

SUCCESS IN THE MAKING

Stories of partnerships between
Indigenous communities & natural resource firms

ROUNDTABLE REPORT



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CANADAWEST
FOUNDATION

NAME TO PLACE
Educational Consulting

MEDICINE ROPE
Strategies

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CANADA WEST FOUNDATION

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The Canada West Foundation focuses on the policies that shape the West, and by extension, Canada. Through our evidence-based research and commentary, we provide practical solutions to tough public policy challenges facing the West, and Canada as a whole, at home and on the global stage.

The Canada West Foundation and its partners in this co-constructed research, Name to Place Educational Consulting and Medicine Rope Strategies, are grateful for the time and contributions of the more than 70 participants in these roundtables. We hope that what we have learned from their generous participation will help others on the path to success – whatever success may be for them.

We would also like to thank the Indian Resource Council (IRC), the Mining Association of Manitoba, the Saskatoon Tribal Council, and Osler, Hoskin & Harcourt LLP for their assistance in hosting the roundtables.

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INTRODUCTION

Indigenous communities are increasingly forming alliances with natural resources firms to create economic opportunity and enhance self-sufficiency now and into the future. They are relationships that continue to evolve.

Although early industry and Indigenous partnerships often provided limited economic benefits, the approach did not represent true collaboration nor provide opportunities for meaningful improvement.

Today, the picture is changing. There is a rise in meaningful partnerships that generate success on many levels. There are numerous cases where natural resources firms and Indigenous communities have built successful partnerships where both parties' values and economic aspirations are acknowledged and aligned, and that incorporate a larger economic interest.

However, too often these stories remain untold.

The Canada West Foundation and its Indigenous partners want to highlight these stories of success. Our goal is to provide examples of success – and the many different ways to get there – in an attempt to

help others build sustainable partnerships. By better understanding a variety of reciprocal relationships between Indigenous communities and natural resource firms, we can see how a variety of factors come together to produce success.

To undertake this project, the Canada West Foundation has partnered with Name to Place, a First Nations-owned research firm that specializes in community-based research and programming design, and Medicine Rope Strategies, an Indigenous-owned consulting firm that builds engagement strategies and relationships between natural resources companies and Indigenous communities. Our approach is mindful of authenticity, culture, relationships and ethics in storytelling.

We recognize that success comes in different shapes, sizes and forms. Our intent in this project is not to prescribe or evaluate success, but to enable different groups and individuals to share their successes, in whatever forms they may arise. We want our audience to know that success cannot be confined to a checklist, and that all forms of success can and should be celebrated.

**ANTICIPATED
OUTCOMES**

We believe the results of this project will foster a deeper understanding of the complex relationships between Indigenous communities, resource companies and government decision-makers.

For *Indigenous communities*, the project will highlight some pathways that grow self-sufficiency and economic sustainability in ways that are aligned with community values.

For *resource companies*, the project will provide greater understanding of ways to build relationships and create conditions for the approval of new projects, and the achievement of objectives for ongoing projects.

For *federal and provincial governments*, the project will identify where policy actions inhibit or support the strategic outcome of achieving full participation of Indigenous individuals and communities in the economy.

For the *general public*, the project will present a more accurate picture of today's reality, by dispelling the myths of dependency and showing how Indigenous communities are increasingly self-sufficient – and how this enhances Canadian economic prosperity.

**THIS PROJECT
IN THE CONTEXT
OF RECONCILIATION**

As part of Canada's reconciliation objectives, the federal government has set out a number of principles respecting Canada's relationship with Indigenous peoples.¹ These principles recognize Indigenous peoples as key decision-makers, and set out commitments to transform how federal laws, policies and operational practices respect the constitutional commitments made to Indigenous peoples.

The project – and the concept of economic reconciliation – also support the recommendations of the Truth and Reconciliation Committee (TRC). Section 92 (ii) of the TRC's findings calls for businesses and the corporate sector to "Ensure that Aboriginal people have equitable access to jobs, training and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects."²

In telling these stories, our goal is to enhance the understanding of Indigenous communities, corporations, and government decision-makers about how successful partnerships have been forged between Indigenous communities and natural resource firms in Western Canada.

