



OFIFC

Ontario Federation of
Indigenous Friendship Centres

**Urban Aboriginal Communities and
Ontario's Mineral Development Strategy**

May 2015

ABOUT THE ONTARIO FEDERATION OF INDIGENOUS FRIENDSHIP CENTRES

The OFIFC is a provincial Aboriginal organisation representing the collective interests of twenty-eight member Friendship Centres located in towns and cities throughout Ontario. The vision of the Aboriginal Friendship Centre Movement is to improve the quality of life for Aboriginal people living in an urban environment by supporting self-determined activities which encourage equal access to, and participation in, Canadian society and which respects Aboriginal cultural distinctiveness.

The OFIFC administers a number of wholistic, culture-based programs and initiatives which are delivered by local Friendship Centres in areas such as justice, children and youth, health, family support, long term care, healing and wellness, education, and employment and training. Friendship Centres respond to the needs of tens of thousands of community members requiring culture-based and culturally-appropriate services every day.

The Friendship Centres represent the most significant off-reserve Aboriginal service infrastructure across Ontario and are dedicated to achieving greater participation of all urban Aboriginal peoples in all facets of society, inclusive of First Nation – Status/Non-Status, Métis, Inuit and all other people who identify as Aboriginal. The OFIFC manages \$45 million in direct delivery funding across the province, not taking into account the direct resources procured by Friendship Centres at the community level.¹

KEY FACTS:

- **84.1 percent of Aboriginal people in Ontario live off-reserve.**
(Statistics Canada. (2011) National Household Survey.)
- **Between 2006 and 2011, Ontario's Aboriginal population grew five times faster than the non-Aboriginal population, increasing 24.3 percent compared to 4.8 percent.**
(Ministry of Finance. (2013). 2011 National Household Survey Highlights: Factsheet 3)
- **33.9 percent of the Aboriginal in Ontario are under the age of 19, compared to 23.8 percent of the non-Aboriginal population.**
(Statistics Canada. (2011). National Household Survey)
- **In 2012, the unemployment rate of off-reserve Aboriginal youth in Ontario was 23.5 percent compared to 16.8 percent for the non-Aboriginal youth population.**
(Ministry of Training, Colleges, and Universities. (2013). Canada-Ontario Labour Market Agreement, 2013-14 Annual Plan.)
- **In 2012, the unemployment rate of off-reserve Aboriginal people (aged 25-54) was 9.2 percent compared to 6.3 percent for their non-Aboriginal counterparts in Ontario.**
(Ministry of Training, Colleges, and Universities. (2013). Canada-Ontario Labour Market Agreement, 2013-14 Annual Plan.)

¹ Ontario Federation of Indigenous Friendship Centres., *Annual Report 2012/2013* (Toronto, ON: Ontario Federation of Indigenous Friendship Centres, 2013) 47.

THE CHALLENGES AND POTENTIAL OF URBAN ABORIGINAL COMMUNITIES IN ONTARIO

There are currently 43 mines operating in Ontario, 79% of which are located in Northern Ontario. In addition there are more than 30 advanced mineral exploration projects.² Recognising that the vast majority of mining activities are based in Northern Ontario, it is important to take into consideration that there are 15 Friendship Centres located in Northern Ontario including: Red Lake; Kenora; Sioux Lookout; Fort Frances; Dryden; Atikokan; Geraldton; Thunder Bay; Timmins; Cochrane; Kapuskasing; Sault Ste. Marie; Sudbury; North Bay; and Parry Sound. In addition, there is a Friendship Centre satellite office in Moosonee. In many cases Friendship Centres have been serving the Aboriginal community in their respective towns or cities for over twenty years, and in some cases as long as forty, and are often the only urban Aboriginal organisation in their location.

