students as heavy equipment operators and has proved very successful. More recently Suncor and Keyano College started the Aboriginal Skills Employment Program, which prepares people who are borderline employable for further training, such as the mine operations course. The company participates in the Registered Apprenticeship Program (RAP) and the Community Co-Op Apprenticeship Program, which are not specific to Aboriginal candidates. In cooperation with other employers in the region it has committed to hiring Aboriginal people in permanent positions as trades apprentices, heavy equipment operators and process operators through the ATC Apprenticeship Program, one of the workforce commitments under the Athabasca Tribal Council (ATC) All Parties Core Agreement (see chapter 6, Community Relations).

Suncor has a mentorship program that matches Aboriginal students with employees in their chosen field as well as summer employment programs for high school and post-secondary students that include targets for Aboriginal students. It also provides scholarships and bursaries to Aboriginal students. The company actively recruits on campuses with large Aboriginal populations and works closely with Aboriginal Employment Referral Offices in local communities.

“We bring Aboriginal employees in to talk at high schools, so students will have role models and see the range of work that is possible,” Welsh says. Suncor also participates in career fairs aimed at Aboriginal high school students.

Working with the community is critical to Aboriginal workforce development, Welsh says. “This requires a lot of ground work. You have to go out into the communities. You have to spend time figuring out who are the people of influence. You need to know what other education or training programs are in place. And you need to know exactly what opportunities you have, exactly what positions you have available, and what are the necessary qualifications.”

One of Suncor’s biggest successes has been with pre-screening interviews. “We go out to communities and pre-screen people for jobs,” Welsh says. “We try to assess reliability, work ethic, teamwork, attitude – to make sure as far as possible that we’re sending good people on to job interviews.”

One positive outcome of the pre-screening process is the effect it has had on internal attitudes, Welsh says. “Some people have...
preconceived ideas about Aboriginal employees. Pre-screening helps here. I’ve sent two ‘gems’ to the mining department and they’ve totally changed their attitude. Now they say they’ll take anyone I send to them.”

Suncor has had considerable success with its Aboriginal employment initiative. Full-time direct Aboriginal employment in the company’s workforce was about 11 per cent in 2005 compared to just two per cent in 1995.

“Our biggest issue now is qualitative,” Welsh says. “We don’t have much Aboriginal representation in the professions and para-professions. So our Aboriginal workforce is compartmentalized. This is an issue we are struggling with.

“I’ve thought that Suncor’s greatest moment would be the day an engineer from Fort Chip is running the plant. That sets an ideal. But you have to start somewhere – where success is possible. You can train a heavy equipment operator in a couple of weeks. An engineer is a lot different.”

MAINTAINING “STANDARDS”

Should a company lower its employment standards to hire Aboriginal employees?

“You don’t lower your qualifications,” says Doug Willy, a consultant who works with natural resource developers on Aboriginal issues. “But what you do is make them realistic. All the companies that operate in the Fort McMurray area now say they will not employ people who do not have a Grade 12. You don’t need Grade 12 to run a push cat. One of the things we’ve been very good at is setting the qualifications so high that you eliminate a whole bunch of people. You can go to the Aboriginal communities in Alberta and you get this whole group of people over 30 who are unemployable because they don’t have Grade 12.”

Willy recalls an employment study conducted when he worked at Echo Bay Mines Ltd. in the Northwest Territories. “We hired a bunch of people out of a small Inuit community. If fathers had full-time jobs in the mines, the success rate in school for their children was better than for everybody else. So if we really want to make it work, then we’ll hire all the people at home in the communities, their children will get an education, and the next generation will not have a problem [meeting education standards].”
It takes a village...

CAREERS: The Next Generation, an industry-led private/public partnership, has an impressive track record of success in helping Alberta’s youth develop rewarding career paths and providing industry with skilled and motivated people. But the success of a project targeted specifically to Aboriginal youth exceeded all expectations.

CAREERS mobilizes parents, educators, employers and community leaders to promote high school completion and workplace or post-secondary readiness by providing high school apprenticeships, internships and work experience.

In 2001 CAREERS embarked on the Aboriginal Youth Career Initiative Project aimed at increasing the numbers of Aboriginal youth completing high school, encouraging them to enter technical and professional careers, and helping them develop employability skills. The initiative included opportunities for youth to enter the high school Registered Apprenticeship Program (RAP) or a health services career pathway designed to grow a talent pool of health care workers.

CAREERS conducted career awareness workshops in junior and senior high schools, recruited regional employers to provide apprenticeship or work experience opportunities, and worked closely with local communities to build support systems to sustain the project.

Over the three-year pilot period, 98 Aboriginal youth, primarily in three communities in northwestern Alberta, went through the program, 54 on the apprenticeship side and 38 in health. All of the students in health completed their program and 95 per cent of those in the trades.

“Amazing,” says Jerry Heck, resource consultant – partnerships with CAREERS: The Next Generation. “Success and completion rates were quite a bit higher than our normal participating populations.” He credits the program’s success to mentoring in the schools and workplace, industry involvement, trusting relationships with the communities, and close monitoring.

Response in the communities was overwhelmingly favourable, Heck says. “Employers felt it was a great way to be involved in the community, working with youth and helping them gain perspectives on career development. Parents said that for the first time their sons and daughters increased their appetite for schooling and actually started to envision themselves either in the workplace with a career or going on to post-secondary.”

Having Aboriginal representatives at the table from the onset of planning was essential, Heck says. “We developed a model to work directly with parents and other community people so that there would be an infrastructure of support...
that would ultimately grow and be available to these young people.

“Like the old cliché, it takes a village to raise a child. We thought we would get greater success if in fact we could create that village atmosphere and in some of those communities this was very evident and very successful.”

The Aboriginal Youth Career Initiative Project was extended for another three years starting in 2005. A production field operator pathway was added for Aboriginal youth in the Wabasca area in summer 2004, with 15 youth enrolled dually as high school students and post-secondary students through SAIT leading to Oil and Gas Production Field Operator certification. In summer 2005, a forestry pathway was introduced in northwestern Alberta in partnership with the Alberta Forest Products Association, NAIT and the University of Alberta, with two of 10 internship positions going to Aboriginal youth.

CAREERS has visited the majority of First Nations reserves and Métis Settlements in Alberta with an eye to expanding the program.

Would CAREERS do anything differently in the future? “Definitely,” says Heck. “We need to work more closely with the industry side and on the school side to help youth gain a better understanding of the expectations out in the workplace. And we need to encourage industry members to create more opportunity for cross-cultural training of mentors in the workplace.”

Heck says there was a small number of examples of stereotyping in terms of how people in the workplace accept Aboriginal youth.

Another lesson learned is the need for patience, Heck says. “People look for immediate results. This is important to investor return. The CAREERS vision of developing an Aboriginal youth career development model is critical to long-term success. Building a sustainable community support network is essential. This work takes time. You can’t get frustrated, over-anxious, or lose your perspective. You’re working with a school tradition among Aboriginal youth that plays out in early school leaving and the young people find themselves in the mix of many other influences and happenings that become barriers to school achievement. So what we learned very quickly is that we’re going to move slowly; success comes in small but defined increments.

“You can’t just go into an Aboriginal community and put some high school youth in the workplace and think it’s over and walk away. It takes some career awareness, career coaching, changes in school and academic behaviours, and community-wide network inclusions to make this happen. So you’re looking at developing a sustainable model that is probably an eight-to-12-year term or maybe even longer.”

The long-term goal is to cement the program model within the community, Heck says. “If CAREERS fell off the map tomorrow, who would keep this going and/or how would the model be kept going? That’s part of the strategy.”

Setting goals for Aboriginal apprenticeship

Another multi-stakeholder initiative, the Alberta Aboriginal Apprenticeship Project (AAAP), was designed to significantly improve the participation of Aboriginal people in the trades. The project has set a goal of registering a minimum of 255 Aboriginal people into apprenticeship programs in various trades by 2007. The project was established by the Alberta Aboriginal Apprenticeship Committee, a partnership of Aboriginal communities and organizations, industry, educational institutions and the federal and provincial governments.

AAAP links employers with Aboriginal people and offers assistance to build successful working and learning relationships. Applicants receive informed choice counselling from the participating Aboriginal Employment Centres to identify trades that interest them. The AAAP refers the applicants to potential employers and provides mentorship and coaching throughout the apprentice’s program.

By the summer of 2005, the project reported over 200 apprentices registered in five Alberta communities: Calgary, Edmonton, Fort McMurray, High Level and Lethbridge, all areas where trades people are needed. The AAAP has project officers who work with a community advisory committee knowledgeable about local Aboriginal issues, the trades and apprenticeship programs, and the workplace. The committee approves applicants for employer interviews and assists with the mentoring once the applicants become registered apprentices.

The AAAP takes a unique approach, incorporating traditional means of passing on knowledge within Aboriginal society. Built-in support mechanisms prepare the workplace for Aboriginal apprentices as well as prepare Aboriginal apprentices for the workplace. Participating employers have committed to hiring Aboriginal apprentices and supporting cultural adjustments to the Aboriginal apprentices and to the employer’s non-Aboriginal employees.

Training-to-employment

The First Nations Training-to-Employment Program builds partnerships aimed at providing unemployed or underemployed First Nations people (primarily living on-reserve) with the skills needed for sustained employment. The program is funded and coordinated by Alberta Human Resources and Employment (HRE) and supports projects brought forward by partnerships that include a First Nations, Tribal Council or Treaty organization and a private sector employer. The First Nations partner is responsible for managing the project and identifying and supporting participants. The employer provides on-the-job training and, if possible, employment on graduation. HRE acts as facilitator.

Partnerships can be broadened to include other Aboriginal groups representing Métis and non-status Indians. Federal and provincial government departments, training providers and communities may also be included.

Projects typically involve a balance of 60 per cent on-the-job training and 40 per cent classroom instruction. Training runs from life management, employment readiness, and literacy skills to specific occupation skills and paid work experience. Program graduates receive placement, follow-up and employment support services.

Begun in September 2002, the program funded over 40 projects in its first three years and graduated more than 292 First Nations people, with 89 per cent of them finding employment after graduation. Many projects relate to resource development in areas ranging from oil
rig training, land administration, and trades to gas meter reading, forestry and firefighting.

Project proposals must include detailed plans outlining budget, roles and responsibilities of each partner, the specific training participants will receive, and how they will be assessed. The program’s overall objective is to see 60 per cent of students employed in jobs related to their training and 10 to 20 per cent of students go on to higher education.

One First Nations Training-to-Employment project involves a partnership between the Siksika Band’s Siksika Management Team and Siksika Environmental Ltd. and Golder Associates Ltd. Golder, a global group of consulting companies specializing in environmental services, offers an internationally accredited Aboriginal Community-based Environmental Training (ACET) program through its training entity, Golder Institute.

ACET is designed to increase Aboriginal capacity, employment and business opportunities in environmental field services, impact assessment, and environmental monitoring, inspection and auditing. The program works with communities, resource developers and government to create training modules appropriate to the region.

ACET includes classroom and on-the-job training tailored to each student and geared toward local community capacity-building objectives. Participants are trained as technicians in their communities to do work that normally would be outsourced to off-reserve people. Golder only trains enough technicians to meet local needs.

ACET offers three levels of instruction, each with a set of core competency requirements suitable to the student’s goal. Level One trains a
biologist’s assistant; Level Two may lead to employment as an environmental field technician or to further education; Level Three offers a start for a student aiming at a cutting-edge professional career in environmental services.

Some ACET graduates start their own businesses or are hired by outside environmental science companies. In some communities, ACET-trained technicians staff 100-per-cent Aboriginal-owned environmental science companies that contract for resource companies, governments and other First Nations.

Golder’s partnership with the Siksika Management Team and Siksika Environmental Ltd. is aimed at training environmental technicians. Golder will also seek to place graduates of the program.

“Golder’s ACET program is a realistic approach to capacity building and sustainable development for resource companies and First Nations,” says Larry Veilleux, Community and Corporate Affairs, Golder Associates Ltd. “This program provides options and alternatives to resource development that allow conflict situations to be mitigated consensually by resource developers and First Nations around the same table. Golder strives to contribute to the clients’ sustainable development goals and the First Nations’ sustainable goals.”

Workforce development success factors

The ACR project identified a number of factors that contribute to the success of Aboriginal workforce development programs. The following may be useful to companies interested in developing or improving their programs by learning from the experiences of others.

In recruiting Aboriginal candidates for training and employment opportunities, broaden the recruiting pool rather than relax standards. Support pre-employment and educational upgrading as strategies to improve pre-recruitment qualifications. Bursaries, academic and cultural supports, and relevant temporary work experience all provide opportunities for Aboriginal people to succeed in education, pre-employment and training programs.
Integrate training and employment opportunities. It sends the wrong message to the individual and back to the community if an Aboriginal person cannot find or retain work after training. A potential strategy is for employers to work together on a regional basis to coordinate training opportunities with future employment requirements.

Implement Aboriginal awareness and diversity training sessions at all levels - senior management to front-line staff. The purpose is to create a more welcoming environment for Aboriginal employees. There is a tendency for managers to overestimate the comfort level of Aboriginal employees in the workplace. Involve Aboriginal communities in the design and delivery of cross-cultural training programs.

Establish formal mentoring programs for Aboriginal people wanting to advance their careers or participate in on-the-job training opportunities. Provide rewards and recognition to employees willing to provide mentoring support. Informal mentoring and support systems are often absent for Aboriginal employees as low representation rates and lack of role models make it difficult for these to develop on their own.

Encourage networks of Aboriginal employees to meet and share experience and mutual support. Allow the network groups to take an advocacy role to implement change and to provide input into recruitment and training programs for Aboriginal people. Network and other support groups help Aboriginal employees adapt to new working environments, and improve the ability of the company to recruit and retain qualified Aboriginal people.

In recruiting Aboriginal employees for work away from home, ensure there are other members on the crew from the same

Aboriginal support group. This helps to provide a support network and creates peer pressure to do a good job and not to quit. Additional training should also be provided on their job roles, i.e., it is important they know what their job is and what others are doing on the crew. This training reduces the feeling of being overwhelmed and not fitting in because they don’t understand their role.

Offer Aboriginal communities, in particular the elders, a role in recruitment of Aboriginal employees and involvement in the creation and monitoring of programs designed for Aboriginal employees. This also helps the Aboriginal community to understand the expectations and requirements. Encourage managers and supervisors to develop links to local communities to provide guidance and support on management of Aboriginal staff.

Reach out to Aboriginal students while they are still in school, giving them the time and information necessary to make informed choices about their education and career directions. This includes providing information, role models, work experience and educational experiences for elementary and high school students.
5. BUSINESS DEVELOPMENT
5. BUSINESS DEVELOPMENT

Resource companies are under increasing pressure to assist Aboriginal communities and businesses to build capacity so they can successfully compete for contracts to supply goods and services. This reality is reflected in the fact that the ACR's database contains descriptions of 28 business development programs – 26 per cent of all programs – the second largest category of Aboriginal initiatives.

Companies take various approaches to support Aboriginal business development. As a result, business development initiatives are diverse. They focus on:

- Providing business opportunities – procurement and preferred supplier programs, bid criteria, specific targets for contract awards to Aboriginal businesses
- Strengthening business capabilities – mentoring support for existing businesses, capacity building for business development in Aboriginal communities, joint ventures
- Programs sponsored by government and non-profit agencies

Many government and not-for-profit organizations also provide business information, access to management support and start-up assistance.

Suppliers and contractors to resource companies are being asked to make similar commitments to Aboriginal businesses. Many follow the lead of their clients, and offer similar programs. However some have been more aggressive in developing relationships with Aboriginal communities as part of their marketing strategy to position themselves for future contracts.

The following discussion highlights some of the successful Aboriginal business development programs currently underway in Western Canada. This selection is intended to illustrate the range of initiatives carried out by respondents to the ACR survey. Descriptions of all 28 business programs are available on the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.