"To build success, you need passion. For the business, for your community, for your people."

"There is no one size fits all."

"There is a need to recognize the value of culture and relationship with land."

¹ Government of Canada, 2017. *Principles respecting the Government of Canada's relationship with Indigenous peoples*. Available at: <http://www.justice.gc.ca/eng/csj-sjc/principles-principes.html>

² Truth and Reconciliation Commission of Canada. 2015. *Truth and Reconciliation Commission of Canada: Calls to Action*. Available at: http://www.trc.ca/websites/trcinstitution/File/2015/Findings/Calls_to_Action_English2.pdf

ABOUT THIS PROJECT

This report is part of a larger project that the Canada West Foundation launched in 2017, called *Success in the Making: Stories of partnerships between Indigenous communities and natural resource firms.*

The *Success in the Making* project examines four related research questions:

01

How do natural resource firms and Indigenous communities define successful partnerships?

02

What issues need to be addressed to develop successful economic partnerships?

03

How have these issues been resolved in a number of cases across Western Canada?

04

What knowledge, skills and understandings (that is, “competencies” – see explanation below) are required by all partners to develop authentic and mutually beneficial relationships and how can they be developed?

What are “competencies?”

We all have competencies: competencies are things that people know how to do. While some of these come from formal education programs (for example, technical training in the trades) others come from informal training or our own life experience – such as organizational skills, interpersonal skills, or land-based knowledge.

Competencies are *not* about being told you are competent or incompetent.

Understanding competencies means understanding the skills and knowledge held by an individual or a community and that can be used for a variety of purposes. This is important, because successful partnerships need a wide mix of skills and competencies. In this project we ask what people and communities needed to know or to be able to do that helped them create success – and how they learned it.



ROUNDTABLES

This report, the first released as part of the larger project, summarizes the findings of several roundtables held in Western Canada. Roundtables are an effective way to bring people together to share experiences and ideas, and to discover commonalities that create rich dialogue. We convened four roundtables³ with senior Indigenous leaders and industry leaders, in Edmonton, Calgary, Saskatoon, and Winnipeg. Altogether, the roundtables engaged more than 70 people.

Participants at the roundtables included:

- Representatives from Indigenous organizations that promote, advocate and represent the equitable inclusion of Indigenous people, community and businesses on a provincial and national scope.

- Leaders of Indigenous communities across Alberta, Manitoba and Saskatchewan.
- Representatives of companies that develop natural resources, from positions that included management, procurement and supply, and Indigenous engagement.

A full list of the participating organizations is provided at the end of this report.

At each roundtable, participants were asked to describe and/or define from their perspective what success looks like in Indigenous-resource partnerships. The discussion was frank and wide-ranging as participants shared their experiences. The information shared by participants resulted in the identification of common emerging themes (described in Section 3). The themes will continue to evolve and be explored as this project progresses.

³ The four Roundtables comprised *Hon. James A. Richardson Discovery Roundtables* – discussions funded by the Richardson family and designed to foster engagement around public policy topics of particular concern to the West.

CASE STUDIES

Case studies are opportunities to take a “deep dive” into the context and complexity of how successful partnerships arose in different communities. The *Success in the Making* project will undertake case studies in six to eight individual communities across the four western provinces.

In spring 2018, we began our first case study with the Lac La Ronge Indian Band in Northern Saskatchewan. Our project partners are working to build meaningful and collaborative relationships with the community members, its leadership, Elders and youth. The research involves more than just asking questions and collecting answers. We are creating opportunities to co-create how the story will be told. For example, during a meeting with Elders, when they learned we were also engaging with youth, the Elders asked for another opportunity to meet our team together with the youth to begin a dialogue within the community. That kind of dialogue had not happened before. The case study also involves conducting interviews with representatives from the resource companies who were involved in partnerships with the community to understand the factors that they believed were critical in enabling success.

Our case studies are continuing with the Lax Kw’alaams Band in British Columbia. We are working with our partners to identify additional communities to profile in future case studies.

RESEARCH APPROACH

Throughout the *Success in the Making* project, we use an inclusive and community-based approach that is mindful of authenticity, culture, relationships and ethics in storytelling.