Northern Friendship Centres communities have seen specific challenges exacerbated by local mineral development activities. OFIFC has heard that as mineral development projects expand, basic living costs rise exponentially including: housing and food. At times, Aboriginal families living in towns and cities affected by the mining industry cannot afford to continue living in the community unless they are employed at the mine and, more often than not, the rate of poverty for local urban Aboriginal people increases alongside the growth of mines. As well, mental health, addictions and violence issues are often correlated to an increase in mining activities.³

Considering that 84.1 percent of Aboriginal people in Ontario live off-reserve⁴, urban Aboriginal engagement in renewing Ontario's Mineral Development Strategy is a necessity. Aboriginal people in Ontario have a significantly lower median age than the non-Aboriginal population, 24.5 compared to 37.2.⁵ Further, more than 50 percent of Ontario's Aboriginal population is under the age of twenty-seven⁶ and the Aboriginal population is growing at nearly double the rate of the non-Aboriginal population, 1.8 percent compared to 1 percent.⁷

Research on the labour market trends in Ontario indicates that Ontario will be facing a labour and skills shortage, in large part due to an aging population.⁸ By 2018, it is

² Ontario Prospectors Association., *Ontario Mining and Exploration Directory and Resource Guide 2015* (Thunder Bay, ON: Naylor (Canada) Ltd., 2015).

³ Janis A. Shandro, et al., "Perspectives on community health issues and the mining boom-bust cycle," Resources Policy (2011).

⁴ Statistics Canada., *National Household Survey* (Ottawa, ON: Statistics Canada, 2011).

⁵ Government of Ontario., *Breaking the Cycle: Ontario's Poverty Reduction Strategy* (Toronto, ON: Government of Ontario, 2008)

⁶ Ibid.

⁷ Jeanette Steffler, "Aboriginal Peoples: A Young Population for Years to Come," Hope or Heartbreak: Aboriginal youth and Canada's future. Horizons: Policy Research Initiative, 10(1) (2008): 14.

⁸ Rick Miner., *People Without Jobs – Jobs Without People: Ontario's Labour Market Future* (Toronto, ON: Miner Management Consultants, 2010).

estimated that the mining sector in Ontario will lose almost fifty percent of its workforce, more than half will be a result of retirement.⁹ The Canadian mining sector will need more than 120,000 new workers by 2024.¹⁰ Meanwhile, the urban Aboriginal population is growing exponentially and represents a critical population that, with the adequate investments in culturally-appropriate education and training, and tangential supports such as housing and mental health, can help to address the provincial labour shortage.

While various levels of government continue to identify natural resource extraction as an important sector to increase Aboriginal labour market participation, OFIFC acknowledges that this is not always congruent with Aboriginal worldviews. However, recognizing that this sector presents an opportunity for increasing urban Aboriginal people's engagement in the labour force, it is important that a mineral development strategy meaningfully consider urban Aboriginal people's needs and involves Friendship Centres.

The mineral development sector is only one sector of many that represents opportunity for urban Aboriginal participation in the labour force. For every direct job in the mineral development industry, nearly five other jobs are created.¹¹ Further, a single mine in its production phase can create approximately 2,300 jobs annually (both direct and indirect) with 1,500 jobs based in the local economy.¹² Private sector and government support is required to grow the urban Aboriginal labour force to meet the needs of the numerous spin-off and supporting sectors.

The mineral development cluster in Ontario employs over 256,000 people, the majority of which are not directly employed in the extraction and fabrication of minerals. The mineral development cluster includes jobs in operations, corporate offices, supplies and services, legal, financial, engineering and environmental consulting.¹³ The success of the sector also requires investment in local industries outside of the mineral development cluster. These industries including health care, hospitality, and social services. A mineral development strategy should support urban Aboriginal labour market programming that engages urban Aboriginal people in all sectors required for the success of mineral development projects, rather than only those directly involved in natural resource extraction.

⁹ Ministry of Labour., *Progress Report: Mining Health, Safety and Prevention Review* (Toronto, ON: Ministry of Labour, 2014) 9.

¹⁰ Mining Industry Human Resources Council., *Canadian Mining Industry Employment, Hiring Requirements and Available Talent 10-year Outlook* (Ottawa, ON: Mining Industry Human Resources Council, 2014) 10.

¹¹ Ontario Mining Association, "Facts and Figures", Ontario Mining Association, http://www.oma.on.ca/en/ontariominning/facts_figures.asp.

¹² Peter Dungan and Steve Murphy, *Ontario Mining: A partner in Prosperity Building – The Economic Impacts of a 'Representative Mine' in Ontario* (Toronto, ON: University of Toronto, 2007).