### BUSINESS DEVELOPMENT PROGRAM FRAMEWORK

The ACR database organizes business development programs into three sub-areas:

- Providing business opportunities – contracts, bid criteria and practices, targets
- Strengthening business capabilities – business start-up support, management skills transfer, joint ventures and partnerships
- Programs sponsored by government and non-profit agencies

#### Sustaining momentum in Aboriginal contracts

In 1992, Syncrude Canada Ltd. set a target of $30 million per year in procurement contracts with Aboriginal businesses. (Syncrude’s definition of an Aboriginal business is 51 per cent ownership by a band, First Nation, Métis or Inuit person. The Aboriginal owner must also be visibly in control of the operations on a day-to-day basis.) The value of Syncrude’s direct spending with Aboriginal business has grown steadily. In 2005, annual spending is estimated to be in the range of $110-140 million – making a total of nearly $1 billion since 1992.

Les Diachinsky is the company’s full-time Aboriginal community business coordinator. He has worked at Syncrude for over 31 years, with eight years in his current Aboriginal business development position.
“To start our business development initiative we analyzed our operation to identify work that could be carved out and contracted,” he explains. “At the same time, various Aboriginal groups had approached us about opportunities. It was a joint internal/external effort.”

Syncrude now has 25 contracts with 17 Aboriginal persons or bands who supply a variety of goods and services including waste management, manufacturing of protective clothing, janitorial, trucking, environmental monitoring, equipment operation, electrical, drafting, welding, fabrication, construction and transportation.

While the value of contracts has increased over time, the number of Aboriginal companies that Syncrude deals with has largely remained constant. “Most of our work now focuses on building capacity with our existing contractors. This process is not unique to Aboriginal contractors. As we develop long-term relationships with all our contractors, they tend to get more and more work.”

Another business reality that is coming into play for Aboriginal contractors is supply chain management, where smaller contracts are being grouped into larger ones. This has a definite impact on Aboriginal businesses because they tend to be smaller businesses that may not have the resources to take on the larger contracts. “That’s why we’re working with our existing Aboriginal contractors and encouraging them to grow their businesses so they can pick up and subcontract to the smaller companies,” explains Diachinsky. “This is a new, rapidly evolving area.”

Diachinsky adds that one very important factor in the success of Syncrude’s Aboriginal business strategy is having a “point person” to deal with all related matters. Contractors and potential contractors want to have one contact person – someone who is approachable, someone who they can talk to.

“They also want this person to have direct connection into the business – not a middleman, not someone who is working in public relations,” adds Diachinsky.

“At Syncrude there is definitely a strong commitment for Aboriginal development that begins at the top and is found throughout the organization. Managers and leaders are very receptive to new ideas and are willing to make sure business initiatives do not fail.”

DEFINING ABORIGINAL BUSINESS

One of the issues that many companies struggle with is the definition of an Aboriginal business. The Northeastern Alberta Aboriginal Business Association, a non-profit organization of Aboriginal businesses, is tackling this issue. The association certifies that all of its full members are qualified by at least 51 per cent Aboriginal ownership.

DOUG GOLOSKY IS THE FOUNDER AND OPERATOR OF CLEARWATER WELDING. THE 20-YEAR-OLD COMPANY HAS HAD A LONG-STANDING ASSOCIATION WITH SYNRUCDE PROVIDING SHOP WORK, MAINTENANCE AND SHUTDOWN, AND BELT-SPICING EXPERTISE.
Focus on procurement

Cameco Corporation is the world’s largest uranium producer, with most of its production coming from northern Saskatchewan. In its Saskatchewan operations, Cameco strives to create opportunity for northern residents – the majority of whom are of Aboriginal ancestry. This commitment extends to helping develop local businesses in northern communities.

Cameco has a buy-Saskatchewan policy and in particular, a buy-northern-Saskatchewan policy. In 2004, the company purchased goods and services worth $81 million from northern Saskatchewan businesses, which is 72 per cent of the total purchases by Cameco’s Saskatchewan mines. Many Aboriginal businesses benefit from this policy. Cameco has about 15 northern Aboriginal business partners (Cree, Dene and Métis) in sectors including aviation, trucking, environmental services, catering, mining, industrial maintenance, construction, road maintenance, janitorial, security and fabrication.

John Scarfe, manager of northern business development for Cameco, says there is no one-size-fits-all model for developing business relationships. Instead, Cameco takes a flexible approach. It has a variety of different types of contractors – private enterprise, community-owned operations, band-owned operations and joint ventures. Business arrangements fit into four models that Cameco uses to encourage Aboriginal business development:

• Identify and custom fit existing entrepreneurial activity.
• Facilitate joint ventures with existing experienced contractors and suppliers.
• Encourage and/or facilitate acquisitions by Aboriginal entrepreneurs.
• Act as the joint venture partner and incubate a future Aboriginal supplier.

“We don’t say it has to be one particular way or you can’t work with us,” adds Scarfe. “Some business ventures run smoothly from the get-go, whereas others take much smaller steps toward success. We do our best to help them along.”

That’s not to say there aren’t failures. “Cameco is on the leading edge in the area, and innovation involves failure,” says Scarfe. “Failure does not mean that Aboriginal business development is not worthwhile, it just means that it’s difficult. Giving a company the first bit of work is relatively easy, but maintaining the success is much more problematic. We encourage our contractors to not be solely dependent on the uranium industry. This is a cyclical business, and you have to be prepared for the ups and downs.”

One of Cameco’s most recent business development initiatives is a Northern Preferred Supplier Program. Currently under development, the program is driven by stipulations in Cameco’s land leases. “We recognize that there are other factors in awarding a contract, one of which is whether

EXPERIENCE MATTERS

When Cameco Corporation – through its Centerra subsidiary – began discussions to develop a gold mine in the Kyrgyz Republic, sustainability issues were on the table. Cameco’s strong track record with communities in northern Saskatchewan was instrumental in moving discussions forward and forging a development agreement with the Kyrgyz Republic.
De Gras in the Northwest Territories in 1992. Successful discoveries in the mid-1990s led to the creation of Diavik Diamond Mines Inc. (DDMI) to manage the project. Feasibility studies were followed by public and investor approvals, and mine construction started in 2000. Commercial production began in January 2003.

Early on, Diavik adopted a Northern Business Participation Policy to support Aboriginal and northern businesses during the construction and operation of the mine. To assist in raising northern business capacity, Diavik has outsourced much of its workforce requirements to northern businesses, and approximately half of Diavik’s workforce is supplied by these northern firms, with the remainder employed directly by DDMI. The company believes that through outsourcing contracts, northern firms will become better positioned to grow their business into other areas (not just mining) and not be totally reliant on Diavik.

Of the almost $1.3 billion in construction contracts and contract commitments, approximately $900 million was with northern businesses. Of this, more than $600 million was with northern Aboriginal joint ventures and northern Aboriginal firms. This level of 74-per-cent northern spending almost doubled Diavik’s 38-per-cent commitment formalized in its Socio-Economic Monitoring Agreement.
Diavik is committed to fostering long-term sustainable business relationships in the North to ensure northern businesses participate and benefit from the mine. During 2004, Diavik spent $227 million on goods and services, of which 70 per cent was with northern business.

In addition to this program, Diavik has adopted a business improvement and planning model for mine contractors and service providers. The model is based on the notion that for Diavik to succeed in fulfilling all of its agreement and business objectives, northern and Aboriginal contractors will need to fully embrace Diavik’s continuous business improvement processes and share its performance accountabilities. All Diavik contractors are now required to prepare detailed business plans that include a safety plan, business plan, business process improvement plan and contractor-specific key performance indicators.

**Moving forward with Aboriginal logging contracts**

Timing and location brought Tolko Industries Ltd. into Aboriginal business development. Tolko, a manufacturer of specialty forest products, first came to Alberta in 1994, when a decision to diversify geographically and by product line led the company to invest in the High Prairie timber development area. That same year and in the same area, the Alberta government had signed an agreement with the Whitefish Lake First Nation that included timber allocation and other cooperative management rights.

“So we had a powerful incentive to engage the community, but we didn’t have a lot of experience in Aboriginal relations,” says Dave Knight, woodlands manager for Tolko’s Slave Lake division. “However we did have relevant experience – we’re a small-town company, we had a successful business and we have very strong community values. We believe that when you treat people with respect, they will treat you with respect. We didn’t consider treating our Aboriginal neighbours in any other way.

“As for business ventures, we decided that the best way to proceed was to structure everything on a business basis. We say: Here is an opportunity to get into business – Tolko is a good customer and partner. Right from the beginning we stayed away from the concept of ‘access fees’ because we knew that our Aboriginal partners had every reason to be as successful in business as any contractor.”

**RECIPE FOR SUCCESS: AL-PAC AND BIGSTONE**

Alberta-Pacific Forest Industries Inc. is one of Alberta’s leaders in Aboriginal business development. Al-Pac has played a key role in the creation of a number of Aboriginal logging and wood products companies. The longest-running enterprise is Bigstone Forestry Inc., a partnership between Al-Pac and the Bigstone Cree Nation. Created in 1999, this sustainable harvesting operation in the Wabasca area employs local community members. Al-Pac has hired Bigstone Forestry to harvest 180,000 cubic metres of fibre per year. The company also seconded one of its employees to Bigstone as a manager to assist with start-up and stabilization.
Tolko awarded its first economy-of-scale logging contract to the Whitefish Lake First Nation in 1994. In 2004, a Tolko/Whitefish partnership was awarded Alberta’s first joint deciduous timber allocation. Tolko now has about 10 business-based timber harvesting and related contracts with Aboriginal parties in Alberta, Saskatchewan and Manitoba.

The approach used by Tolko is to enter into a Memorandum of Understanding (MOU) with interested Aboriginal communities in proximity to Tolko’s operations. Through these MOUs, Tolko commits timber volumes sufficient to support a viable harvesting operation. The contract is on commercial terms and can be used to secure bank financing. Tolko strongly encourages harvesting operations to employ Aboriginal people. “But we do understand that in order to build capacity or generate revenues, this isn’t always possible,” notes Knight. “We ask that our contractors talk to us about this first.”

Tolko has provided start-up financial assistance in some cases where the Aboriginal party has lacked sufficient equity - this is structured as a repayable loan. The company also provides in-kind services in forest management and operational planning (at no cost to the Aboriginal venture), and supports training initiatives for Aboriginal people in these areas.

The contact for business development opportunities is the woodlands manager for each Tolko division (there are three in Alberta). “We don’t have an Aboriginal relations manager because we believe these issues are best dealt with on a local level,” explains Knight. “Although our divisions all operate the same way with Aboriginal contractors, each manager has to get

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JUMP-STARTING EQUITY INVESTMENT

Although EnCana Corporation has historically supported many Aboriginal businesses via contracts, the company’s position is that the most substantive, meaningful and direct participation in the oil patch by Aboriginal people is through initiatives involving equity positions in businesses. EnCana is a leader in this area, particularly in encouraging the development of drilling rig partnerships.

In 2001, EnCana facilitated the formation of a partnership between Precision Drilling and four First Nations – Heart Lake, Cold Lake, Frog Lake and Kehewin - all located in eastern Alberta. The partnership owned a drilling rig that was operated by Precision Drilling and contracted to drill for EnCana. The participation of the First Nations was made possible by a guarantee from EnCana of four years of work for that rig, worth $12.5 million. With that guarantee, the First Nations were able to secure their share of the partnership with bank financing and a grant from the federal government.

Since this first experiment, EnCana has provided similar contract guarantees to two First Nations and the Métis Nation of Alberta, each of whom entered into similar partnerships with Western Lakota Energy Services Inc. Another First Nation in British Columbia partnered with Ensign Drilling. At the end of the guaranteed contract period, the rigs must compete for business. All of these partnerships place the Aboriginal group in an ownership position, thereby sharing the risks and the rewards in the drilling business.

“What made these deals work was our willingness to underwrite them,” says Barrie Robb, EnCana’s vice president of Aboriginal affairs. “The beauty of these arrangements is that they take a very experienced operator and partner them with a neophyte in the business. EnCana provides an insurance policy in the form of a limited-time guaranteed contract. The Aboriginal partner gains experience, so they can carry on after the initial contract ends. Some even end up buying out the partner.”

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to know the local communities. And our performance is measured partly on how effective these relationships are.

“I believe that if a company wants to progress in Aboriginal relations, it has to have a commitment from the top and have good people on the ground. You have to make sure they have an appreciation of the history and culture of the Aboriginal communities, and an understanding and empathetic approach to Aboriginal business. It’s a softer kind of business and not everyone can succeed doing business this way.”

Encouraging the development of local suppliers

Imperial Oil Limited is committed to building enduring relationships with its Aboriginal neighbours. The company’s Aboriginal policy recognizes the need for enlightened business practices in three key areas (employment, business development, and education and training) and for an Aboriginal affairs network through which experiences can be shared across the organization.

Part of Imperial’s commitment is support for the development of Aboriginal businesses that provide products and services that meet company needs. Imperial has played a major role in the development of a number of successful Aboriginal business ventures. One example is Cold Lake-based Pimee Well Servicing Ltd.

Pimee is owned and operated by six First Nations bands in northeastern Alberta. The company was formed in 1984 during the development of Imperial's Cold Lake heavy oil production project. Pimee’s start-up capital was financed through government grants. An initial contract from Imperial allowed for bank loan financing. In addition, Imperial provided a wide range of start-up assistance to Pimee including:

• Single-sourcing a percentage of well-servicing contracts in a specific area
• Guaranteeing rig hours and a buy-back provision (for first two years)
• Seconding a manager, rig manager and driller to Pimee - the seconded employees trained Pimee employees

Imperial took no ownership interest in Pimee. It received a management fee from Pimee, and also subsidized the payroll for its seconded employees. Pimee handled all other hiring.

Pimee, which has operated independently since 1993, is now a highly successful well-servicing company with a number of clients, including Imperial.

“Aboriginal relations is just part of doing business,” says Roy Steinhauer, Imperial's Aboriginal affairs manager. “It isn't like we woke up one day and said ‘Oh! We’re going to develop new companies, check them off and record them, and then get our picture in the paper shaking hands at the start of the company.’ That's not how Imperial operates. We try to develop local businesses that help the community and help our company. It's part of how Imperial conducts business.”
**Putting Aboriginal partnerships at the heart of business**

Partnerships take on a different meaning when applied to Western Lakota Energy Services Inc. – one of Canada's fastest growing drilling contractors. This company represents a unique approach to Aboriginal relations because Aboriginal partnerships are at the heart of its business.

In these partnerships, an Aboriginal community typically invests in ownership of a 50-per-cent interest in a rig through a limited partnership with Western Lakota. Western Lakota operates 11 rigs in partnerships with Dene Tha’ First Nation, Saddle Lake First Nation, Métis Nation of Alberta, the Blood Tribe, Duncan's First Nation and Horse Lake First Nation. In June 2005, the Samson Cree Nation sold its interest in three rigs for an equity stake in Western Lakota. “We believe this transaction is a natural evolution of our relationship,” explains Elson McDougald, Western Lakota president and CEO. “While the limited partnership is formally dissolved, our Aboriginal focus as an organization will be further strengthened by having the Samson Cree Nation as a significant shareholder.”

Why does Western Lakota do business this way? “Partnerships give us a competitive advantage,” says McDougald. “Among oil and gas companies today, working with Aboriginal communities is a high priority. The companies also demand drilling services that are at the top of the industry. Western Lakota puts these together. We can compete with any company based on our in-field results. On top of that, our customers have the benefit of the Aboriginal relationships that we bring with us.”

Success with this business model has encouraged Western Lakota to take a leadership role in workforce development. The company has launched an innovative Drilling Rig Training Program – which offers pre-employment orientation and training for individuals entering the oil and gas services industry. The program is held in Aboriginal communities, and uses a mobile drilling platform. After completing the training, graduates are ready for leasehand positions on drilling rigs or similar entry level positions in other field operations. As of early October 2005, seven classes had graduated (78 students). About 90 per cent of the students completed the course, with over 80 per cent still employed. Although Western Lakota has been able to hire many of the graduates, the company works with other drilling contractors and other service providers to find employment opportunities for graduates.

“In the past, many resource companies looked at Aboriginal relations as a cost of doing business,” says McDougald. “The Western Lakota experience demonstrates that rather than looking at Aboriginal relations as an expense, they can be an opportunity.”