We have used a co-designed and inclusive community-based engagement approach, which incorporates language, values and reciprocal knowledge-sharing. We are careful about using terminology like “research,” “analysis” and “case studies” because the project engages our participants differently than traditional Western research. Our partners in this work bring experience in community-based understanding and identifying and developing capacities within Indigenous communities.

WHAT WE HEARD

at the roundtables



THE EVOLUTION OF SUCCESSFUL PARTNERSHIPS

Across Western Canada, Indigenous communities have become increasingly and actively involved in natural resource development – and communities are eager to share these stories.

Some stories – like those of the Fort McMurray First Nation and the Osoyoos Indian Band – are more widely known. Others are not – but deserve to be.

There are many reasons that communities want to share their stories – including building pride, enhancing their marketing strategies, and helping themselves and other communities and organizations understand the lessons that have been learned.

One of the main reasons communities want to tell their stories is that business partnerships with Indigenous communities have evolved to be very different now than they were even recently – and there is a need to paint a more accurate picture of today's reality.

Today's partnerships have evolved in a way that reflects more equitable relationships where both parties mutually benefit. As described in the *Saskatoon Tribal Council Industry Playbook*, "First Nations institutions and economic systems have come a very long way in the last decade. We are now very prepared, willing and able to become a responsive partner."⁴

Some of the earliest industry and Indigenous community partnerships were grossly one-sided with minimal participation of Indigenous communities. The evolution of collaboration agreements, impact benefit agreements, and opportunities agreements created avenues of participation through employment, procurement and joint venture agreements. Now, many communities are capable of taking on a much greater stake.

We heard that communities don't want a hand-out – they want meaningful involvement and ownership that includes control, risk and responsibility.

⁴ The Saskatoon Tribal Council Industry Playbook, *A Strategic Plan to Deliver Legacy Partnership Services with PotashCorp and Other Industrial Supply Chains*, STC Economic Development, June 2017.

**WHAT WAS SAID
AT THE ROUNDTABLES**



“We don’t really blow our own horn about our success, but maybe we should start, so Canada and Albertans can see that this is what First Nations are and can be like.”

“Success stories get people’s attention.”

“Not knowing what success looks like has hindered progress.”

“There are success stories – even including First Nations venture capital.”

“I’ve heard a lot of passion today. To build success, you need passion. For the business, for your community, for your people.”

“I’m excited for the future.”

“We are now in the second generation of economic development. We honour the work of our fathers and things are getting better.”

THE VALUE IN DESCRIBING THE JOURNEY – WARTS AND ALL

Success does not happen overnight. In every success story, there are rough points where industry and the community do not see eye to eye. The roundtable participants emphasized that it was important to tell authentic stories that included the bumpy journey as well as the destination – in other words, “warts and all.”

Roundtable participants – both from Indigenous communities and from industry – shared examples of experiencing times when things went wrong. We heard experiences of misalignment of values, lack of cultural understanding and awareness, and lack of community support. They also told us trust is built when a company can openly and honestly own its mistakes, without sanitizing the story through corporate-speak.

The journey is as important as the destination: partnerships do not have to be perfect or projects completed to be successful. Milestones of success – like overcoming challenges or sharing ideas – can be mapped throughout the journey.

The journey is as important as the destination

Partnerships do not have to be perfect
or projects completed to be successful.

WHAT MAKES PARTNERSHIPS WORK

The roundtable participants described some of the elements that they felt were important in making partnerships work. These are grouped into three categories:

01

Elements important for
business to understand

02

Elements important for
Indigenous communities
to understand

03

Elements important for
government to understand

Elements important for business to understand

Partnerships are a relationship

While partnerships have transactional elements, successful partnerships are not transactions. They are long-term relationships that require commitment between partners based on shared vision and values.

The rationale for developing true partnerships goes beyond corporate social responsibility – they are fundamental to doing business. Indigenous communities want to be partners in a relationship that works to the benefit of both parties. The roundtable participants described their frustration with companies that are looking to “rent a feather” – to partner only to gain access to approval, rights and land.

It can be challenging for a corporation to align its values with those of Indigenous partners. Doing so may require partners to reconsider how to apply core values. But a successful partnership is worth it – it will generate a return on investment to both the community and the company.

