



Nishnawbe Aski Nation

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**'THE FUTURE
OF
NISHNAWBE ASKI NATION'S ECONOMY'**

A Discussion Paper

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Les Louttit – Deputy Grand Chief

THE FUTURE OF NISHNAWBE ASKI NATION'S ECONOMY

"Where were we? what are the challenges?; where are we going"?

1.0 STRATEGIC VISION

My vision for a future Nishnawbe Aski Nation (NAN) can be summarized as follows:

"...To improve NAN First Nations' standard of living through an Inherent and Treaty Rights- based agenda. I am committed to have the Federal and provincial Governments recognize NAN's Nation-to-Nation Government, Laws and Jurisdictions. I would ensure that before any resource development begins in our traditional homelands, it is approved by NAN citizens."

Improving the standard of living in NAN First Nations' communities has been a goal for the NAN Executive during the past three decades. No doubt, there has been much improvement in community development, health, social services, education, housing and business development that has occurred since the beginning of Grand Council Treaty #9, as an organization.

During the next 3-5 years, NAN First Nations will be facing tremendous challenges and are currently at a crossroads in developing and recommending policies on:

- Economic and resource development;
- Health and social development;
- Major infrastructure needs; and,
- Climate change

2.0 THE NEW ECONOMIC REALITY

Today, there is a new economic reality in the NAN Territory. Canada has been in an economic recession which appears to be subsiding. Whatever optimism may be stated in the business sections of our national newspaper media, the fact is that this slight

recovery may only be a temporary blip in the total recovery and stabilization of markets and cyclical trends in the economy.

Regardless of the Canadian or Provincial economic situation, remote NAN First Nations are more vulnerable than Canadians in general, since they still live under the same sub-standard living conditions faced with the high cost of goods, services, and, in particular, transportation costs.

At the same time, during an economic downturn, remote First Nations are more affected by the increased costs of these goods and services which are compounded by the continuing outflow of what little capital is generated locally from government transfers and contributions.

It is time now that NAN First Nations must unite to take advantage of the new economic reality and potential opportunities that will come during the immediate future as the economy rebounds and recovers.

3.0 SIGNS OF ECONOMIC CHANGE

In the present provincial landscape, there are signs that the provincial government and industry are gearing up for a major push into NAN traditional territories through planned resource explorations and developments in our NAN homelands. NAN First Nations must understand the laws and market forces that historically precede great transfers of wealth from resource-rich regions to drive the economic engine of this province.

The following signs are now presently emerging:

- Finalized changes to the Mining Act (Bill 173) legislation which are designed to support industry and governments' as the primary beneficiaries from new mining revenues, profits and royalties;
- Introduction of The Far North Planning Act (Bill 191) which will primarily benefit industry and governments in their access to NAN First Nation resources;

- Government approvals for major power and energy developments to increase industrial capacity, particularly in the mining sector;
- Announcement of other transportation infrastructure developments such as a potential, all-season road network throughout the NAN territory.

3.1 First Nation Benefits and Impacts

These announcements will also benefit NAN First Nations to access new energy and power sources to replace aging, costly diesel generators. New all-weather road connections to northern highways (11 and 17) will increase access to northern Ontario municipalities which will reduce the costs of food supplies, building materials and other household goods.

These benefits will also have other positive and negative impacts on the social and health conditions of NAN communities which will need to be addressed within those sectors.

3.2 Need for a NAN Regional Economic Strategy

In view of these looming resource developments across the NAN First Nations traditional territories, there is a great potential to seize the opportunity to initiate a regional strategy to develop a viable, sustainable First Nations economy within the NAN Territory.

To take advantage of the employment, economic and business opportunities and other spin-offs from resource developments in the mining, forestry and tourism sectors:

- NAN First Nations must speak with one voice across the various tribal areas of the NAN Territory;
- NAN First Nations must pursue this as a single, regional goal – there can only be one unifying voice;

- A single, negotiating strategy will always have the bargaining advantage over two or more such processes;
- The overall regional strategy can accommodate all tribal area unique characteristics while not losing sight of the goal;
- NAN First Nations' lands and resources must be the key to create a revenue sharing structure as the means to improving the communities' wealth and standard of living.

3.3 Revenue-Sharing

In this regional strategy, NAN First Nations must develop a revenue-sharing system that:

- Demands a reasonable percentage of all industry and government revenues that will be derived from resource developers operating in their territories;
- Achieves an increased, but reasonable, percentage from gross revenues (not profits or operating cash-flows) as cash compensation from IBA agreements;
- Develops and establishes their own royalty system which will impose and collect royalty payments from all resource companies operating on their traditional lands;
- These royalty rates must be based on gross revenues and tied to the positive market prices of the resources being extracted.

A minimal percentage of these royalties from this revenue-sharing system can be flowed to a regional NAN Investment Trust. This fund facility could be the beginnings of a NAN-wide Treasury which can fund community projects and re-invest in future, regional business and economic development projects.

A percentage can also be invested in a Legal Defence Fund to fight violations to our inherent treaty rights as individual or class action cases.

4.0 KEY STRATEGIC OBJECTIVES

The following are some key objectives to be incorporated in a regional economic development:

- Map out clearly what NAN First Nations expect from future resource developments within their territories;
- Identify and develop independent sources of revenues;
- Act in the collective interest of all NAN First Nations at all times;
- Build upon existing institutions and establish new entities as required;
- Ensure good governance in all these institutions;
- Identify all jobs required with the developers and push for maximum First Nation training and employment;
- Invest in the construction of new housing, infrastructure and community facilities;
- Create and invest in economic development opportunities for NAN First Nation businesses.

5.0 NEXT STEPS

In order to proceed with the development of a regional economic development strategy, a new a mandate has been obtained from the NAN Chiefs Conference in November 2009 which will allow the NAN Executive to move forward on these strategic goals and objectives outlined herein.

A report for a regional economic/resource development strategy and framework will be presented at the next NAN Chiefs winter assembly next March 2010.