**Aboriginal business capitalizes on construction opportunities**

Aboriginal governments and organizations have significant construction opportunities on traditional lands as well as off the reserves. However, a lack of construction management expertise can prevent them from benefiting from these opportunities. The PCL family of companies, the largest general contracting organization in Canada, has a major initiative in
developing project-specific joint ventures with Aboriginal communities. Typical projects include community infrastructure, housing, schools, highways, industrial facilities and land services. The PCL model has three components:

- **Building relationships.** This is the basis for trust and confidence; opportunities come later. PCL notes that it is important to make contact with community leaders at an early stage, usually before there is a specific project identified. These relationships are often formalized through a written agreement.

- **Forming a joint venture.** This is the vehicle for doing business – both parties are expected to bring value to the table. The joint venture may take the form of an incorporated business entity to formalize the relationship for a specific project. Ownership structure and responsibilities vary depending on the nature of the project, and are outlined in the joint venture agreement.

- **Training and skills transfer.** This represents an important capacity-building opportunity for the Aboriginal partner and contributes to the local workforce available for the joint venture company. Key elements often include pre-employment training, on-the-job training and formal recognition of skills attained.

In PCL’s experience, the main cost of such an initiative is the value of the time its employees spend in building and maintaining relationships with Aboriginal communities and organizations. Financial assistance is available to the Aboriginal partner to offset the costs of training and business development. Joint-venture contracts have ranged from $270,000 to $120 million.

Benefits flow both ways in these arrangements – the Aboriginal partner benefits from PCL’s expertise and size, while PCL benefits from the Aboriginal partner’s influence in the local area and its access to the labour market.

**Fostering economic development in Aboriginal communities**

Lack of capacity for business development is a problem in most Aboriginal communities. Alberta-Pacific Forest Industries Inc. has developed a program to provide Aboriginal communities with the expertise needed to identify business opportunities. There are approximately 26,000 Aboriginal people living in Al-Pac’s Forest Management Agreement area and another estimated 16,000 who are affected by the company’s operations.

Under this unique initiative, Al-Pac has recruited economic development officers (EDOs) to work in three communities (Bigstone Cree, Chipewyan Prairie First Nation, and Heart Lake First Nation). Although the EDOs are paid by Al-Pac and carry out specific duties on the company’s behalf, they do not work solely for the company. They report to the chief and
“In the past, we would get requests for funding for economic development dollars and it’s always easy to write out a cheque,” explains Sandra Cardinal, director of Aboriginal affairs for Al-Pac. “But then that money is gone, and there was no follow-up. We made a decision to get some people in there to help build capacity.

“The EDO works to access grants, build businesses, build capacity, and get administrative issues figured out. It doesn’t have to be forestry-related – one EDO spent time working on a proposal for a buffalo ranch. Their job is just whatever the community needs. That’s what has made the program very successful.”

Cardinal says it’s important that the EDOs report to chief and council. “We stay out of their business. There may be stuff that’s confidential that they can’t relate back to us. As a company, we honour that.

The program and results are reviewed annually by Al-Pac and the community. Each EDO is evaluated based on return of investment back into the communities. “If there’s no return back to the community, why would we keep somebody out there?” says Cardinal. “Al-Pac pays their salary; they have to prove themselves through our contract with them.”

One of the key success factors for this type of program is getting the right person for the job. “You’ve got to have the right fit. That’s the caution,” notes Cardinal. “We work together with the community on deciding who they want to hire – it’s not just what Al-Pac wants.

“Other communities have asked to have a similar program, but you can’t just jump into it. You have to know exactly what their needs are.

OUT-OF-THE-BOX THINKING ON BUSINESS DEVELOPMENT

When the Halfway River First Nation in British Columbia wanted to pursue local business development opportunities, they spoke with John Young, manager of Aboriginal affairs for Petro-Canada. But what were the opportunities?

Young hit on an innovative way to find out. “I went to Royal Roads University and said I’d like to get an MBA student to help the community develop a business plan. Petro-Canada will sponsor the student to do their thesis on this project – flying them up to the community, paying their hotel bills, that sort of thing. At the end of the day, the community will get a business plan to develop a local resource – gravel. Yesterday that MBA student went up and met the chief and council, and the work has begun. The business plan will show them whether this is a viable opportunity – establishing how much of a resource they have, what kind of equipment and processes they need to run a gravel pit, and who are the potential clients. If they can put a viable business together then hopefully we’ll realize this as a business development opportunity.”
That means going into the community, listening, being part of the community, understanding them. I don’t use the words ‘capacity building’. I just say we want to get your kids through high school. You want people to have a good life, ride their horses, plant their gardens, get their kids into hockey, and keep them out of trouble. Bottom line is you want to see things work for everybody.”

**Business development success factors**

The ACR project identified a number of factors that contribute to the success of Aboriginal business development. The following may be useful to companies interested in developing or improving their programs by learning from the experiences of others.

**Plan for Aboriginal business participation by matching business opportunities with Aboriginal business capabilities.** Communicate business opportunities and project requirements in a timely and effective manner that will allow them to prepare. Ensure that the business relationship process is technically and financially viable.

**Ensure that the Aboriginal or Aboriginal/corporate venture has adequate management capacity in place.** This is the most common and underestimated factor in the success or failure of business ventures. The industry partner has a crucial role to play in assisting the Aboriginal partner to develop the management skills necessary to succeed. Some companies have seconded staff to the new venture for a transition period during which the internal management capacity is developed. Other support has included mentoring and training of potential management talent. Even after a venture has operated for a period of time, follow-up (aftercare) is important to ensure that the situation continues to progress.

**Use procurement as a tool to provide opportunities for Aboriginal suppliers.** However, it should be linked with mentoring and skills development to strengthen business capabilities and enable the Aboriginal business to compete successfully for contracts. Support should be finite (two years) and have a requirement to diversify its customer base. After a defined time period, the business should be weaned from the procurement strategy and compete on an equal footing with other suppliers.

**In structuring business arrangements with Aboriginal communities, corporate governance needs to follow clear principles that are defined at the outset.** These should address considerations such as management structure and reporting, financial obligations (cash calls, equity maintenance), use and distribution of earnings, training and succession planning, performance benchmarks and representation on the board of directors. Avoid perceptions of something for nothing.

**Invest in strengthening the business capacity of the Aboriginal community.** Such support can help the community identify and assess business opportunities that result from industrial development in the region, and will make the community a better business partner. Some strategies include mentoring local economic development expertise, partnering with the community to explore potential opportunities, and engaging the leadership in how to position the community to pursue opportunities.
6. COMMUNITY RELATIONS
Positive long-term relationships between industry and Aboriginal communities are the foundation of success for any Aboriginal program. Community relations programs are designed to build these relationships. They involve helping Aboriginal communities develop the capacity to engage with industry, as well as helping industry develop the confidence, understanding and commitment to work with Aboriginal communities.

Successful relationships are built on mutual respect and trust. Community relations initiatives facilitate a process for discussing impacts, mitigation and benefits associated with particular projects. The ability to interact effectively with industry gives Aboriginal communities the confidence, processes and knowledge required to deal with the impacts, mitigation and benefits associated with industrial activity. Companies must also build the internal capacity to take a stake in the success and well-being of communities affected by their activities. This requires leadership at the senior and middle management level, an articulated policy, appropriate training and a continuing commitment to engagement with communities.

The resource industry undertakes a wide range of community relations programs such as basic infrastructure investment, community development and wellness initiatives, donations, and emergency preparedness and response. There are 16 community relations programs in the ACR database – 15 per cent of all programs identified in the survey. They include:

- Framework agreements and cooperation protocols (bilateral and multi-party)
- Information-sharing sessions, cross-cultural awareness workshops
- Impact monitoring programs
- Conflict-resolution processes
- Programs to develop leadership skills in Aboriginal youth
- Wellness and safety promotion in Aboriginal communities
- Sponsorships, community development initiatives

The following discussion highlights some of the successful Aboriginal community relations programs currently underway in Western Canada. This selection is intended to illustrate the range of programs carried out by respondents to the ACR survey. Descriptions of all 16 community relations programs are available on the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.
Getting to know the neighbours

Something very important happened on March 29, 1993, in a school gym in Wollaston, a small community in northern Saskatchewan. It was a meeting of representatives from seven northern Saskatchewan communities, a number of tribal elders and the presidents of two uranium mining companies in the area.

“The communities were telling us that they wanted to understand what the industry was up to. It made sense to get together,” explains John Tosney, who at the time was president of the Cigar Lake Mining Corporation. (He is now executive advisor for COGEMA Resources Inc.) “It was a forthright meeting – northerners always speak their minds. We left with a resolve to establish a process for ongoing dialogue. We’re neighbours, we have to keep talking.”

That meeting marked the beginning of the Athabasca Working Group, which is now comprised of representatives of Saskatchewan’s uranium mining companies ( Cameco Corporation and COGEMA Resources Inc.) and the seven Athabasca communities (three First Nations and four municipalities). The group first worked under an agreement-in-principle, and then created a formal Impact Management Agreement, which was signed in 1999. The Impact Management Agreement covers three main areas: jobs/training/business opportunities, environmental protection and compensation, and benefit sharing. Some examples of key commitments are:

• **Employment**: Companies commit to filling job vacancies with Athabascan residents as long as suitable candidates are available.

• **Training**: Parties agree to cooperate in identifying future training needs in the region.

• **Business development**: Companies commit to provide special consideration to existing contractors located within the region and to facilitate new initiatives.

• **Environmental protection**: Companies commit to take all reasonable measures to minimize emissions and agree to compensate residents who suffer losses as a result of emissions.

• **Benefit-sharing**: Companies commit to support a wide range of programs and projects including scholarships, donations to health care, cultural and recreation facilities, and economic development studies.

“When we set out to do this, it was leading-edge. There was no model in 1993,” says Tosney. “A lot has been accomplished, and we continue to tweak the model. There’s no question that it has worked well for us. It’s one of the tools we have to engage communities, and we intend to continue to support it.”

The Athabasca Working Group meets three or four times a year in one of the communities or at a mine site. The agenda is open, any issue can be discussed. All costs are sponsored by Cameco and COGEMA. These include two elder advisors, a community coordinator, and locally controlled environmental studies.

The Athabasca Working Group is only one of the ways Cameco and COGEMA work together. “Although we are completely separate companies and we compete in the marketplace, we have very common philosophies and approaches to our northern neighbours,” notes Tosney. “We co-fund about 70 to 80 per cent of what we do in northern programs. That gives a bigger bang for the buck.”

In northeastern Alberta, a similar process has been established to allow First Nations
communities and industry to work together. In 1998 the Athabasca Tribal Council (ATC), which represents the region’s five First Nations, and the Athabasca Regional Developers, an industry group, agreed to work together to implement the ATC Resource Development Strategy.

The parties recognized that, in order for ATC and their member First Nations to deal with resource development, they needed to build capacity. A three-year capacity-building agreement was signed by the parties in 1999. It concentrated on five key areas: the environment and consultation capacity, employment and training, human infrastructure, physical infrastructure and long-term benefits. The agreement represented a coordinated approach to identifying and managing the impacts and benefits of resource development for regional First Nation communities. The three levels of government also signed onto the ATC/ARD Agreement process through separate, but similar agreements.

The ATC/ARD Agreement was followed by the three-year ATC/All Parties Core Agreement (APCA) in 2003. The APCA engages the participation of five regional First Nations, 17 resource developers and three levels of government. This agreement differed from the first in providing standards of consultation, funding for consultation capacity in each First Nation community and a rigorous process for identifying regional issues related to resource development and cooperative strategic planning to resolve issues. The goals of the ATC/All Parties Core Agreement include:

• Develop effective strategies to resolve the identified issues related to regional industrial development that impact member First Nation communities of the Athabasca Tribal Council.
• Implement and monitor these strategies within the Core Agreement or through identified external processes.
• Enhance the capacity of industry, governments and the five ATC member First Nations to achieve the vision of the Core Agreement.
• Advocate for the resolution of issues that are barriers to the vision of the Core Agreement.
• Operate the Core Agreement effectively, by ensuring that the signatories and their representatives are aware of, understand and adhere to the vision, principles, goals and functions of the Core Agreement.

A key element of the APCA is the Standards of Consultation. This document sets out basic principles and processes for consultation, identifying impacts of development and mitigation of impacts for both First Nations and industry participants. The APCA also provides base funding to each of the regional First Nations to maintain or set up an Industry Relations Corporation (IRC). IRCs are responsible for facilitating consultation between First Nations communities and individual companies and for enhancing relationships and opportunities with their respective communities.

MUTUAL RESPECT AT THE HEART OF COMMUNITY RELATIONS

“People often ask Suncor what leases we own,” says Suncor’s Heather Kennedy. “I always smile when I hear the word ‘own’. We are leasing the land from the people of Alberta and we are borrowing it from the First Nations. As a tenant, we have certain responsibilities to respect the land, water and air and to be a good neighbour.” That’s why community relations is so important, she says. “You have to know your neighbours. You have to understand their needs. Mutual respect is at the heart of successful community relations. The approach should be ‘How can I be part of this?’ rather than ‘How can I help?’”
The first ATC/ARD Agreement by participating resource developers and First Nations saw a number of successes – most notably the creation of an effective forum where all parties can identify issues, develop strategies and find solutions. “Spending time together with common goals and increased levels of understanding has led to higher levels of trust between First Nations, industry and governments in a region experiencing unprecedented growth and opportunity,” notes Heather Kennedy, vice president, employee and community Relations, Suncor Energy Inc.

Significant progress has also been made in other areas. These include increased capacity of Aboriginal communities to understand environmental and socio-economic issues, the development of extensive and innovative consultation between industry and the First Nations, enhanced awareness of employment and business opportunities for First Nations, the development of sustainable employment strategies and training programs and strategies for cultural retention through such things as indigenous sports.

“It has been exciting to participate in an Agreement that has accomplished such a wide range of positive outcomes, and to do so in an atmosphere of respect and cooperation,” Kennedy adds.

ASSESSING QUALITY OF LIFE IN NORTHERN COMMUNITIES

While jobs and business development are often the focus of Aboriginal agreements, uranium miners Cameco and COGEMA have added a new perspective. The two companies have undertaken a joint initiative to identify and track indicators that provide insights into community vitality. The Community Vitality Monitoring Partnership Process began in 1998.

The program came out of one of the recommendations of a federal/provincial panel on uranium mining in the mid-1990s. “The panel pointed out that our industry spends millions of dollars each year monitoring impact on the environment, but very little on how we affect people’s lives,” says COGEMA’s John Tosney. “We agreed and established a process to look at the impact of our activities on the social well-being and quality of life for residents of northern communities.”

The northerners involved in the Community Vitality Monitoring Partnership Process identified five priority areas for research and potential program support: environment and land, economic/social infrastructure, health, communication dynamics and relationships, and special topics such as youth, outmigration and poverty. The first project funded in 2000 was a study of outmigration that looked at the dynamics associated with northern residents leaving the north to live in southern urban communities. Another project focused on healthy foods, including a survey of the costs of healthy store-bought foods in northern Saskatchewan. One of the current projects funded under this partnership is investigating the impact of the “7 days in/7 days out” work cycle on individuals, families and communities.

The concept of community vitality deals with the social well-being and quality of life experienced by northern residents and how a community could respond to changes such as those caused by an industrial project. In general, community vitality requires adequate formal services, a strong network of social supports, effective political leadership and a viable local economy that is both diverse and resilient. Community vitality monitoring is a new concept for many resource companies, and programs such as the one undertaking by Cameco and COGEMA are likely to become more widespread.
**Doing the leg work on cooperation**

Petro-Canada has established a number of cooperation protocols with Aboriginal communities. While these protocols may be similar in intent to the agreements forged by other companies, the choice of the word “protocol” is very important, notes John Young, Petro-Canada’s manager of Aboriginal affairs.

“The word ‘agreement’ sets up certain expectations for funding,” he explains. “First Nations have agreements with federal and provincial governments, which are really conveyance documents to transfer funds and rules on how the money can be used and be accounted for. To reduce the chance of confusion, I said Petro-Canada won’t sign any agreements, but we will sign cooperation protocols. The semantics are important. Sometimes it’s the most subtle things that get you into the most trouble.