¹³ Ontario Mining Association, "Facts and Figures", Ontario Mining Association, http://www.oma.on.ca/en/ontariominning/facts_figures.asp.

OUR POSITION

Building an Urban Aboriginal Educated and Skilled Workforce for the Mineral Development Sector

Engagement with Urban Aboriginal Communities

Engaging with interested urban Aboriginal youth can support the sustained supply of educated and skilled workers for Ontario's mineral exploration and mining industry. Research has shown that the future of Canada's mining labour force will depend on the participation of diverse groups including Aboriginal people.¹⁴ The proportion of Aboriginal people in the Ontario mining sector is 9.7 percent.¹⁵ While this is higher participation than in other industries, it will be important to continue to train interested urban Aboriginal youth for mineral development sector employment, including in spin-off and supporting sectors, as over 100,000 Aboriginal youth are estimated to age into the labour market by 2026.¹⁶

Engaging urban Aboriginal people in mineral development sector employment will require culturally appropriate training interventions at all stages of the education to employment continuum. From educating urban Aboriginal youth on the potential career opportunities in the mineral development sector locally and provincially to purposeful training interventions for job-ready individuals. Raising awareness of the labour market needs for spin-off and supporting sectors, including health care, social services and administration will also be key in engaging urban Aboriginal youth.

The continued support of Aboriginal labour market programming is essential.

A more coordinated provincial approach to Aboriginal labour market programming is needed. Friendship Centres throughout Ontario should be a key player in the development of provincial labour market strategies including for priority sectors like

Training Urban Aboriginal People for Mine Construction in Fort Frances

The **United Native Friendship Centre** is working together with the local mine to prepare local urban Aboriginal people for upcoming jobs in the mine's construction. The Friendship Centre is hoping to increase the number of urban Aboriginal people qualified for construction jobs over the next three years by working closely with the mine throughout the hiring process.

¹⁴ Mining Industry Human Resources Council., *Canadian Mining Industry Employment, Hiring Requirements and Available Talent 10-year Outlook* (Ottawa, ON: Mining Industry Human Resources Council, 2013) 24.

¹⁵ Ontario Mining Association, "Facts and Figures", Ontario Mining Association, http://www.oma.on.ca/en/ontariominning/facts_figures.asp.

¹⁶ Jeanette Steffler, "Aboriginal Peoples: A Young Population for Years to Come," Hope or Heartbreak: Aboriginal youth and Canada's future. Horizons: Policy Research Initiative, 10(1) (2008): 14.

mineral development. As an Aboriginal Skills and Employment Training Strategy (ASETS) agreement holder, the OFIFC and Friendship Centres are experienced in providing culturally relevant training and skills development interventions to urban Aboriginal people. Employment programs placed in Friendship Centres benefit from wrap-around services that support urban-Aboriginal job-seekers across the entire education to employment continuum while also providing tangential services such as housing, literacy, and mental health.

Friendship Centres must be better engaged with provincial employment programs, including Employment Ontario and the Canada Ontario Job Grant (COJG). The Ontario Government should prioritise COJG applications that will employ urban Aboriginal people. According to the Ministry of Training, Colleges and Universities, almost 25% of submitted applications for COJG in Northern Ontario were from the Mining, Quarrying, and Oil and Gas Extraction sectors.¹⁷ It would be a missed opportunity for the Ontario Government to not capitalise on the opportunity to prioritise support for employers committed to training and hiring urban Aboriginal people for the mineral development sector.

It is also important for Ontario's Mineral Development Strategy to engage urban Aboriginal people in the many spin-off and supporting sectors. Aboriginal labour market strategies cannot solely focus on increasing participation in natural resource extraction industries. Building an engaged and skilled workforce for the mineral development sector will also depend on an equally skilled workforce in supporting and spin-off sectors throughout the province. Thus, it is important for a provincial strategy to engage urban Aboriginal organisations, including the OFIFC and Friendship Centres, in a wider conversation on provincial labour market needs and opportunities.

