

Condensed from source documents by  
Julia Schwamborn, MA  
UNBC Community Development Institute  
April 2010

## **Federal Framework for Aboriginal Economic Development – Urban Perspectives**

### *Executive Summary*

In 2009, the Department of Indian and Northern Affairs Canada published the *Federal Framework for Aboriginal Economic Development* (Framework). This publication fulfilled a commitment to a renewed approach to Aboriginal economic development as announced in the 2008 Federal Budget. The Framework followed and complemented the 2006 release of the Department of Finance's economic plan *Advantage Canada: Building a Strong Economy for Canadians*. While *Advantage Canada* makes no specific references to the Aboriginal peoples of Canada and their unique economic situation and needs, the Framework outlines the Federal Government's goals leading towards improvements of economic circumstances of Aboriginal peoples. These intentions and goals are based on discussions with the National Aboriginal Economic Development Board, government agencies and other affected interest groups. The term 'Aboriginal' refers to First Nations, Inuit, and Métis; there is, however, no further distinction between urban and rural, on- and off-reserve, and gender- or age-based groups. Throughout the document, there is a strong emphasis on non-urban aspects such as land, natural resources, and remoteness of Aboriginal communities, but the document also mentions issues with policies and government structures, capital access, and education and training. The following points outline the main statements:

#### Present situation:

- Statistics: 2006 Census statistics show that in comparison to non-Aboriginal Canadians, Aboriginals feature lower levels of education, higher unemployment, lower income, and higher poverty rates.
- Young Aboriginal population: The Aboriginal population is the fastest growing in Canada and on average 13 years younger than the non-Aboriginal population. The future labour market will benefit from the Aboriginal work force as it will be able to fill labour market demands.
- Growing Aboriginal land base: Increasing numbers of land claim settlements mean increased potential for resource economies, equity building, and capital investments.

- Increasing involvement of the private sector: Private investments, mostly in resource economy, allow for productive and complementary partnerships with Aboriginal communities or individual businesses.
- Increasing numbers of Aboriginal entrepreneurs: Business-oriented leaders are striving for economic independence and self-reliance.
- 21<sup>st</sup> Century factors: Playing into the Federal Government's approach to Aboriginal economic development are factors such as globalization of the Canadian economy, diversification of financing and entrepreneurial partnerships, and new opportunities for Aboriginal people.

#### Goals:

- Support Aboriginal entrepreneurship: The Government intends to remove legislative barriers, enhance access to capital and equity, and respond flexibly to the realities of different communities and situations with special emphasis on overcoming the distinct challenges of reserves and northern communities.
- Foster education and training opportunities for Aboriginal people to create human capital: The Canadian Government plans to ensure Aboriginal individuals' qualification for positive, long-term employment, support socio-economic and educational initiatives linking the labour market and the Aboriginal work force, and foster cooperation with and among all sectors of the labour market to optimize employability and opportunities for the Aboriginal population.
- Advance Aboriginal asset value and use: In order to create a better land and resource equity situation for Aboriginal communities, the Government agrees to eliminate or improve laws and regulations which impede profitable land use, give incentives to lenders, absorb financial risks for investors in Aboriginal business ventures, improve infrastructure, and consolidate Aboriginal economic development planning capacity.
- Promote partnerships: Government officials recognize the importance of cooperation between all levels of government, the private sector, and Aboriginal groups and governments to bring together expertise and capital on the one hand with human and natural resources on the other.

#### Government Role:

- "Whole-of-government" approach: One of the Government responsibilities defined in the Framework is the alignment of government agencies, coordination of initiatives, and cooperation with Aboriginal governments and institutions.
- Removal of legislative barriers: Equity and asset regulations in the *Indian Act* currently constrain profitable land and resource use on reserve lands. The Government considers it appropriate and necessary to mitigate or remove those constraints.
- Re-evaluation of importance and efficiency of Federal actions: Regulations, funding, initiatives, especially in partnership with lower levels of government and the private sector, will be reviewed and evaluated.
- Capital access: It is within Government capacities to create, improve, and facilitate access to capital through legislation and regulatory incentives for investors.

- Demonstrate flexibility: the Government promises to demonstrate the ability to react promptly to opportunities and legislative, economic, and social changes affecting the Aboriginal population.
- Focus on implementation: The Framework stresses the need to work towards practical implementation of the strategies expressed in the document by clearly identifying federal strategies, and adapting to the changing realities of communities and individuals.

Expected outcomes:

- Stable communities prepared and ready to take advantage of opportunities.
- Competitive and viable Aboriginal businesses.
- An Aboriginal work force able to fully and equally participate in the Canadian labour market.

### *Urban Aboriginal Economic Development Issues*

The Framework does not address urban Aboriginal economic development (UAED) or the urban Aboriginal setting in particular. However, it makes some references to specific characteristics, needs, and opportunities of economic development linked to locations. It states that statistical data of the socio-economic situation of Canada's Aboriginal population shows differences depending not only on Aboriginal identity group and gender, but also on location. Furthermore, the authors of this framework repeatedly point out the need for Aboriginal institutions and initiatives to execute the service delivery needed for economic development. These aspects are crucial to the successful coordination of urban economic development efforts. The intention to improve inter-governmental and inter-departmental cooperation and coordination of funding towards a common goal is equally beneficial and important to UAED. In addition, the support for the development of human capital and a viable work force among the Aboriginal population is important in order to be able to take advantage of the opportunities of the multi-faceted urban labour market. The Framework also defines stronger Aboriginal entrepreneurship as one of its main goals and points out that communities anywhere in the country face regionally specific challenges and need to be equipped to respond to those challenges. There are a number of success stories included in the document, some of which present urban aspects of Aboriginal economies: successful Aboriginal communities or corporations provide education and training services for their members whether they live within community territory or elsewhere. Some also establish branch offices of their businesses or services in cities far from their traditional lands, and while increasing their business capacities, they provide valuable economic support and opportunities for urban members of their respective nations.

### *Sources*

Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians. *Federal Framework for Aboriginal Economic Development*. Ottawa, Canada. 2009.  
<http://www.ainc-inac.gc.ca/ecd/ffaed1-eng.asp>, Accessed March 24, 2010.

AINC-INAC. *Backgrounder – Federal Framework for Aboriginal Economic Development*.  
<http://www.ainc-inac.gc.ca/ai/mr/nr/m-a2009/bk000000370-eng.asp>, Accessed March 24, 2010.

AINC-INAC News Release. “Minister Strahl Unveils Federal Framework For Aboriginal Economic Development”. Vancouver, BC. June 29. 2009.  
<http://www.ainc-inac.gc.ca/ai/mr/nr/m-a2009/nr000000371-eng.asp>, Accessed March 24, 2010.