“When I went out to communities to talk about developing a protocol, they said it sounds like a great idea and we developed them together. The whole focus was to say how Petro-Canada can work with your community – so that we can discuss community investment opportunities, how we might employ people locally, provide training, or help with business development ideas, and resolve conflict in the future should any arise.”

Petro-Canada’s cooperation protocols embody key general provisions intended to govern the relationship between the company and the First Nation. These provisions include:

- Consultation
- Employment opportunities
- Business opportunities
- Environmental protection
- Community contributions
- Dispute resolution

Young recalls an incident in one Aboriginal community where the cooperation protocol played a vital role in easing tensions. It involved the construction of a pipeline that crossed reserve land. “We thought we had all our paperwork in place but all of a sudden we were notified that we were in trespass on this reserve. The chief and council were very upset with us. This was a test of the dispute resolution part of our cooperation protocol. We involved the community in helping us assess where we had gone wrong. At the end of the day, they said go back to work and carry on. It is good to have a process laid out in advance when things are good, so that when there’s a problem we can refer back to that process and say ‘OK let’s follow it.’”

**A GIFT OF MOCCASINS**

Following a period of challenges, Petro-Canada began extensive community work and relationship building with an Aboriginal community in northeastern British Columbia. A jointly developed cooperation protocol was signed in January 2003. In May of that year, Petro-Canada hosted a community barbecue and ceremonial signing of the protocol.

The improved and sustained relationship between Petro-Canada and the community was confirmed by the delivery, in late 2004, of a pair of elaborately hand-sewn and beaded moose-hide moccasins to each of the dozen Petro-Canada employees who attended the ceremonial signing.

“This gift recognizes that the cooperation protocol is as important today as it was when it was signed more than two years ago,” says Petro-Canada’s John Young. “Petro-Canada intends to be a part of the community for a long time and we want to do the right thing in all our dealings with First Nations people.”
Nabors Canada, a leading drilling and production services provider, has developed an arrangement that meets the need for both capacity building and revenue sharing in Aboriginal communities. As of September 2005, the company had signed four Aboriginal partnering agreements. The agreements provide rig worker training as well as a mechanism for sharing the revenue from new drilling contracts on Aboriginal lands.

The partnering agreements enable Aboriginal people to gain qualifications and skills for entry-level service rig positions. Nabors sends students to a facility for rig training, and then provides on-site training on a working rig. A key factor in the success of the program is the willingness of company employees to spend extra time with trainees.

Nabors does not guarantee employment at the end of the training program, however successful trainees are highly marketable in the resource industry. For Nabors, the program has the added advantage of providing the company with a local trained workforce. It has a full-time Aboriginal affairs coordinator who does ongoing follow-up with new employees from Aboriginal communities.

The agreements have the potential to increase contracts for Nabors, which becomes the preferred provider for all relevant work done on Aboriginal lands. (Preferred provider means that the community will promote Nabors’ services to any production company working on these lands.) Revenue sharing with the Aboriginal community is also part of the agreement.
Guidelines for relationship building

As one of the largest independent oil and gas producers in Canada, Devon Canada Corporation has forged a number of relationships with Aboriginal communities. The company has paid special attention to developing guidelines for relationship building and protocols.

“We have to set ourselves up for success when dealing with Aboriginal communities,” explains Greg Brady, Devon’s team leader, Aboriginal relations. “Although we tailor our involvement to the level of activity that we have in each area, the steps we follow are very similar. For example, our Jackfish SAGD project is a long-term venture with about 500 workers on site at the peak. We have an intensive community relations effort there. For a program that has only a few wells, our efforts would not be as intense but the process would be the same.”

Devon’s Aboriginal policy, adopted in January 2004, sets out the company’s goals and principles as they relate to the interaction of Aboriginal people and Devon’s operations. The policy was developed to ensure that the unique cultures, perspectives and values of Aboriginal people are considered and respected in Devon’s operations.

Brady notes that following protocol is key to successful relationship building. To identify and follow protocol, Devon Canada has identified four key steps to establishing a solid foundation on which to build a relationship:

Prepare your organization.
• Each member of the company, from field operators and Aboriginal advisors to the president, should know and understand their role in the relationship with the community. These roles need to be communicated to the community so they know who to deal with when they want to contact the company. Establishing clear roles in the company will ensure protocols are maintained and are the key to the success of your relationships.
• Provide Aboriginal awareness training to all staff by a credible and experienced source. Training content can include: history of Aboriginal people in Canada, legal overview of Aboriginal and treaty rights, current case law, and current political and legal considerations.

Understand the community.
• Understanding the informal and formal decision-making structures in an Aboriginal community is critical. Learn protocols with leadership, as well as other groups that may have decision-making authority within the community (tribal councils, Aboriginal organizations, and individuals such as elders and trappers).
• An Aboriginal community may have a traditional consensus decision-making process that takes time to finalize. A business lacking this awareness could see a project delayed for longer than expected.
• Spend time in the community understanding how the community implements and manages programs such as education and training.

Build the relationship.
• As all relationships are based on trust and mutual respect, efforts to establish trust should be paramount in dealing with the community.
• Sustaining the relationship over the long term requires continuous involvement, feedback, and the establishment of processes agreed to by both the company and community.
• Supporting training and education initiatives, providing corporate contributions and attending community events are excellent ways to help build a relationship.
Choose a leader.

- Whether it is the Aboriginal advisor or another staff member, someone must be given the responsibility for ensuring the relationship is being maintained. This person must have the support of the management team and be in a position to make decisions on behalf of the organization. The skill set held by the company lead should include knowledge of Aboriginal customs and beliefs.

“Honesty is the key,” Brady adds. “You must ask how Aboriginal people want to interact with you. There’s no point in pretending you know everything. If you listen and are open to what people are telling you, then as a company you will be able to participate in a real, meaningful manner.”

Transitioning from ad-hoc approach to formal agreement

Millar Western Forest Products Ltd. and the Alexis Nakota Sioux Nation have never been strangers. The band has a reserve embedded in Millar Western’s Forest Management Agreement (FMA) area in north-central Alberta. In recent years, the company has given community assistance to the First Nation, awarded contracts to Alexis contractors, and had a number of individuals from the band working at its plants. But interaction between the company and the community goes back many decades. At least one band member recalls that his grandfather, as a young man, worked in Millar Western’s logging operations.

“We’ve had a very long-standing relationship, which had traditionally been conducted on an ad-hoc basis,” says Jonathan Russell, chief forester, Millar Western. “There were frustrations with this approach on both sides. We made a commitment to formalize our arrangements, so that when there were changes in band leadership or among Millar Western personnel, these agreements would remain in place. We wouldn’t have to start negotiations all over again.

“The agreement forces both sides to the table, on a regular basis, to go over issues. In the past under our more informal relationship, things would sometimes tend to slip despite our best intentions. A year or two could go by without a meeting. And that meant some important issues weren’t being discussed and resolved.”

In May 2004, the Alexis Band and Millar Western signed a Forestry and Economic Development Agreement. Four years in the making, the document is a comprehensive agreement on cooperative resource use and protection that sets a progressive standard for

COMMUNICATION IS KEY

Meetings are a fact of life for Millar Western and the Alexis First Nation. But they weren’t always accomplishing as much as they could. “We’d go to meetings and afterward if you were to compare our lists of what was to be done to follow up on commitments made at the meeting, you’d find they were quite different,” says Millar Western’s Jonathan Russell. “We were talking, but we weren’t always communicating.”

To address this issue, Millar Western hired the Canadian Circumpolar Institute to look at communication between the parties. A graduate student from the Institute tracked negotiations between the two parties, and conducted interviews with both the company and the Alexis First Nation. She was able to point out areas where parties had arrived at different conclusions, and different understandings of commitments, based on the same meetings. The Institute then worked with the parties to bridge those communications gaps.
industry and Aboriginal relations. Activities under the agreement include:

• Capacity-building activities to support Alexis community members in improving employment and business skills, including the provision of guaranteed contracts for harvesting and reforestation work

• Cross-cultural education for both non-Aboriginal and Aboriginal people, including cultural visits by company representatives to the Alexis community

• Educational commitments, including company provision of scholarships and hiring of summer students

• Development and implementation of an Environmental Co-Stewardship Committee to oversee and review all forest activities of both parties, on the land base where Millar Western’s FMA overlaps with Alexis traditional lands

Aspects of the agreement have been in place since 1999, particularly the innovative approach to contracts for harvesting and silviculture. Under the agreement, Millar Western commits to providing annual contracts to the Alexis First Nation. The contracts are guaranteed each year, regardless of whether the previous year’s contract was completed successfully.

"This is critical for capacity building," says Russell. "A guaranteed contract gives the band the freedom it needs to experiment and find the best way to fulfill these contracts – run them internally, create a new business, use an existing business, outsource to a third party, etc. Millar Western does not specify how the contract should be implemented. We do, however, provide advice and assistance as needed."

Russell notes that each annual contract, whether for harvesting or tree planting, has production milestones that must be met. If they can’t be met, Millar Western can pull back some of the contract, and award it to another party so that the work gets done – but only for that year. The next year, the same guaranteed contract is in place.

“We’ve been doing this for six years now, and contracts have been fulfilled twice in that time. It’s not a failure if a contract is not fulfilled. It’s just that the experiment did not work that year. So next year, try again. We consider this approach to be a success because every year the band has been engaged – trying to figure out the best way to do this. It may sound easy to get a contract to cut down trees, but it’s a very complicated process. Implementation is difficult.

“Capacity building is a long-term undertaking. It isn’t a quick fix. The time frame isn’t two, three or even six years. It’s a minimum of 10 years. I believe our agreement will have a long-term, positive impact both for the Alexis Nakota Sioux Nation and for Millar Western.”
Community relations success factors

The ACR project identified a number of factors that contribute to the success of Aboriginal community relations programs. The following may be useful to companies interested in developing or improving their programs by learning from the experiences of others.

Relationships are critical. Don’t show up only when you want something. Build trust and confidence. This requires commitment from the organization to develop and sustain the relationship over time. It is important that expectations are managed and kept modest on both sides of the table. Also seek out engagement with different groups within the community so that if there is a change in local governance, a company does not have to start over.

Maintain relationships through the “peaks and valleys” of your business. Companies often see Aboriginal relations as a non-core aspect of their business and reduce the level of commitment when cash flows are tight. If this is perceived as withdrawing from or not meeting its expectations with an Aboriginal community, the results can be very damaging in terms of lost trust and confidence. And it will take a long time to repair. It is important that companies establish a sustainable level of commitment and engagement from the outset.

Assess where a community is at today before developing a relationship. Some key criteria include the capacity, willingness and governance of the Aboriginal community. Based on this assessment, make a decision on whether to proceed, how to go about it and what should be done. Each community will be different and success will depend on recognizing these differences and responding in an appropriate way.

Develop community profiles because no two communities are alike and each requires a customized approach to involvement. Understand language and dialect, family ties and allegiances, and who to focus your relationship on, e.g., the community, band/settlement council or treaty organization. Communicate clearly and often. Expectations should be set out on both sides from the outset. Provide and ask for feedback on a regular basis. The intent is to avoid surprises. Build participation by seeking out advice and input, and be respectful of the differences in values and culture. Celebrate the successes by involving the community.

Comprehensive framework agreements or cooperation protocols may help strengthen relationships with Aboriginal communities and provide industry with a measure of certainty relating to continuity of operations and corporate growth. These agreements can include measures to mitigate impacts, increase economic opportunities or enhance social development. Successful agreements are designed to ensure that relationships are mutually beneficial.

Many of the more successful Aboriginal programs work in partnership with other businesses, educational institutions, governments and non-government organizations that have an interest in Aboriginal issues. Key criteria in selecting partner organizations include knowledge of the community, credibility with community members and other stakeholders, sound financial management and recognized community development skills.
7. RESOURCE STEWARDSHIP
7. RESOURCE STEWARDSHIP

Resource stewardship programs form the foundation for positive collaborative and consultative relations between industry and Aboriginal communities. They are the means by which industry effectively communicates with Aboriginal communities regarding development plans, associated opportunities, and issues of concern to the communities.

Resource stewardship also involves understanding and monitoring development impacts and taking an integrated approach to landscape management to minimize the footprint of development and ensure that everyone has a voice.

Consultation with Aboriginal peoples regarding projects near their communities or on traditional lands needs to occur on two levels. On the broader level, the Crown has a legal obligation to consult in a meaningful way with respect to potential impacts from resource and industrial development on Crown lands where Aboriginal or treaty rights are asserted or exist, avoid infringement where possible, mitigate where avoidance is not possible, and generally, advance the process of reconciliation.

With respect to industry, there is a solid business case for companies to engage in timely, effective consultation with affected Aboriginal communities. Industry consultation occurs at the individual project level and focuses on economic and employment opportunities and other issues such as how to adapt a development plan to accommodate specific site concerns of the Aboriginal community.

This level of consultation is essential to building strong, mutually beneficial relationships and may help avoid misunderstandings that can lead to project delays due to access or regulatory compliance issues. To avoid these risks, many companies have developed resource stewardship programs designed to help them develop supportive relationships with Aboriginal communities.

The ACR database contains 12 resource stewardship programs, or 11 per cent of all programs in the database. They include:

- Programs that strengthen the knowledge base – traditional land use studies, ecological and wildlife studies, archaeological investigations
- Programs for implementing consultation – early engagement, consultation plans, and other mechanisms to engage Aboriginal communities

The programs discussed here demonstrate a range of resource stewardship approaches by companies and other organizations that have proved successful in various circumstances. Descriptions of all 12 resource stewardship programs are available on the ACR website at www.acr-alberta.com by clicking Aboriginal Project on the menu bar.

**RESOURCE STEWARDSHIP PROGRAM FRAMEWORK**

The ACR database organizes resource stewardship programs into two sub-areas:

- Strengthening the knowledge base – traditional land use studies, ecological and environmental studies, archaeological investigations
- Implementing consultation processes – early engagement, consultation plans and mechanisms

**Consultation makes good business sense**

Legally, it is the Crown's duty to consult with and, where appropriate, accommodate First Nations regarding land use decisions that affect Aboriginal or treaty rights. In a recent case involving the Mikisew Cree in Alberta, the
Supreme Court of Canada found that standard public notices and open houses were not sufficient and that the Mikisew were entitled to a distinct consultation process.

There continue to be different interpretations of the how and when consultation should be performed and the roles of each party in consultation. From a pragmatic perspective, forward-thinking resource companies recognize the importance of timely, meaningful, ongoing consultation in building strong relationships based on trust between parties. Consultation at this level can occur once treaty rights and the Crown’s duty to accommodate, where appropriate, are resolved and a company has acquired land tenures or dispositions.

Discussion between industry and the Aboriginal community typically focuses on identifying employment, training, contracting and other economic development and capacity building opportunities, as well as ways to accommodate the community’s concerns and mitigate potential development impact. Relationships evolving from these consultations can minimize the risk of problems causing delays at any point during a project. Preparing plain language proposals which outline the full scope and associated potential impacts, and documenting attempts to share information or make changes to plans, are all wise activities that companies should consider.

Consultation makes good business – and political – sense, says Tony Palladino, human resources manager with ATCO Electric. “You can’t just go into a community when the route is set and you’re about ready with equipment to cut down trees. That’s an insult. Besides, if we’re in downtown Grande Prairie, do you think we wouldn’t consult with the mayor and council? So consultation just makes good business sense.”

**Understanding the legal points**

The duty to consult is grounded in the honour of the Crown and is reinforced by the recognition of existing Aboriginal and treaty rights in the Constitution Act, 1982. The obligation to consult may also arise directly from legislation, such as the Indian Oil and Gas Act. Administrative direction may also provide guidance on consultation. For example, the National Energy Board requires project proponents to identify Aboriginal peoples that may have an interest in the area, to identify any concerns raised by Aboriginal peoples and to advise whether they are aware of any consultation undertaken by the Crown. The Alberta Energy and Utilities Board’s Directive 056 (Energy Development Applications and Schedules) requires consultation with all...

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**SHADES OF GREY**

Roles and responsibilities regarding obligation to consult with First Nations are becoming more clear-cut, says Roy Steinhauer, Aboriginal affairs manager with Imperial Oil.