Labour Market Information

The OFIFC believes that there is an immediate need for better, more accurate, and timely labour market information (LMI) available to government, service delivery agencies, and individuals. Of particular importance is the need for locally reliable and valid data. Local LMI is critical for making informed employment and training decisions; a lack of local LMI creates challenges in the delivery of demand-driven programming. To optimise employment outcomes, LMI needs to provide specific details on job vacancies and occupational opportunities at the community level rather than general statistics. Increased access to good quality, timely and local LMI will enable Friendship Centres to better support urban Aboriginal people in transitioning into employment and training, including for the mineral development sector.

Availability of detailed and local LMI is particularly important for urban Aboriginal youth in their transition along the education to employment continuum. Especially when considering that the urban Aboriginal population is significantly younger and growing

¹⁷ Ministry of Training, Colleges and Universities, "Canada-Ontario Job Grant" (presentation presented at the Ontario Municipal Social Services Association's Employment and Income Issues Network, Toronto, Ontario, March 5, 2015).

faster than the rest of the population in Canada¹⁸, yet Aboriginal youth in Ontario are more likely to be unemployed than non-Aboriginal youth, 23.5 percent compared to 16.7 percent.¹⁹

Culturally Competent Mineral Development Sector

Developing a culturally competent mineral development sector will support the supply of an engaged and skilled urban Aboriginal workforce. In 2007, the Urban Aboriginal Task Force found that 54 percent of Aboriginal people surveyed experience racism in schools and universities, and 50 percent of respondents experience racism in the workplace.²⁰ Further, almost all Friendship Centre communities have cited the high prevalence of racism in the local community. Without addressing racism in urban communities, urban Aboriginal people will continue to experience higher unemployment and poor socio-economic conditions.

The Ontario Mineral Development Strategy can support the development and inclusion of urban Aboriginal people in the sector's needed workforce by encouraging cultural competency training for all mining companies, delivered by a reputable Aboriginal organisation. Cultural competency training will support companies in understanding the local history and impacts of colonisation and Residential School policies have had on local Aboriginal people and how the effects of this legacy manifest as social and economic hardships which compromise Aboriginal people's full participation in community life and in the employment sector. Cultural competency training could also be offered to all employees in this sector.

Investments in Community Infrastructure

There is a pressing need for increased investments to be made in community organisations, such as Friendship Centres, that provide programs and services that can ultimately improve individuals' participation in the economy, including the mineral development sector, and improve socio-economic conditions. Friendship Centres and other supportive urban Aboriginal agencies have made real differences in urban-based Aboriginal people's lives. The Urban Aboriginal Task Force found that approximately twenty five percent of respondents earned over \$40,000 per year in 2007. Twenty years prior, the majority of these respondents were living in poverty and not engaged in the labour market.²¹ Growing the urban Aboriginal middle class should be a strategic

¹⁸ Jeanette Steffler, "Aboriginal Peoples: A Young Population for Years to Come," Hope or Heartbreak: Aboriginal youth and Canada's future. Horizons: Policy Research Initiative, 10(1) (2008):14-15.

¹⁹ Ministry of Training, Colleges and Universities., *Canada-Ontario Labour Market Agreement 2013-14 Annual Plan* (Toronto, ON: Queen's Publisher for Ontario, 2014) Retrieved from: http://www.tcu.gov.on.ca/eng/training/labmark/LMA_Plan2013_14.html.

²⁰ Ontario Federation of Indigenous Friendship Centres, Ontario Metis Aboriginal Association, Ontario Native Women's Association., *Urban Aboriginal Task Force: Final Report* (Toronto, ON: Ontario Federation of Indigenous Friendship Centres, Ontario Metis Aboriginal Association, Ontario Native Women's Association, 2007) 106.

²¹ Ontario Federation of Indigenous Friendship Centres, Ontario Metis Aboriginal Association, Ontario Native Women's Association., *Urban Aboriginal Task Force: Final Report* (Toronto, ON: Ontario

priority for government and private sector to support an engaged and skilled workforce. Investment in urban Aboriginal not-for-profit organisations is essential in reducing factors that limit economic participation by urban Aboriginal people. Without reliable community infrastructure, pre-employment programs, youth programs and other needed supports may cease to exist.