“We don’t just want joint ventures for projects, we want to be equity partners.”

Partnerships should also be considered beyond the scope of just one project and one community. Whether through jointly developing new projects in the same region or maintaining a procurement relationship with the company on projects well beyond traditional territories or even outside Canada, many communities see resource company relationships as the basis of ongoing business for Indigenous communities and their members. They also bring the community into lifecycle planning and enable community members to develop the competencies required for the next stage, and the one after that.

Buy-in is needed at all levels

A true partnership involves people who work throughout the project proponent’s company. Successful relationships require buy-in throughout the entire organization, from the board room to senior executives to employees to unions and on-site contractors.

Relationships need continuity

Resource projects may span 10 years or 100 years, from planning and approval through operations and reclamation. This long-term timeline requires a sustained commitment that goes beyond any single business leader and is reflected throughout the organization.

One roundtable participant shared he had been a Chief for 30 years, and in that time had seen five company presidents come and go. He was seeking continuity for the relationship – and not to be foisted off on “some kid who is the Aboriginal relations person.”

Some Chiefs have developed relationships with the company’s board so as CEOs turn over, commitment at the most senior management level is ensured.

“Vision passes from one business leader to the next – it doesn’t reside in just one executive, and the relationship leaves with them.”

Traditional Knowledge is an asset and should be acknowledged

There are many different capabilities and knowledge sets that need to be leveraged in order to successfully undertake a natural resource development project. Traditional Knowledge and understanding of the land is foundational and an asset that is brought to the table by the local Indigenous communities. This knowledge can be used to help a project succeed environmentally and ethically and it can provide value beyond a single project.

Knowledge transfer is important

Partnerships between Indigenous communities and private industry can stimulate two-way knowledge transfer. These exchanges help both parties understand the importance of perspective and values which ultimately support business success. For example, a number of Indigenous participants explained that partnerships with private industry have been more useful in helping them find efficiencies and succeed than federal government programs. Reciprocally, companies can engage Indigenous communities more effectively by understanding Indigenous business and governance processes.

“In public companies you look at stocks and shareholders. Getting to success looks different for a First Nation than in the corporate world. We need to keep who we are.”

Often the issue is not competency – it is capacity

When an Indigenous group has difficulties in responding to an opportunity or a request for engagement, often the problem does not stem from a lack of competency or capability – rather the problem may be a lack of capacity, as personnel may be inundated with other requests.

To avoid this problem, early engagement is paramount. Early engagement also respects the fact that while communities want to be productive, if there is not sufficient time for the community to engage in due diligence before they respond, then a true opportunity has not been offered.

Elements important for Indigenous communities to understand

Readiness takes preparation

It is important to understand that communities need to prepare for partnerships, and this takes both time and leadership. This is particularly true if the community has not had any or much experience in business partnerships, particularly in the natural resource sector.

Capacities have grown in the last 30 years, especially on the professional and technical side, in many Indigenous communities. It can be useful for Indigenous communities to connect and learn from each other to enhance self-sufficiency and self-determination.

Readiness will include both preparation of individual competencies and business and governance processes. For example, some communities have found it useful to develop audit processes that can be built into partnership agreements to ensure that communities benefit from procurement strategies, subcontracting provisions and investment in meaningful ways.

Once a project is complete, the capacity that has been built can help the community create a legacy of readiness for the next project.

“With capacity growing in different ways at different levels, being able to connect with other First Nations helps you find your way.”

Leadership is critical

Strong political leadership is critical in a number of ways. Political leaders need to align community and company vision, and set expectations that are accurate and realistic. Good governance provides sound economic policy and can foster a strong economic climate.

But good leaders do not work alone – leadership involves seeking expertise from a variety of perspectives: technical, legal, business and spiritual, and includes relying on Elders and using Traditional Knowledge. In addition, help is available from the outside. For example, many Band and Council members of the Saskatoon Tribal Council have taken professional governance training.

A need to balance the relationship between politics and business

Many participants emphasized the need to separate Indigenous communities' business and politics. Both politics and business are critical to the well-being and vitality of Indigenous communities. However, business decisions need to be de-politicized to be able to maximize economic benefit. Each community addresses this in its own way – “there is no one size fits all.”