“Years ago, the process was clear-cut – companies would deal with the Crown, and that was it. More recently, some new precedents have been set and some new rulings have changed things. There is still uncertainty, and a lot of grey areas in the process, but today we have a better handle on the important areas of responsibility. It’s not 100-per-cent clear – there still are grey areas, because there is no book that outlines everyone’s responsibility. But it’s getting better.”

Steinhauer believes there is still a huge grey area surrounding Métis rights. “My belief, being in the business quite a few years, is that I think the next wave of issues will involve the Métis. Their rights in relation to industry, the federal government, provincial governments and the other First Nations are going to need to be addressed. It’s going to take time and effort to clarify this.”
parties whose rights may be directly and adversely affected by a proposed project, including First Nations and Métis. Directive 056 further directs industry applicants to adhere to the First Nations Consultation Policy on Land Management and Resource Development released by the Government of Alberta in May 2005 and, when published, the consultation guidelines.

Meanwhile, the courts are gradually defining the legal roles and responsibilities regarding consultation. Recent decisions by the Supreme Court of Canada in cases involving First Nations in British Columbia with asserted but unproven Aboriginal rights ruled that the obligation to consult and, where appropriate, accommodate Aboriginal concerns lies with the Crown alone and there is no independent legal obligation on third parties such as project proponents.

The recent Supreme Court of Canada decision in the Mikisew Cree case further confirmed that the Crown has a duty to consult when exercising its treaty right to "take up" surrendered lands. Where the Crown seeks to "take up" lands that will impact upon First Nations being able to exercise their treaty rights to hunt, fish or trap, the Crown must engage in a process of consultation and accommodation, where appropriate, with the First Nation(s) whose rights may be impacted.

"That's speaking about a duty to consult as required by the Crown in recognition of the protection of existing Aboriginal and treaty rights by the Constitution Act, 1982," says Heather Treacy, a lawyer with Fraser Milner Casgrain LLP who represents resource companies in Aboriginal cases. "But that does not mean from a risk management perspective it's not good for a third party project proponent to consult, because it should still engage in that process. But that's different from having a legal constitutional duty to consult."

Treacy points to recent court cases in Québec and British Columbia where companies that had provincial government authorization for projects were ordered not to go ahead because the governments had not adequately fulfilled their duty to consult.

"It can be a difficult situation for the project proponent to ensure that the Crown has consulted," Treacy says. "This is significant because it is actually the project proponent who can be impacted the most if the Crown doesn't engage in consultation. Yet the project proponent has very little control over what the Crown ultimately does."

What can companies do? "They need to be very vigilant in ensuring that the government consults adequately with Aboriginal groups and accommodates them where necessary," Treacy says. "So really, private companies have to engage in a dialogue with the government and try and encourage or keep abreast of whether the Crown is carrying out its consultation duties." In addition it is important for companies operating on Crown lands where Aboriginal and treaty rights are asserted or exist, including traditional lands, to participate in consultation.

Bottom line: Consultation makes for sound risk management - and productive relationships - even if not required by law. It also can help a company identify issues so that it can ensure that adequate consultation has occurred with Aboriginal groups.

To minimize risk and delays, industry experience suggests that companies should:

- First check with the Crown to determine what it has done regarding consultation and accommodation of treaty rights in a project area. Every case should be approached individually.
- Identify Aboriginal communities that exercise rights on or claim interests in the lands in question.
• Know your obligations – review all provincial and federal statutes, regulations and policies that apply to the lands and their consultation requirements.
• Develop productive relationships – invite each potentially affected Aboriginal community to meet as early in project planning as possible; ask how they would like to be consulted; and respect their protocols.
• If appropriate, negotiate a Memorandum of Understanding that identifies your company’s objectives and possible opportunities for Aboriginal communities to be involved in the project.
• Protect your company’s interests by documenting consultation efforts, accommodating Aboriginal concerns, minimizing impacts, and carrying through with commitments.

What is “effective consultation?”

Recent Supreme Court of Canada decisions do not define the content of consultation but say the duty to consult will vary with the circumstances depending on the strength of the Aboriginal or treaty right that is being claimed and the seriousness of any potential infringement of that right. Common sense and reasonableness are important attributes of the process.

“So consultation can be anything from speaking to the Aboriginal community and providing them with notification, disclosing information and discussing any issues in response to the notification – that would be at the minimal end,” says Treacy. “At the other end of the spectrum you may need to engage in deep consultation and obtain the consent of the Aboriginal community.”

Meaningful consultation goes well beyond notification, says Doug Willy, a consultant who works with natural resource developers on

**THE “HOW TO” BOOK ON CONSULTATION**

The World Bank International Finance Corporation (IFC) has published a Good Practice Manual that can be used by companies undertaking consultation with culturally diverse communities.

The manual addresses the challenges of the private sector and discusses the risks of failing to consult adequately, including delays, weakened negotiating positions and damaged public image. The book explains how to carry out good public consultation and disclosure during each stage of planning and implementing a major project. Some key elements include:

• Plan in advance to identify potential risks, issues and affected parties.
• Involve operations managers directly and secure support of top management.
• Develop two-way channels of communication with affected groups, with special consideration to culture, language, land use and territorial rights.
• Manage expectations and clearly describe what the project can and cannot deliver in terms of benefits to the community.

The IFC manual gives companies a powerful tool for identifying risks, reducing development costs and improving project sustainability while benefiting affected communities and preserving the environment.

Doing Better Business Through Effective Public Consultation: A Good Practice Manual can be downloaded from the IFC website at www.ifc.org/ifcext/enviro.nsf/Content/Publications_GoodPractice

Aboriginal issues. “There are three different types of talking. There was the old ‘notification’ where I send out a registered letter and notify you that this is what I’m going to do on July 6 – period. Then there was providing ‘information.’ And then there’s ‘consultation.’

“The difference with the consultation model is you say: ‘we’re going to build this thing half a mile down the road from your house. This is what it’s going to look like. This is what it’s going to produce. This could be some of the impact on you. And this is how we’re going to mitigate that impact. Do you have anything you’d like to tell us? Do you have any ideas based on your traditional knowledge or your common sense based on living in the area for 200 years that you can tell us that we can incorporate into the plan?’

“Then you work through that model combining the scientific and technical knowledge that industry has with the local knowledge that the residents have to come up with a facility that meets everyone’s needs as closely as you can and then mitigate any impacts that are perceived or real.”

**Effective engagement: the earlier, the better**

“Start early and remain flexible” is one of the basic principles of Aboriginal engagement set out by Terasen Pipelines, which operates several major crude oil and synthetic product pipelines in North America. The company’s Aboriginal relations strategy includes an Aboriginal engagement process for linear projects.

Terasen asks communities at the start how they want to proceed with the engagement process. The company believes it is important that both parties embrace the principle of mutual responsibility.

During a project’s feasibility stage, Terasen appoints a primary company representative and schedules introductory meetings with community representatives as early as possible. Terasen also makes sure at this stage to present a realistic picture of the potential benefits of its activities to the community, with a focus on employment and business opportunities. Early engagement makes it possible for the company to assess Aboriginal capacity in these areas and, if appropriate, to work with federal or provincial manpower training agencies and training institutions to build capacity if needed. Terasen’s process also ensures that the environmental assessment for a project includes Aboriginal concerns regarding traditional land use and impact on environment.

Terasen successfully employed its Aboriginal engagement process in the building of the 493-kilometre Corridor Pipeline System in Northeastern Alberta.
northeastern Alberta linking Albian Sands Energy Inc.'s Muskeg River Mine to an upgrader adjacent to Shell's Scotford Refinery. Terasen is using a similar approach on its current expansion activities in Alberta and British Columbia.

In 2002, Enbridge Pipelines Inc. undertook a unique approach to early engagement of Aboriginal communities within a study exploring issues that could affect the success of future oil sands production, transportation and marketing initiatives. The company's Oil Sands Markets Study (OSMS) included an Aboriginal engagement process that helped Enbridge establish relationships with key communities between Fort McMurray and the north-central west coast of British Columbia well in advance of a decision to actually proceed to the regulatory application stage for its Gateway Pipeline project. The study also allowed Enbridge to gain an understanding of community protocols and to assess community needs, expectations, capacities and concerns.

The OSMS project team was committed to working within certain principles of Aboriginal engagement in accordance with Enbridge's Indigenous People's Policy. These include, among others:

- Promoting an environment of respect, openness and honesty with Aboriginal community stakeholders
- Providing accurate and timely information on OSMS activities to Aboriginal community stakeholders
- Creating an environment where Aboriginal community stakeholders are given the opportunity to provide input in a meaningful way

A MODEL FOR SUSTAINABLE DEVELOPMENT

The Inuvialuit of the western Arctic, who settled their land claim in 1984, seized an opportunity to establish the first commercial natural gas development north of the Arctic Circle. The Inuvialuit Petroleum Corporation (IPC) purchased a natural gas field northwest of Inuvik, Northwest Territories. The Ikhil reservoir is capable of supplying Inuvik for the next 15 to 20 years. To develop the Ikhil/Inuvik Gas project, IPC brought in AltaGas Utilities Inc. and Enbridge Inc. The project is owned equally by IPC (through its subsidiary Ikhil Resources Ltd.), AltaGas and Enbridge. The $44-million wellhead-to-burner-tip operation began supplying natural gas to Inuvik in 1999.

This small-scale local development provides Inuvik residents and businesses with a secure supply of natural gas for power and heating at lower cost than diesel fuel shipped from Edmonton. It is a successful model of collaboration that demonstrates a commitment to ensuring local individuals, communities and businesses have an opportunity to benefit from energy delivery infrastructure.

RUTH WRIGHT, ALONG WITH HER CHILDREN, RENTED A GARDEN PLOT AT THE INUVIK COMMUNITY GREENHOUSE, WHICH IS HEATED WITH NATURAL GAS SUPPLIED BY INUVIK GAS. THE SEASONAL GREENHOUSE IS OPERATED IN A RENOVATED ARENA IN INUVIK. RESIDENTS RENT SMALL PLOTS AND GROW VEGETABLES AND FLOWERS, WHICH THEY COULDN'T DO OTHERWISE DUE TO THE PERMAFROST AND POOR SOIL CONDITIONS. TO HELP FUND ITS OPERATING COSTS, THE GREENHOUSE ALSO GROWS BEDDING PLANTS FOR RESALE AT THE NORTHERN STORE. THE NON-PROFIT ORGANIZATION IS AN IMPORTANT CUSTOMER OF INUVIK GAS.
• Meeting or exceeding regulatory, agency and community consultation expectations
• Seeking community input with respect to the proposed pipeline route
• Honouring community elders, leaders and communities by following traditional protocols

Typically companies begin consultation programs only after determining a proposed project’s feasibility. Enbridge’s Aboriginal relations team engaged more than 120 Aboriginal communities during the study and kept detailed records of its meetings. This paved the way for a future formal consultation program with Aboriginal stakeholders once the decision was made to proceed to regulatory application.

A major key to building goodwill and trust was the care Enbridge took to make Aboriginal communities understand that the OSMS was not “token” consultation. Rather, it was the preliminary stage of a feasibility study and the company was seeking their views and concerns prior to making any decisions. All of the communities engaged expressed support for the company’s approach to relationship building.

**Collecting and using traditional knowledge**

The rapid expansion of resource development in Alberta and the associated land disturbance creates potential conflicts with traditional use of the land by Aboriginal communities. In most areas of Alberta, information on traditional land use is incomplete. Yet without information about culturally sensitive lands that could be impacted by a project, a company risks running into problems of access or delayed regulatory approval.

At times, resource developers in Alberta may be involved in traditional use studies in connection with projects on Crown land. Even in cases where it is not required to do so, a company can lessen its risks by collaborating with an Aboriginal community to collect traditional land use data and taking this information into account in its project plan. This exercise provides valuable information for both parties while helping to build a positive relationship with the community.

The current trend in traditional land use studies is toward community control of the project. Aboriginal communities are often reluctant to share traditional use information, so it is important for all involved parties to agree on an explicit protocol regarding ownership, control and sharing of the information. Traditional use study information can be put into a Geographic Information System (GIS) program for easy access and use in resource development project planning and regulatory approval applications.

Companies participate in traditional land use studies in a variety of ways. Alberta Pacific Forest Industries Inc. (Al-Pac) maintains a Geographical Information System (GIS) that incorporates traditional land use information wherever possible. Part of its licence area includes the traditional lands of the Bigstone Cree Nation. Al-Pac collaborated with Bigstone to set up a GIS office in the community that allows Bigstone to collect, store and manage...
DEAL MAKING 101

With a practice that focuses on the business interests of his clients, many of whom are First Nations organizations in Alberta and the Northwest Territories, Edmonton lawyer James Duke has a unique window on Aboriginal relations. “I help organizations acquire access to natural resources and structure business deals intended to support local and regional economies. When we have the opportunity, we try to do things that are innovative by creating vehicles that enable resource sharing and revenue sharing.”

Duke, who is a partner with Miller Thomson LLP, says that there is no “one-stop shopping” when it comes to developing and making business deals with Aboriginal groups. “There is a morass of licensing and access restrictions, all of which create huge impediments for business. There is no one model that works. While industry might prefer to take a one-stop approach, the reality is that every group is different. There’s no easy substitute or alternative for getting to know and understand the people you are dealing with.

“We try to educate clients on both sides of the equation to the sensitivities of others. Aboriginal groups need to understand that capital is very sensitive to problems. Investment money can get scared away very easily. So we look for innovative ways to attract capital. We look at how we might pool resources such as fibre, petroleum products, labour, power and transportation in order to best serve a facility or project. Having a reliable supply of resources is key to accessing capital.

“To our industrial clients, we say ‘You must communicate.’ As a lawyer, sometimes all I have to do is make the introductions. Other times, we have to create a development vehicle such as a joint venture. Most often, we address site-specific issues relating to jurisdiction, environment, regulatory problems and surface rights disturbance. It all depends on the individual situation.”

What does it take for a deal to work? Duke says the key is commitment – on both sides. “There is no substitute for hard work and imagination,” he says.

He notes that one of the biggest challenges facing industry when dealing with Aboriginal communities is to identify the appropriate contacts and decision makers. “In the past, we would single out one or two councillors plus the economic development officer – no longer, as the bar has been raised. If you speak to only a select group, you are more likely than not, missing important input and valuable feedback.”

Duke advises talking to and listening to:

• Tribal Council
• Band administrator/manager
• Chief and Council
• Legal representative
• Consultation office

Also, ensure that:

• Notices are delivered to every community office
• Attention is paid to trap lines and occupant status
• Métis issues are covered
• Culture is respected

“At the end of the day, you want an economic relationship that is both long-term and sustainable,” says Duke. “Something that’s going to raise the bar. Something that harnesses this huge untapped dynamic found in Aboriginal communities. Whoever manages to harness and access this unique talent pool, they will be the ones standing 10 years from now.”
culturally significant traditional land use data. The company provided money for equipment, seconded a consultant to help Bigstone set up a consultation office and access government funding for the project, and helped recruit a GIS analyst to train a community member to run the program. Al-Pac has a data sharing agreement with Bigstone and provides expertise when needed. However, the First Nation owns the information.

“Sometimes First Nations don’t want to include information in a database,” says Sandra Cardinal, director of Aboriginal affairs for Al-Pac. “They [Bigstone] don’t have to tell us what’s out there if they don’t want to. If it’s a burial site, they can just put a notation on a map and say harvest around this area.”

Bigstone’s GIS office could become a central source of traditional use information for other resource industries operating in the area. In addition, the Bigstone Education Authority may incorporate the traditional knowledge compiled by the system into its curriculum to help the community keep its culture alive.

ATCO Electric has assisted the Loon River First Nation in the Red Earth area of Northern Alberta with their traditional land use study by providing in-kind services. The company saved Loon River’s traditional land use project thousands of dollars in accommodation costs by providing one of its trailers in the area to personnel working on the study. Company staff also worked closely with elders on the study and rented quad vehicles to accompany researchers around the area.