Private Sector Investments in the Kapuskasing Friendship Centre

The **Kapuskasing Friendship Centre** received a five year investment of one percent of revenue, from a mid-sized company supporting a local Ontario Power Generation Hydro Dam construction project. With this support, the Kapuskasing Friendship Centre was able to purchase a new van, repair the gym's roof and supplies for programs without acquiring debt. In addition, the Friendship Centre was able to hire summer students and grow their savings in order to meet future capital needs.

Ontario's Mineral Development Strategy should recognise the role urban Aboriginal organisations play in the success of the sector. The social and economic benefits from mineral resource development can be effectively realised by encouraging the private sector to invest in urban communities. According to the Ontario Mining Association, mining companies in Ontario contribute about \$10 million annually in charitable donations to local communities.²² Considering that the total value of mineral production in Ontario in 2014 was \$11 billion dollars,²³ charitable donations represented only 0.09% of the total value of mineral production. The Ontario government can capitalise on the social and corporate responsibilities of mineral development partners throughout Ontario.

The Ontario Government should consider prioritising tender bids for projects that are located in or near urban centres from companies that make a commitment to support local urban Aboriginal not-for-profit organisations, namely Friendship Centres. Investments in Friendship Centres could be used to make much-needed capital repairs and expansions to buildings that cannot easily accommodate the growing urban Aboriginal community and other infrastructure, purchasing of program materials, computers, and relevant training material. Based on the total value of the sector in 2014, an increase to the charitable donations made by the sector to 1% of its annual total production value, would result in an additional \$100 million available for local Friendship Centres and other not-for-profit organizations.

Federation of Indigenous Friendship Centres, Ontario Metis Aboriginal Association, Ontario Native Women's Association, 2007). 172.

²² Ontario Mining Association, "Facts and Figures", Ontario Mining Association, http://www.oma.on.ca/en/ontariominning/facts_figures.asp.

²³ Ministry of Northern Development and Mines., *A Discussion Paper on Renewing Ontario's Mineral Development Strategy* (Toronto: ON: Government of Ontario, 2015). 2.

Recognise and Address Socio-Economic Implications of Mineral Development Activities

While it is evident that urban Aboriginal communities can benefit from local mineral development activities including job creation and community investments, there are a number of parallel socio-economic implications that must be recognised in Ontario's Mineral Development Strategy. These consequences have been observed in Friendship Centre communities and in other parts of the Canada where resource extraction is present.

Research has shown that the risk for unintended negative consequences from extraction industries for the local community increases with three factors: the need for importing large groups of workers; activities in rural and remote communities; and a large number of systematically marginalised or vulnerable people living in the area. Unintended consequence can be present with just one of the three factors, however the risk exponentially increases with all three factors occurring together.²⁴ These factors can apply in many Friendship Centre communities in Northern Ontario where mineral development activities are being undertaken. It is important that an Ontario Mineral Development Strategy work to mitigate risk factors by continuing and increasing investments in urban Aboriginal communities where these activities are taking place.

One of the most common consequences that Friendship Centres reference is the high cost of living that results from successful mineral development projects in their communities. As mines become successful, workers are imported from other parts of the country, and the demand for housing and food increase. Consequently, the housing and food costs rise substantially, resulting in local community members who are not employed at the mines struggling to support their families. The OFIFC has heard that in some instances community members are forced to leave the Friendship Centre community altogether for a more isolated community, without social services, but with lower housing costs. The Ontario Mineral Development Strategy should consider the implications for low-income families and social assistance recipients in these communities and work with the Ministry of Community and Social Services to ensure the social assistance system is able to adequately meet the unique needs in these communities.

While mineral development activities are not created to victimise women and increase gender inequality in communities, these can be an unintended consequence of mineral development projects. As the Ring of Fire negotiations continue and other mineral development activities increase in Northern Ontario, it is imperative that the Ontario Mineral Development Strategy recognise the potential threat these activities may pose for Aboriginal women. Aboriginal women are not only disproportionately represented in the rates of missing and murdered women, but also in cases of domestic violence,

²⁴ Victoria Sweet, "Extracting More than Resources: Human Security and Arctic Indigenous Women", *Seattle University Law Review*, 37(4) (2014): 1229-1230.

human trafficking and sexual violence.²⁵ Research has shown that in some communities with a large presence of extractive industry development there is a higher rate of crime.²⁶ Support for violence prevention programming at Friendship Centres should be increased in areas with ongoing and planned mineral development activities.