“Success, I learned long ago. I sat with six other chiefs when I got elected. You need to have a vision, and you need to work towards that vision. You need to separate business and politics. You need to have a thick skin and broad shoulders.”

Communities need access to capital

Having sufficient access to capital is an important requirement for any business, and particularly for capital-intensive infrastructure or construction projects. It is also necessary for joint equity participation. Because of the political and administrative structures in place within Canada, accessing capital can be a real challenge for Indigenous communities and businesses, and may be stifling economic opportunities. First Nations are assessed as having greater risk, without recognition that they are tied to the land and have other regulatory backstops such as the *First Nations Finance Authority Act (FNFA)*.

The proposed Canada Infrastructure Bank may provide an opportunity to provide capital for Indigenous participation in infrastructure projects.

Elements important for government to understand

There is an important role for government

Government can help facilitate partnerships between Indigenous communities and natural resource businesses, as Saskatchewan did in mandating procurement requirements for northern communities in the uranium mining context. As those efforts arose from Treaty Rights and efforts toward reconciliation, it is not clear why they have not been duplicated in other areas of the country. There is some progress being made (for example, on new regulations for Indigenous participation in oil and gas in Alberta), but many programs are not sustainable and are built to fail with too little money and too little local input.

An additional challenge is ensuring continuity as provincial, federal and Indigenous governments change.

CONCLUSION

The roundtables left us with a number of key points to keep in mind as this project moves forward. Our main take-aways are:

- Indigenous communities are seeking their fair share of economic opportunities. Economic self-sufficiency and prosperity mean the ability for Indigenous communities to set their own priorities and respond to those priorities in a way that is best for that community. It is also about taking responsibility for setting realistic expectations and being prepared.
- There is value in telling stories of successful partnerships. But success does not always mean a big financial gain. Some communities have had smaller but still important successes.
- When evaluating successful partnerships, we should consider whether the following have occurred:
 - Have community objectives been met?
 - Was there revenue sharing?
 - Was there capacity building and employment at all levels?

Is the partnership sustainable beyond the current project life, including beyond the immediate territory?

Does the project enable or help build economic independence of the community?

- The stories told need to be authentic, describe the journey as well as the destination, and not shy away from talking about mis-steps.
- Our most important audience is the Canadian public. Canadians need to understand the economic benefit and full potential of Indigenous inclusion. To change stereotypes of dependency, Canadians need to hear examples of how resource firms and communities are building successful partnerships which benefit both the Canadian economy and Indigenous communities.

THANK YOU

Roundtable Participants

AltaLink

Atoskiwin Training and
Employment Centre

BC Hydro

Blood Tribe – Kainai First Nation

Canadian Natural Resources Limited

Cold Lake First Nations

Covert Logistics

Des Nedhe Development

EICO Management Co Inc

Encana

FHQ Developments

First Nations Power Authority

Fort McKay First Nation

Frog Lake First Nation

Hudbay Minerals

Imperial Oil

Indian Resource Council

Kainaiwa Resources Inc

Kitsaki Management

Limited Partnership

Klondex Gold Mine – True North

Lac La Ronge Indian Band

Government of Manitoba, Finance

Government of Manitoba, Growth,
Enterprise and Trade

Manitoba Hydro

Mining Association of Manitoba

Muskeg Lake Cree Nation

Muskowekwan Resources Ltd.

National Association
of Indigenous Workers

Nisichawayasihk Cree Nation

Ochapowace Nation

Onion Lake Cree Nation

Peter Ballantyne Cree Nation

Red Pheasant Corporation

Samson Cree Nation

Saskatchewan First Nations
Economic Development Network

Saskatchewan First Nations Natural
Resource Centre of Excellence

Saskatoon Tribal Council

Siksika First Nation

Southern Chiefs' Organization

Sucker Creek First Nation

Suncor

TDS Law

Teck Resources

Thunderchild First Nation

VNL Services

Wabimusqua Oil & Gas Ltd.

West Fraser Forestry

Whelan-Enns Associates

White Bear First Nations

Whitecap Dakota First Nation