ATCO is one of many companies that take a pragmatic approach to supporting traditional use studies, says David Berger, manager, Aboriginal strategy, with ATCO Electric. “It’s largely the Crown’s role as the party responsible for issuing dispositions and approvals. The Crown needs the information to assess how it can accommodate treaty and Aboriginal rights. Industry, in turn, would be guided by the Crown’s collaborative land use planning efforts and our discussions with Aboriginal communities about project-specific impacts and economic opportunities.”

The Foothills Model Forest (FMF), a not-for-profit partnership of First Nations, industry, local communities and federal and provincial resource management agencies in west-central Alberta, is sponsoring a unique collaborative approach to collecting and storing traditional knowledge planning, implementation and using the resulting information. Alberta Aboriginal Affairs and Northern Development, Alberta Energy, and Western Economic Diversification Canada published a best practices handbook that can guide companies and other parties interested in undertaking traditional use studies in Alberta. The best practices are based on interviews with people, communities and organizations in Alberta that have been involved in traditional use studies. The handbook applies to all industries active on Crown or reserve lands in Alberta. The Best Practices Handbook for Traditional Use Studies is available free from Alberta Aboriginal Affairs and Northern Development at www.aand.gov.ab.ca.

**WHAT IS A TRADITIONAL LAND USE STUDY?**
A traditional land use study is a project aimed at capturing and recording patterns of traditional use—such as hunting, fishing, trapping, burial, and gathering of medicinal plants—by Aboriginal communities. A traditional use study collects data primarily through:

- Interviews and discussions with elders and other custodians of knowledge
- Historical and other types of research
- Mapping and recording of traditional uses, including sites and activities

Although traditional use studies are specific to each community, there are similarities in terms of
that can be applied to sustainable land use practices. The project is a traditional culture study involving five of the 17 Aboriginal communities in Alberta and British Columbia with interests in the Foothills Model Forest.

Each community is recording the traditional knowledge of its elders and others with cultural information. All traditional land use sites, including burial sites, sacred sites, home sites, and animal habitats will be mapped and protected in a GIS database. By sharing resources, the communities have the advantage of using state-of-the-art data systems they might not be able to afford on their own. A repository of cultural data will be maintained on the FMF GIS database and used to refer prospective surface land users to the appropriate Aboriginal community for consultation and direction.

The first five communities are scheduled to have their data in the repository by summer 2007. Partners and sponsors in the project include West Fraser Mills Ltd., Petro-Canada Ltd., Talisman Energy, Foothills Ojibway Society, Aseniwuche Winewak Nation, Nakcowinewak Nation, Alexis Nakota Sioux First Nation, Sunchild First Nation, Alberta Sustainable Resource Development, Alberta Aboriginal Affairs and Northern Development, Jasper National Park, and Canadian Forest Service.

The Prince Albert Model Forest (PAMF) is a similar partnership operating in central Saskatchewan including four First Nations and Aboriginal organizations. The PAMF partners work together to carry out integrated programs in land use planning and First Nations business opportunities while maintaining a sustainable forest ecosystem. Four out of 12 members of the PAMF board are Aboriginal representatives. The program provides opportunities for Aboriginal communities to participate in sustainable forest management decision-making and is seen as a very successful effort at relationship building.

Direct participation of Aboriginal partners provides unique knowledge of the forest ecosystem that allows both traditional and contemporary experience to shape management practices. For example, the partners collaborated on a project to bring back elk to the Wapus Lake area, where an epidemic severely affected the elk population in the 1940s and an increase in timber harvesting opened the area to predators in the 1960s. The project draws on the traditional knowledge of the Montreal Lake Cree elders as well as modern science. Projects that specifically address the needs of Aboriginal communities include documenting traditional ecological knowledge, launching non-timber forest product ventures, and developing Aboriginal forest management plans.

In 2000, the PAMF developed an integrated land use plan that was adopted by all levels of Aboriginal and non-Aboriginal government—a first in Canada. A major priority of the PAMF is the transfer of technology between the model forest and other forest managers.
Partners include Weyerhaeuser, Montreal Lake Cree Nation, Lac La Ronge Indian Band, Federation of Saskatchewan Indian Nations, Prince Albert Grand Council, the Canadian Forest Service, Parks Canada, Canadian Institute of Forestry, Resort Village of Candle Lake, Saskatchewan Environment, Saskatchewan Forest Centre, and the Saskatchewan Research Council.

**Resource stewardship success factors**

The ACR project identified a number of factors that contribute to the success of resource stewardship programs. The following may be useful to companies interested in developing or improving their programs by learning from the experiences of others.

**It is important for a company to confirm the extent to which the appropriate government – provincial or federal – has addressed the First Nations’ concerns regarding treaty rights and whether there has been satisfactory resolution of the issues and concerns.** Companies need to know which issues they will have to address and resolve with First Nations as well as the process for their resolution.

**Early engagement, even before a decision is made on whether a project will proceed, is important to building trust, communication and a solid relationship with the Aboriginal community.** If the community has some understanding of the business of the company, the nature of the project, potential impacts on the community and potential opportunities, this can help to establish a basis for cooperation and reduce or eliminate possible objections to the project and costly interventions in the regulatory processes.

**Develop an effective consultation process with Aboriginal communities as a means to maximize opportunities and mitigate risk.** While industry does not share in the legal duty to consult, a company has much to gain by establishing a positive, cooperative relationship with affected Aboriginal communities and by collaborating to optimize economic benefits for all parties.

**Encourage Aboriginal communities to take a leadership role in initiating traditional use studies.** These studies provide important information that helps industry plan operations and avoid or mitigate impacts associated with access to and development on traditional lands.

**Encourage involvement of Aboriginal communities as partners in integrated resource management processes, and ecological, and fish and wildlife management studies.** Such involvement can provide unique knowledge to support management practices and is a very effective way to build capacity and constructive relationships.

**Ensure that priorities for both Aboriginal communities and industry are identified and addressed through meaningful consultation processes.** Formal structures can be used to provide a focal point for action and, where possible, joint decision-making. In other cases, industry groups have collaborated with each other and with local Aboriginal communities to promote opportunities for people in the region. Do not assume that things you value are necessarily valuable to the community.

**Community consultation must be carried out in a culturally appropriate manner.** Protocol is important to building respect and trust. Participatory methods should be used from the very start of the engagement process. Methods can include interviews, consultation programs and community meetings.
8. LOOKING AHEAD
8. LOOKING AHEAD

The extensive survey of ACR members and follow-up interviews with ACR members and other organizations with Aboriginal programs provide a significant body of research and a valuable picture of current Aboriginal programs and practices in Alberta and Western Canada.

The main objective of the Aboriginal Programs Project was to determine successful approaches to Aboriginal programs and practices. It is clear from the experiences related in this book that there is no one best approach. But there are general principles that come through loud and clear from project participants. They include:

**Build relationships.** Good relationships are at the heart of all successful programs. Start the relationship before you need something and continue it even when nothing specific is required.

**Early, continuous engagement is key.** The earlier, the better. Consultation should be initiated early in the planning stage of an activity. Affected Aboriginal groups must be given an opportunity for participation. Maintain contact throughout the “peaks and valleys” of business.

**Develop trust.** Understand protocol, respect elders and traditional culture, get community involvement at all levels.

**Communicate, communicate, communicate.** Be open. Engage in frequent, timely, and honest communications.

**Develop win-win solutions.** Manage expectations, don’t promise more than a project can deliver, follow through on agreements, and be consistent.

**Any program/strategy must be unique to each community.** Programs should be tailored to meet community priorities, following appropriate dialogue with the community.

**Be patient.** Start with small steps. Move forward depending on the Aboriginal community’s receptiveness and capacity for engagement. Be prepared to make changes as the program progresses.

**If the program fails, re-evaluate.** A different approach may be the answer.

**Get corporate commitment at the highest level.** If the company is not 100-per-cent committed to an Aboriginal strategy, don’t start.

**A program/policy alone is not sufficient.** Have individuals designated with responsibility. Define objectives and key deliverables. Support each program or strategy with an action plan. Make resources available to ensure ongoing support.

**Send in someone who can make the deal.** Make sure your designated contacts have sufficient authority to make decisions.

**Make sure you receive continuous feedback from the community.** It’s important to keep your ear to the ground and respond to community suggestions about programs and initiatives.

“There are hundreds of different strategies, and no magic bullet,” says Roger Thomas, president and CEO of Nexen Inc.’s Canadian oil and gas division. “There are a thousand little things that will add up to significant progress.

“If we don’t take these small steps, it’s going to cost all of us dearly. Industry will lose because projects will take much longer to complete. Governments will lose in time and money spent in the courts. And Aboriginal people will lose because there will be no way to improve their situation economically. Why play a lose-lose-lose game? The pie is big enough for all of us, and we need everybody to participate.”
“It starts with face-to-face dialogue, and takes time and commitment on all sides. There's no free pass for anyone. We all have to roll up our sleeves and work on this.”

### Challenges going forward

While the resource industry has made promising strides in establishing constructive relations with Aboriginal communities, a number of challenges remain in moving forward.

In order for programs to succeed, communities must share responsibility and accountability for their success. Many Aboriginal communities have recognized this and are very active in increasing their capacity, often without industry participation. They would like to experience success and welcome information on industry’s labour requirements. Industry support in addressing barriers is a way to engage and build relationships with Aboriginal communities. Governments also have a role to play in helping ensure that Aboriginal communities have the capacity to share in the opportunities that flow from resource development.

The situation concerning consultation is evolving as the courts gradually define legal roles and responsibilities. Companies need to keep abreast of these changes. Consultation makes for sound risk management, even if not required by law.

There are a number of issues that make it difficult to achieve success with Aboriginal relationship initiatives. These include low levels of education and pre-employment training, wellness issues, and general lack of business and management skills in Aboriginal communities. There are also logistical challenges such as long commuting distances between Aboriginal communities and work sites, and lack of cars and drivers’ licences among community residents.

An emerging trend is the increase in the number of programs related to the health and wellness of Aboriginal communities, and environmental monitoring on traditional lands. In 2005, seven templates dealing with these issues were added to the ACR database. These include programs that train wellness workers and addictions counsellors by incorporating Aboriginal values and beliefs, initiatives that address drug addiction in the workplace, courses that refresh basic academic skills, and monitoring programs for air quality and aquatic environments.

A number of companies have set up programs to boost Aboriginal employment to reflect local demographics only to find few candidates taking up the opportunities offered. Ainsworth, a Canadian forest products company, piloted a job shadowing/job mentoring program in the Grande Prairie region in 2002. Candidates would be referred by First Nations and screened by Ainsworth before going into the mill for six to eight weeks to experience various shifts and jobs in the mill environment. They would then be guaranteed places on the mill’s “spare board” to fill in for absent employees – the entry point to the mill for any non-technical job candidate.

After three years the company had no uptake on the program, says Tim Ryan, Ainsworth’s vice president for Alberta, Ontario and Minnesota. “Obviously, we are interested in increasing the demographic makeup of our workforce to reflect as best as possible the demographics of that region,” Ryan says of the reasons behind the program. “But we haven’t had any parties take any interest in that. We’ve had no uptake.”
The main reason is that the two First Nations communities in the area are both well over an hour’s commuting distance from the mill, Ryan explains. “That’s a pretty hard commute day-in, day-out, for all seasons. So one of the issues is where these people live.”

Basic literacy is another challenge in Aboriginal communities. “Many times they haven’t completed their high school education,” Ryan says. “If an individual can’t read, then they’re a danger in our facilities. They’ve got to be able to read standard operating procedures. They’ve got to be able to read warnings and other safety information.

“That’s one of the challenges we’re going to have going forward. We’ve got to address the high school equivalency today and not when the individual applies for the job. It won’t matter what program we’ve got out there, we’ve got to get the individual to a point where they are a candidate – and some can’t even be a candidate yet.”

The next step would be to offer or encourage or cooperate in the delivery of a high school equivalency program, Ryan adds. “I think that’s important. But I also think that’s more a message for the community – for them to deliver through their programs and resources. We need to make sure those communities understand – you’ve got to be able to have a cognitive ability to read and communicate because that’s what’s necessary today. Otherwise we can’t put you in jobs because we put ourselves in jeopardy.”

Initiative for change needs to come from the community, says Tom Hunter, manager for Aboriginal partnerships, Nexen Inc. “These things have to stem from the community. Any kind of capacity building that’s initiated from the outside is not sustainable. If the community doesn’t have a fundamental value for education, implementing an education program is not going to be successful. We, in industry, can help remove barriers, but the community builds its own capacity.”

Overcoming these challenges requires a sustained effort by industry and Aboriginal communities. Government also has a role to play, says Doug Willy, a consultant on Aboriginal issues to the resource industry. “Government has a super role in it. They’re making billions off resource development. They have to pay more attention to local community needs – problems with drugs and alcohol – we can’t do anything about that. I don’t know if social engineering is the responsibility of industry. Government has to step up there big time.”

On industry’s side, more work needs to be done on establishing a corporate culture where Aboriginal employees feel comfortable. “Our biggest challenge is not just on the recruitment side, but on the retention side,” says David Berger, manager for Aboriginal strategy with ATCO Electric. “You don’t want to bring a person into an unfriendly workplace. We have to do what we can to create conditions that work for a new employee and the company.”

Nexen’s Hunter agrees. “If you don’t prepare the workplace, you’re not going to be successful. You may be successful in the short term, but these people will leave if they don’t feel they’re welcome.”
**Collaboration: A winning strategy**

When the Aboriginal Programs Project was initiated, ACR members saw the benefit of sharing their experiences in Aboriginal programs and practices. There has been a tendency to view this area as part of a company’s competitive advantage. However, there is a growing recognition that inappropriate practices and unsuccessful relationships by individual companies can affect the image and reputation of an entire industry. At the same time, the importance of building positive relationships with Aboriginal communities continues to grow in response to a number of issues such as access to resources on Crown lands, the need for a skilled local workforce, and the lack of clarity on consultation requirements in regulatory processes.

Many people in the industry believe the time is right for more collaboration on Aboriginal programs. A collaborative approach would make it easier for Aboriginal communities to deal with industry, says John Young, manager of Aboriginal affairs for Petro-Canada.

“We’ve got situations where five companies are out in these communities and we’re all talking about the same thing, but in a different way,” he says. “This is a mistake. You end up with so many conflicting messages that it reduces it to the lowest common denominator. I think the more companies are prepared to share, the easier it will be for the communities.

“People are missing out when they try to hold their cards too close to their chest. I understand what competitive advantage means – when I can drill and find gas and you can’t – that’s what makes us more profitable. But I don’t think the same kind of competitiveness needs to apply to relationships where different companies are all working in the same area. For people in these Aboriginal communities where the industrial activity is taking place, the mixed messages coming from different companies must be astounding and quite frustrating.”

Collaboration would also help with the implementation of many programs, says Bob Winship, forest resources manager, Weyerhaeuser Alberta. “If you take all the challenges to get a new Aboriginal goods and services business going – and how difficult it is for one company to make that work – it’s going to be a lot less difficult if companies that normally compete with each other, or at least operate in the same community or region, get together and in a coordinated way make the business go. Thereby you share the risk, you share the load in developing and maintaining an Aboriginal business. And the business itself has a better chance of being successful.”

Ainsworth’s Ryan sees opportunities to collaborate on other issues such as literacy and accommodation. He points to an initiative by Footner Forest Products Ltd., an Ainsworth joint venture in High Level, as an example. “A high school literacy program can get quite expensive and we don’t feel it’s our responsibility to be footing the majority of that bill. So Footner will be pursuing First Nations and both levels of senior government as to how these programs can be developed so that we can ensure we’ve got literate employees.” He points out that the graduates of such a program would be a benefit to all industries in the area.

As for accommodation, “one of the things we may have to consider down the road in communities like Grande Prairie and High Level – where a majority of the First Nations communities are quite far from [operations] – is there’s got to be some accommodation built or established for those individuals. But obviously our biggest concern is who would manage and run those facilities.”
Again, three-way and cross-industry collaboration could be a solution. “In the case of High Level, I think there’s an opportunity for a number of companies to come together because these types of programs should cross sector boundaries and corporate boundaries and companies could all take a share in it. But I think more importantly, governments also. Government wants us to engage First Nations and one of the challenges for First Nations is their proximity to where the work is.”