Community Consequences

The **Ininew Friendship Centre**, located in Cochrane, Ontario, has observed that local mining developments have driven up the cost of housing. Additionally, mining has resulted in compounded community social issues, including alcohol and drug addiction, domestic violence, and income inequality.

Mining in Cochrane has also led to increased gender inequality in local employment opportunities. The **Ininew Friendship Centre** has noted that men are more likely to work in local mines and earn higher incomes, while women are more likely to work in the service sector and earn minimum or low wages and be employed part-time. This has had a significant impact, particular for single mothers, as the cost of living in Cochrane is tied to the high wages earned at the mine.

The **Red Lake Indian Friendship Centre** has observed an increase of imported workers into the community for local mining projects. This has left few opportunities for local urban Aboriginal people, while also leaving them struggling to support families with the resulting higher cost of living.

Once a hub for mining and industry, Atikokan has seen significant demographic changes over the last four decades, including the closure of local mines. The majority of programming offered at **Atikokan Native Friendship Centre** addresses social issues that have been compounded by a lack of employment opportunities in the community. Youth and employable adults are leaving the community at a high rate, leaving behind an ageing and at-risk population.

Acknowledging that mineral development projects have end dates, the Ontario Mineral Development Strategy should aim to ensure transferrable skills and transition supports are provided to local community members when development activities end. Supporting these community members to transition into new careers, and supporting the continuation of local industry, is imperative in ensuring economic success for urban Aboriginal community members beyond the life of local mineral development activities.

²⁵ Ontario Federation of Indigenous Friendship Centres., *Response to Royal Canadian Mounted Policy Regarding Missing and Murdered Aboriginal Women: A National Operational Overview* (Toronto, ON: Ontario Federation of Indigenous Friendship Centres, 2014).

²⁶ Victoria Sweet, "Extracting More than Resources: Human Security and Arctic Indigenous Women", *Seattle University Law Review*, 37(4) (2014): 1228.

RECOMMENDATIONS

It is recommended that the Ontario Mineral Development Strategy consider the largely untapped urban Aboriginal labour force in order to meet the impending labour shortages and consider the OFIFC as a key player in the development of provincial labour market strategies.

- It is recommended that the Government of Ontario invest in urban Aboriginal labour market programming for all sectors that support mineral development activities, including health care, social services, and professional services. Training partnerships should be encouraged between mineral development companies and urban Aboriginal organisations, including Friendship Centres, where appropriate.
- It is recommended that investments in urban Aboriginal labour market programming target both direct mineral development activities and supporting and spin-off sectors.

It is recommended that the Ontario Mineral Development Strategy consider the impacts of investments in urban Aboriginal not-for-profit organisations, such as Friendship Centres, can have in increasing the economic participation of urban Aboriginal people.

- It is recommended that the Government of Ontario impose as criteria for public tenders that companies must commit to investing in urban Aboriginal not-for-profit organisations, namely Friendship Centres.

It is recommended that the Ontario Mineral Development Strategy consider the unintended socio-economic consequences of development activities on the local urban Aboriginal communities.

- It is recommended that the Government of Ontario increase investments in violence prevention programming in urban Aboriginal communities impacted by mineral development activities, including the Ring of Fire.
 - It is recommended that the Government of Ontario consult the Joint Working Group to End Violence Against Aboriginal women to inform this aspect of their strategy, taking into account the *Strategic Framework to End Violence Against Aboriginal Women*.
- It is recommended that the Government of Ontario consider the impact of mineral development activities on the cost of living in urban Aboriginal communities and better support low-income families and social assistance recipients.

CONCLUSION

Ontario's Mineral Development Strategy must recognise the impacts of development activities on urban Aboriginal communities. OFIFC and Friendship Centres are well-placed to support Ontario's Mineral Development Strategy in building an educated and skilled urban Aboriginal workforce and in ensuring positive relationships with Ontario's urban Aboriginal peoples are enhanced while social and economic benefits are effectively realised by local communities.