Aboriginal relations is a rapidly changing area that is being shaped by many influences both within and external to the Aboriginal community. The Aboriginal population has a much younger age structure and is closing the gap in education, income and workforce participation relative to the non-Aboriginal population. At the same time, Aboriginal people have become more assertive in pressing for their rights and wanting full participation in economic development.

“Aboriginal people have come a long distance in the last 20 years, and can go much further yet,” says Jim Carter, president and chief operating officer of Syncrude Canada Ltd. “So much has already been accomplished. Morale among Aboriginal people is improving. People are successful – they are accomplishing things. The next 20 years are going to be exciting.”

This kind of optimism is reflected throughout the resource industry. There’s a growing recognition that companies can play a vital role in becoming a catalyst for responsible change. Sharing the details about successful corporate Aboriginal programs is part of this effort. But this is just a first step. Going forward, the participation of Aboriginal groups, government and other stakeholders will add even more value to this collaboration.

The goal is to reach a point in time when recruitment and business practices can be normalized – in other words, special Aboriginal programs will no longer be needed as Aboriginal communities and businesses will have the capacity to compete successfully with their non-Aboriginal counterparts. The success of Aboriginal programs and practices will be measured by the progress of industry and Aboriginal communities in ultimately reaching this goal.

The Alberta Chamber of Resources looks forward to continuing its work in promoting positive relationships between industry and Aboriginal communities, organizations and businesses.
APPENDIX A
ABORIGINAL POPULATION IN ALBERTA
ABORIGINAL POPULATION IN ALBERTA

During the Aboriginal Programs Project survey, a number of ACR members asked for more information and clarification on “who are Aboriginal peoples?” This section was developed as a response to this question and provides an overview of the Aboriginal population in Alberta and a summary of key demographic trends. It is intended to provide useful information that helps ACR members put Aboriginal programs and practices into a wider context with regard to how the Aboriginal population is changing and the implications for developing successful programs.

All demographic data in this publication are derived from Statistics Canada, Indian and Northern Affairs Canada and Alberta Aboriginal Affairs and Northern Development.

A brief historical perspective

Aboriginal people are the descendants of the first people to settle on the western plains. Archaeologists believe that the first people came to America from Asia some 20,000 to 30,000 years ago, likely crossing a land bridge that once existed between Asia and Alaska. When the first European traders arrived in what is now Alberta, they met many different First Nations with distinct languages, beliefs, artistic traditions, histories, and alliances. Each First Nation had developed its own way of life and distinctive culture based on the specific natural characteristics of its home territory.

It is believed that the First Nations settled the plains about 8,000 years ago. They sustained themselves by hunting, primarily buffalo, and gathering. Later, these First Nations – including the Blackfoot, Blood, Peigan, Plains Cree, Assiniboine and Sarcee – tamed horses and hunted buffalo with rifles they obtained through trade with European explorers and fur buyers.

In central Alberta, other groups such as the Woodland Cree and some Assiniboine/Stoney hunted and collected food in the parkland areas in summer before moving north and west into the foothills and boreal forest to winter. They hunted buffalo but were more involved in fishing and trapping to support their way of life. In northern Alberta, many of the Athapaskan-speaking peoples, such as the Chipewyan/Dene, followed a different approach. Many hunted the caribou that move between the boreal forest in winter and the barrens in summer. Most Athapaskan groups also developed sophisticated techniques for fishing and hunting wild fowl.

During the 19th century, European fur traders married Native women. The result was the creation of a new people unique to Canada’s plains. The children of these marriages are called Métis (meaning “mixed blood”) and they followed a way of life that was similar to that of First Nations.

Over the centuries, Aboriginal peoples have acquired knowledge and developed a way of life adapted to their specific environment. This has been expressed through traditional knowledge and beliefs which have been passed down from generation to generation. While traditional knowledge remains an important aspect of Aboriginal culture today, many Aboriginal people are also successfully engaged in mainstream economic activities and occupations.

Aboriginal population in Canada

The term “Aboriginal people” refers to the descendants of the original inhabitants of North America as defined in the Constitution Act of 1982, Section 35(2): “In this Act, the ‘Aboriginal people of Canada’ includes the Indian, Inuit, and Métis peoples of Canada.” Just over 1.3 million
people living in Canada in 2001 reported having at least some Aboriginal ancestry. This represents 4.4 per cent of the total population of Canada. In 1996, people who reported Aboriginal ancestry represented 3.8 per cent of the total population.

Using new data from the 2001 census, Statistics Canada (Aboriginal Peoples of Canada: A Demographic Profile) has highlighted several interesting trends. From 1901 to 2001, the population of Aboriginal ancestry increased tenfold, while the total population of Canada rose by a factor of only six. However, the growth rate was very different in the first half of the 20th century compared with the second half. During the first 50 years, the Aboriginal population grew only 29 per cent, whereas the total population far more than doubled (161 per cent). This relatively slow rate of growth among the Aboriginal population occurred because high mortality rates more than offset high birth rates.

On the other hand, between 1951 and 2001, the Aboriginal ancestry population grew sevenfold, while the Canadian population as a whole only doubled. A major factor in this trend was the rapid decline in the infant death rate, mainly as a result of improved access to health services. The other factors included fewer incompletely enumerated reserves and an increased tendency of people to identify as Aboriginal.

**Key demographic trends in Canada**

Aboriginal peoples represent a significant and growing segment of the population in Canada and Alberta. Projected demographic changes make increased Aboriginal participation in the workforce important for society. While some of the barriers to Aboriginal workforce participation have lessened, other barriers to Aboriginal employment still remain. These barriers include skills and training, culture, communication and negative stereotypes.

**Based on an analysis of the Census 2001 Aboriginal data, a number of important trends have been identified in Aboriginal demographics, education and labour force participation rates. These trends represent:**

1. The census shows a dramatic increase of 43 per cent in the growth of the Métis population between 1996 and 2001. This is attributed to a combination of higher birth rates and greater awareness among Métis people related to their status.

2. The age distribution of the Aboriginal population shows that one-third are under the age of 15 and will be entering the labour force during the next 10 years – at a time when Canada expects a skilled labour force shortage.

3. As educational attainment increases, the gaps between the Aboriginal and non-Aboriginal populations become smaller, i.e., Aboriginal labour force participation, employment and unemployment rates become more like those of the non-Aboriginal population. Educational attainment is increasing among all segments of the Aboriginal population.

4. There are many differences between segments of the Aboriginal population. In general, the Registered Indian and Inuit populations have lower levels of educational attainment than the Métis and Non-Status Indian populations. This tends to extend to other characteristics such as employment and income levels.

5. There is still a gap in the percentage of Aboriginal youth graduating from high school compared to the Canadian average. Sixty-one per cent of the population aged 25 to 64 reporting Aboriginal identity had completed at least high school in 2001 compared to 77 per cent for the non-Aboriginal population. By comparison, for the First Nations population
living on-reserve, only 41 per cent had a high school graduation certificate (INAC Education Programs Report, 2003).

6. Between the 1996 and 2001 censuses, there was an increase of 63 per cent in the number of Aboriginal people graduating from university and a 46 per cent increase in the number graduating from college.

7. The employment situation on-reserve has actually worsened. Between 1996 and 2001, employment declined from 74 per cent to 70 per cent. There is also the possibility that the data don’t give a clear indication of the true unemployment rate on-reserve partly because of the seasonal nature of some employment on-reserve.

8. Twenty-four per cent of Aboriginal individuals reported that they had enough knowledge of an Aboriginal language to carry on a conversation. This was down from 29 per cent in 1996.

**Size and composition of the Aboriginal population in Alberta**

Alberta’s Aboriginal population based on those reporting Aboriginal ancestry was 199,015 (2001 Census), which represented 6.7 per cent of the total Alberta population. This consisted of North American Indians (84,990), Métis (66,060), Inuit (1,090), Aboriginal not specified (4,080), and people who reported Aboriginal ancestry but did not self-identify as Aboriginal in the 2001 census (42,795).

**Aboriginal Population in Alberta - 2001**

Total 199,015 (Reporting Aboriginal Ancestry)

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Percentage</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>North American Indians On-Reserve</td>
<td>19%</td>
<td>38,245</td>
</tr>
<tr>
<td>North American Indians Off-Reserve</td>
<td>23%</td>
<td>46,745</td>
</tr>
<tr>
<td>Métis 1</td>
<td>33%</td>
<td>66,060</td>
</tr>
<tr>
<td>Inuit 2</td>
<td>1%</td>
<td>1,090</td>
</tr>
<tr>
<td>Reconciliation between Ancestry and Identity 4</td>
<td>22%</td>
<td>42,795</td>
</tr>
<tr>
<td>Aboriginal Not Specified 3</td>
<td>2%</td>
<td>4,080</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, 2001 census data (except where identified below)

1 On-Reserve and Off-Reserve categories for North American Indians are based on a percentage allocation derived from the 2001 census using ethnic identity data (55 per cent Off-Reserve and 45 per cent On-Reserve). By comparison, INAC Indian Registry System (IRS) data (2004) show 38 per cent identify as Off-Reserve and 62 per cent as On-Reserve.

2 Inuit. There are no Inuit communities in Alberta, but 1,090 Inuit report living in the province, largely as a result of migration from the North.

3 Aboriginal Not Specified are people who self-identified as Aboriginal but did not indicate whether they are North American Indian, Métis, or Inuit.

4 Alberta’s Aboriginal population reported by Ancestry was 199,015 in the 2001 census. Not everyone who reported having Aboriginal ancestry identified himself or herself as an Aboriginal person. Those people who self-identified as Aboriginal totaled 156,220 in the 2001 census.
The following map summarizes the percentage of Aboriginal population by census division in Western Canada.

**Percentage of Aboriginal Population by Census Division, 2001**

![Map showing percentage of Aboriginal population by census division.]

Source: Natural Resources Canada – The Atlas of Canada

**Key demographic trends in Alberta**

While the demographic trends for Canada generally apply to Alberta, the following are some key statistical indicators specific to Alberta. All data is from Statistics Canada (2001 Census) and Alberta Aboriginal Affairs and Northern Development (Alberta’s Aboriginal Population: Socio-Demographic Characteristics, 2001).

- The Aboriginal population in Alberta is significantly younger than the non-Aboriginal population. Approximately 44.3 per cent of the Aboriginal population is under 19 years of age compared to 27.5 per cent for non-Aboriginal people. The median age for the Aboriginal population was 23.4 years in 2001, while that of the non-Aboriginal population was 35.4 years (median age is the point where exactly one-half of the population is older, and one-half is younger).

- The Aboriginal labour force participation rate and employment rate are significantly lower than the rates for non-Aboriginal Albertans. The Aboriginal participation rate was 74.4 per cent for males and 62.4 per cent for females, compared to non-Aboriginal rates of 79.9 per cent and 66.8 per cent, respectively. The employment rate is 59.5 per cent compared to the non-Aboriginal rate of 69.9 per cent.
• Aboriginal peoples’ incomes are well below the Alberta average. Aboriginal average annual income is $26,490 for males and $16,780 for females. For the non-Aboriginal population, average annual incomes are $41,071 for males and $22,814 for females.

• While the proportion of overall income from employment is about the same for Aboriginal and non-Aboriginal people in Alberta, government transfers represent a higher portion of total Aboriginal income. Aboriginal income composition is from employment (82 per cent), government transfer payments (14 per cent) and other (4 per cent). This compares to non-Aboriginal Albertans with income from employment (81 per cent), government transfer payments (9 per cent) and other (10 per cent).

• Education levels for certain segments of the Aboriginal population are below the Alberta average: 56.1 per cent of Aboriginal people over 15 years of age have completed high school compared to 70.3 per cent of non-Aboriginal Albertans; 27.6 per cent of Aboriginal people have a post-secondary degree or certificate, compared to the non-Aboriginal rate of 40.5 per cent. There is likely to be a wide range of variation across Aboriginal communities in Alberta based on national level data which shows only 41 per cent of the Aboriginal on-reserve population in Canada having completed high school.

**Treaty areas and First Nations in Alberta**

First Nations, which is a term preferred by many Aboriginal people and the Assembly of First Nations, refers to the various governments of the first people of Canada. Its usage has increased since it emerged in the 1970s and is generally preferred to terms such as Indians, Tribes, and Bands. First Nations were first able to vote in Canada in 1960. There are over 600 First Nations in Canada, with 44 First Nations and 123 reserves in Alberta. There is approximately 700,537 hectares of reserve land in Alberta.

Alberta is included in three populated Treaty Areas covered by Treaties 6, 7 and 8. Treaties 4 and 10 have some Alberta land but are not populated. Treaties are legal documents between the Crown and a First Nation that confer rights and obligations on both parties. No two treaties are identical. Because of the legal, historic and sacred elements of the treaties, First Nations consider these documents to be the essential factor in any relationship between the Government of Alberta and First Nations people, leaders, governments and organizations.

The First Nations population in Alberta grew from 76,419 in 1996 to 94,422 in 2004 according to the INAC Indian Registry System (IRS). Of this total, 39 per cent (36,325) are registered in Treaty 6, 26 per cent (24,663) in Treaty 7 and 35% (32,700) in Treaty 8. There were 734 individuals not assigned to a specific treaty area.

See pages 91 and 92 for a legend and map showing the Treaty Areas in Alberta and the constituent First Nations.
### Legend of Treaty Areas and First Nations in Alberta

**Treaty 8**

1. Athabasca Chipewyan First Nation
2. Beaver First Nation
3. Bigstone Cree First Nation
4. Chipewyan Prairie First Nation
5. Dene Tha’ First Nation
6. Driftpile First Nation
7. Duncan’s First Nation
8. Fort McKay First Nation
9. Fort McMurray First Nation
10. Horse Lake First Nation
11. Kapawe’no First Nation
12. Little Red River Cree Nation
13. Loon River Cree Nation
14. Lubicon Lake Indian Nation (no reserve)
15. Mikisew Cree First Nation
16. Sawridge Band
17. Smith’s Landing First Nation
18. Sturgeon Lake Cree Nation
19. Sucker Creek First Nation
20. Swan River First Nation
21. Tallcree First Nation
22. Whitefish Lake First Nation (Atikameg)
23. Woodland Cree First Nation

**Treaty 6**

24. Alexander First Nation
25. Alexis Nakota Sioux First Nation
26. Beaver Lake Cree Nation
27. Cold Lake First Nations
28. Enoch Cree Nation
29. Ermineskin Cree Nation
30. Frog Lake First Nation
31. Heart Lake First Nation
32. Keewatin Cree Nation
33. Louis Bull Tribe
34. Montana First Nation
35. O’Chiese First Nation
36. Paul First Nation
37. Saddle Lake First Nation
38. Samson Cree Nation
39. Sunchild First Nation
40. Blood Tribe
41. Piikani Nation
42. Siksika Nation
43. Stoney Tribe
44. Tsuu T’ina Nation

1 The Saddle Lake First Nation and Whitefish Lake (Goodfish) First Nation are administered separately but are considered one band under the Indian Act.

Source: Adapted from First Nations in Alberta, Indian Affairs and Northern Development Canada - Alberta Region | July 2000. QS-A011-000-EE-A3.
Treaty Areas and First Nations in Alberta

Source: Adapted from First Nations in Alberta, Indian Affairs and Northern Development Canada – Alberta Region July 2000, QS-A011-000-EE-A3.
Métis population in Alberta

Métis, a French word meaning “mixed blood”, usually refers to the people of mixed Indian-European ancestry who emerged during the days of the fur trade. The Métis are recognized as Aboriginal people in the Constitution Act, 1982. Métis history and culture draw on diverse ancestral origins such as Scottish, Irish, French, Ojibway and Cree.

The largest Métis population, 66,060 (2001 census), lives in Alberta and accounts for almost 23 per cent of Canada’s total Métis population. There are eight distinct Métis Settlements in Alberta, covering 1.25 million acres, which were established in the 1930s. Under 1990 legislation, the Settlements were established as corporate entities, similar to municipal corporations with broad self-governing powers. The Settlements are governed locally by elected five-member councils and collectively by the Métis Settlements General Council. About 12 per cent of Métis live in these settlements.

The Métis Nation of Alberta Association (MNAA) represents all other Métis people in the province. The MNAA’s Provincial Council consists of an elected provincial president and vice president and elected representatives from each of six zones across Alberta. There are approximately 65 MNAA locals. See page 94 for a map showing the Alberta Métis Settlements and Regional Zones.

Royal Commission on Aboriginal Peoples (1996)

There has been a substantial volume of research, public consultation and discussion over the years on the direction of Aboriginal communities and culture, and their relationship to mainstream Canadian society. Aboriginal people want to preserve their values, traditions and culture while at the same time becoming full participants in the economic, social and political life of Canada.

The Royal Commission on Aboriginal Peoples (1996) examined in detail the reality of societal and cultural differences. There were two differences in particular that stand out and help to explain why effective Aboriginal programs are often difficult to achieve.

The community and the collective play a very large role in the Aboriginal individual’s sense of identity. He or she is unlikely to be comfortable with the individualism that many Euro-Canadians take pride in. If an Aboriginal person’s culture is demeaned, if their history is dismissed, if their community is dysfunctional, they will find their sense of identity eroded and their capacity to function effectively impaired. Attempts to deprive Aboriginal peoples of their communal strength have been a consistent theme throughout Canada’s history.

Aboriginal approaches to governance and conflict resolution depart in many ways from the practices of mainstream society. Involvement of the family and the clan are necessary for a sense of legitimacy. Clans are often excluded from a role in decision-making in a system of representation where the first past the post assumes all authority. This often results in dispute and dysfunction.

Notwithstanding the issues that remain, there has been substantial progress achieved over the last 20 years by Aboriginal peoples in Alberta and Canada. Major gains have occurred in the areas of educational achievement levels, labour force participation and employment rates, life expectancy, and business formation rates. While Aboriginal rates in most cases are still below those of non-Aboriginal people, the gap is narrowing. The Aboriginal population is also much younger than the non-Aboriginal population, and this has important implications for the future labour force. More needs to be done, but there are reasons for optimism.
Alberta Métis Settlements
APPENDIX B

SUMMARY OF ABORIGINAL PROGRAM TEMPLATES
SUMMARY OF ABORIGINAL PROGRAM TEMPLATES

The following is a summary list of Aboriginal programs in the resource industries that can be found in the ACR Aboriginal Programs Project database. For a complete description of each program, please go to the ACR website at www.acr-alberta.com and click on Aboriginal Project on the menu bar.

1.0 CORPORATE POLICY

1.1 Building Commitment to Corporate Aboriginal Policies

1.1.1 Aboriginal and Community Relations Process
   Sponsor: Ledcor Industrial Limited

1.1.2 Aboriginal and Local Development Program
   Sponsor: Flint Energy Services Ltd.

1.1.3 Aboriginal Cross-Cultural/Business Case Awareness Training
   Sponsor: EnCana Corporation

1.1.4 Aboriginal Relations Awareness Program
   Sponsor: AMEC Earth and Environmental Services

1.1.5 Aboriginal Relations Framework
   Sponsor: Petro-Canada Ltd.

1.1.6 Aboriginal Relations Internal Website
   Sponsor: EnCana Corporation

1.1.7 Aboriginal Relations Strategy
   Sponsor: ATCO Electric Ltd.

1.1.8 Corporate Aboriginal Guidelines
   Sponsor: EnCana Corporation

1.1.9 National Aboriginal Program
   Sponsor: Xerox Canada Ltd.

1.1.10 Policy for Building Aboriginal Relationships
   Sponsor: Weyerhaeuser Company Ltd.

1.2 Benchmarking Performance in Aboriginal Relations

1.2.1 Corporate Social Responsibility Report
   Sponsor: Conference Board of Canada

1.2.2 Criteria and Indicators Approach to Community Development
   Sponsor: Sustainable Forest Management Network

1.2.3 Progressive Aboriginal Relations (PAR) Program
   Sponsor: Canadian Council for Aboriginal Business (CCAB)

2.0 WORKFORCE DEVELOPMENT PROGRAMS

2.1 Supporting Educational Opportunities

2.1.1 Aboriginal Education Awards Program
   Sponsor: Husky Energy Inc.

2.1.2 Building Futures Scholarships
   Sponsor: Canadian Natural Resources Limited

2.1.3 Community E-learning
   Sponsors: Nexen Inc., ConocoPhillips Canada

2.1.4 Workplace Literacy and Learning Program
   Sponsor: BHP Billiton Limited

2.1.5 Youth Stay in School and Work Experience Program
   Sponsor: ConocoPhillips Canada
2.2 Supporting Employment-Related Training

2.2.1 Aboriginal Capacity Building Program: Apprenticeship Training
Sponsor: Alberta-Pacific Forest Industries Inc.

2.2.2 Aboriginal Community-based Environmental Training (ACET) Program
Sponsor: Golder Associates Ltd. /Golder Institute

2.2.3 Aboriginal Workforce Capacity Expansion Project (AWCEP)
Sponsor: Alberta-Pacific Forest Industries Inc.

2.2.4 Donation of Training Facility to Northern Lights College
Sponsor: Nabors Canada Ltd.

2.2.5 Drilling Rig Training Program
Sponsor: Western Lakota Energy Services Inc.

2.2.6 Junior Operator Training
Sponsor: ConocoPhillips Canada

2.2.7 Petroleum Employment Training (PET) Project
Sponsors: Husky Energy Inc., Canadian Natural Resources Limited, EnCana Corporation, Japan Canada Oil Sands Limited (JACOS), ConocoPhillips Canada, Shell Canada Ltd., Petro-Canada Ltd., Nexen Inc., Imperial Oil Resources Ltd.

2.2.8 Sponsorship of Technical Training Facility in Red Deer
Sponsor: Nabors Canada Ltd.

2.2.9 Trades in Motion (TIM) Trades Training
Sponsors: Devon Canada Corporation, EnCana Corporation

2.3 Supporting Recruitment, Retention and Advancement

2.3.1 Aboriginal Employment Program
Sponsor: Syncrude Canada Ltd.

2.3.2 Aboriginal Employment Targets
Sponsor: Suncor Energy Inc.

2.3.3 Campus Recruitment
Sponsor: Nexen Inc.

2.3.4 Career Access Program
Sponsors: Canadian Imperial Bank of Canada (CIBC)

2.3.5 Courage to Care
Sponsor: Suncor Energy Inc.

2.3.6 Job Shadowing/Mentoring Program
Sponsor: Ainsworth Lumber Co. Ltd.

2.3.7 Royal Eagles
Sponsor: RBC Financial Group

2.4 Programs Sponsored by Government and Non-Profit Agencies

2.4.1 Aboriginal Addictions Services Program
Sponsors: Keyano College, Nechi Institute

2.4.2 Aboriginal Entrepreneurship Program
Sponsor: Keyano College Foundation, Royal Bank Foundation

2.4.3 Aboriginal Human Resources Development Strategy (AHRDS)
Sponsor: Service Canada

2.4.4 Aboriginal Inclusion Network
Sponsor: Aboriginal Human Resource Development Council

2.4.5 Aboriginal Labour Force Survey
2.4.6 Aboriginal Workforce Program Initiative (AWPI)
Sponsor: Indian and Northern Affairs Canada, Aboriginal Affairs and Northern Development, Alberta Human Resources and Employment

2.4.7 Aboriginal Youth Career Initiative Project
Sponsor: CAREERS: The Next Generation

2.4.8 Alberta Aboriginal Apprenticeship Project (AAAP)
Sponsors: Alberta Advanced Education, Western Economic Diversification Canada, Human Resources and Skills Development Canada, Aboriginal Human Resource Development Council of Canada

2.4.9 Blueprint for the Future
Sponsor: National Aboriginal Achievement Foundation (NAAF)

2.4.10 Connecting to College and Careers (CCC) - Aboriginal Skills and Employment Partnership (ASEP) Program
Sponsor: Wood Buffalo Partners in Aboriginal Training

2.4.11 First Nations Training to Employment Partnerships Program
Sponsor: Alberta Human Resources and Employment

2.4.12 Pre-Apprentice and Aboriginal Awareness Training
Sponsor: Construction Labour Relations Association

2.4.13 Preparation for Academic and Career Education (PACE) - Aboriginal Skills and Employment Partnership (ASEP) Program
Sponsor: Wood Buffalo Partners in Aboriginal Training

2.4.14 NAAF Scholarship Program
Sponsor: National Aboriginal Achievement Foundation (NAAF)

2.4.15 Taking Pulse Programs
Sponsor: National Aboriginal Achievement Foundation (NAAF)

2.4.16 Urban Aboriginal Petroleum Land Administration Program
Sponsor: Southern Alberta Institute of Technology (SAIT)

3.0 BUSINESS DEVELOPMENT PROGRAMS

3.1 Providing Business Opportunities

3.1.1 Aboriginal Business Development
Sponsor: Suncor Energy Inc.

3.1.2 Aboriginal Business Development Policy
Sponsor: Syncrude Canada Ltd.

3.1.3 Aboriginal Business Development Success Models
Sponsor: Cameco Corporation

3.1.4 Aboriginal Contractor Database
Sponsor: EnCana Corporation

3.1.5 Business-Based Relationships with Aboriginal Communities
Sponsor: Tolko Industries Ltd.

3.1.6 Fox Creek Business Alliance
Sponsor: Hinton Wood Products – Hinton Woodlands

3.1.7 Local Opportunity Process
Sponsor: Petro-Canada Ltd.

3.1.8 Northern Preferential Supplier Program
Sponsor: Cameco Corporation

3.1.9 Supply Chain Management
Sponsor: TransAlta Corporation

3.2 Strengthening Business Capabilities

3.2.1 Drilling Rig First Nation Partnerships
Sponsor: Western Lakota Energy Services Inc.

3.2.2 Environmental Consulting Business Partnership
Sponsor: Jacques Whitford Environment Limited
3.2.3 First Nation and Native American Business Development
Sponsor: PCL Constructor’s Inc.

3.2.4 Joint Venture Wind Turbine Project
Sponsor: EPCOR Power Development Corp.

3.2.5 Northern Business Participation Policy and Program
Sponsor: Diavik Diamond Mines Ltd.

3.2.6 Purchase of Facilities by First Nations
Sponsor: TransAlta Corporation

3.2.7 Strategic Business Partnership - Shehtah Nabors LP
Sponsors: Nabors Canada Ltd. and Shehtah Drilling Limited

3.2.8 Support for Aboriginal Business Start-Ups
Sponsor: Imperial Oil Resources Ltd.

3.2.9 Support for Aboriginal Business Start-Ups: Transfer of Management and Operational Skills
Sponsor: Alberta-Pacific Forest Industries Inc.

3.2.10 Support for Business Ventures in Specific Project Areas
Sponsor: EnCana Corporation

3.2.11 Support for Community Economic Development: Economic Development Officers
Sponsor: Alberta-Pacific Forest Industries Inc.

3.2.12 Support for Independent Aboriginal Business Start-Ups
Sponsors: Gibson Energy Ltd., Japan Canada Oil Sands (JACOS)

3.3 Programs Sponsored by Government and Non-Profit Agencies

3.3.1 Aboriginal Business Canada (ABC)
Sponsor: Industry Canada

3.3.2 Aboriginal Business Development Centre
Sponsors: Western Economic Diversification Canada and Ministry of Aboriginal Relations and Reconciliation, British Columbia

3.3.3 Aboriginal Business Services Network (ABSN)
Sponsors: Western Economic Diversification Canada, Industry Canada, Alberta Economic Development

3.3.4 Access to Financing and Management Support
Sponsor: Business Development Bank of Canada

3.3.5 First Nations Economic Partnerships Initiative (FNEPI)
Sponsor: Alberta Aboriginal Affairs and Northern Development, Alberta Economic Development, Alberta Human Resources and Employment

3.3.6 INAC Economic Development Programs
Sponsor: Indian and Northern Affairs Canada (INAC)

3.3.6.1 Community Economic Opportunities Program (CEOP)

3.3.6.2 Aboriginal Contract Guarantee Instrument (ACGI)

3.3.7 NRCan, Canadian Forest Service Programs
Sponsor: Natural Resources Canada (NRCan)

4.0 COMMUNITY RELATIONS PROGRAMS

4.1 Developing Framework Agreements and Cooperation Protocols

4.1.1 Aboriginal Lands Partnering Agreement
Sponsor: Nabors Canada Ltd.
4.1.2 Agreement in Principle with First Nations  
Sponsors: Graymont Western Canada Inc. and Ts'kw'aylaxw First Nation

4.1.3 ATC/All Parties Core Agreement  
Sponsors: Athabasca Tribal Council/Industry

4.1.4 Athabasca Working Group  
Sponsor: COGEMA Resources Inc., Cameco Corporation and the Athabascan communities in Saskatchewan

4.1.5 Collaborative Partnership with First Nations  
Sponsor: Millar Western Forest Products Ltd.

4.1.6 Community Partnership Model  
Sponsor: True North Energy

4.1.7 Co-operation Protocol  
Sponsor: Petro-Canada Ltd.

4.1.8 “Good Neighbour” MOU  
Sponsors: Tolko Industries Ltd., Lesser Slave Lake Indian Regional Council (LSLIRC)

4.2 Building and Sustaining Community Relationships

4.2.1 Aboriginal Child & Family Services Certificate/Diploma Program  
Sponsor: Keyano College

4.2.2 Alberta’s Future Leaders Program  
Sponsor: Alberta Sport, Recreation Foundation

4.2.3 Community Vitality Monitoring  
Sponsor: COGEMA Resources Inc., Cameco Corporation and Government of Saskatchewan

4.2.4 Community Wellness Certificate Program  
Sponsors: Keyano College, Nechi Institute

4.2.5 Conflict Analysis, Prevention, Management and Resolution in Aboriginal Relations  
Sponsor: Royal Roads University

4.2.6 Protocol Aspects of Building Aboriginal Relations  
Sponsor: Devon Canada Corporation

4.2.7 Sustaining Communities by Improved Business Practice  
Sponsor: World Bank International Finance Corporation (IFC)

4.2.8 Sustaining Long-term Aboriginal Business Relations  
Sponsor: TransAlta Corporation

5.0 RESOURCE STEWARDSHIP PROGRAMS

5.1 Strengthening the Knowledge Base

5.1.1 Air Quality Monitoring and Reporting in the Wood Buffalo Region  
Sponsors: Wood Buffalo Environmental Association (WBEA) - 27 member organizations including 5 First Nations, Athabasca Tribal Council and Métis Local #122 (Fort McKay)

5.1.2 Best Practices Handbook for Traditional Use Studies  
Sponsors: Alberta Aboriginal Affairs and Northern Development, Alberta Energy, Western Economic Diversification Canada

5.1.3 Prince Albert Model Forest Integrated Resource Management Model  
Sponsor: Prince Albert Model Forest

5.1.4 Assessment of Health of Rivers and Lakes in the Oil Sands Region  
Sponsors: Regional Aquatic Monitoring Program (RAMP) - 26 member organizations including 5 First Nations, Athabasca Tribal Council, and Métis Locals #122 (Fort McKay) and #124 (Fort Chipewyan)

5.1.5 Traditional Cultural Study and Industry Referral Program  
Sponsors: West Fraser Mills Ltd., Foothills Model Forest
5.1.6 Traditional Land Use GIS  
Sponsor: Alberta-Pacific Forest Industries Inc.

5.2 Implementing Consultation Processes  
5.2.1 Aboriginal Early Engagement Process and the Oil Sands Market Study  
Sponsor: Enbridge Inc.

5.2.2 Aboriginal Engagement Process on Linear Projects  
Sponsor: Terasen Inc.

5.2.3 Consultation and Emergency Response Planning (ERP) for Aboriginal Residents  
Sponsor: Gecko Management Consultants (Emergency Response Planning Specialists)

5.2.4 Doing Better Business - Effective Consultation and Disclosure  
Sponsor: World Bank International Finance Corporation (IFC)

5.2.5 Legal Principles Surrounding Consultation  
Sponsor: Fraser Milner Casgrain LLP

5.2.6 Standards of Consultation  
Sponsors: Athabasca Tribal Council (ATC) / All Parties
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