



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

SKILLS DEVELOPMENT IN REMOTE RURAL COMMUNITIES IN AN ERA OF FISCAL RESTRAINT

Report of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

**Ed Komarnicki, M.P.
Chair**

JUNE 2012

41st PARLIAMENT, FIRST SESSION



Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Standing Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
<http://publications.gc.ca>

Also available on the Parliament of Canada Web Site
at the following address: <http://www.parl.gc.ca>

**SKILLS DEVELOPMENT IN REMOTE RURAL
COMMUNITIES IN AN ERA OF FISCAL RESTRAINT**

**Report of the Standing Committee on
Human Resources, Skills and Social Development
and the Status of Persons with Disabilities**

Ed Komarnicki, M.P.

Chair

JUNE 2012

41st PARLIAMENT, FIRST SESSION

STANDING COMMITTEE ON HUMAN RESOURCES, SKILLS AND SOCIAL DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

CHAIR

Ed Komarnicki

VICE-CHAIRS

Rodger Cuzner

Chris Charlton

MEMBERS

Marjolaine Boutin-Sweet

Brad Butt

Ryan Cleary

Joe Daniel

François Lapointe

Kellie Leitch

Colin Mayes

Phil McColeman

Devinder Shory

OTHER MEMBERS OF PARLIAMENT WHO PARTICIPATED

Jean Crowder

Carol Hughes

Claude Patry

Manon Perreault

CLERK OF THE COMMITTEE

Evelyn Lukyniuk

LIBRARY OF PARLIAMENT

Parliamentary Information and Research Service

Chantal Collin, Analyst

Sandra Gruescu, Analyst

André Léonard, Analyst

**THE STANDING COMMITTEE ON
HUMAN RESOURCES, SKILLS AND SOCIAL
DEVELOPMENT AND THE STATUS OF
PERSONS WITH DISABILITIES**

has the honour to present its

SIXTH REPORT

Pursuant to its mandate under Standing Order 108(2) the Committee has studied skills development in remote rural communities in an era of fiscal restraint and has agreed to report the following:

TABLE OF CONTENTS

SKILLS DEVELOPMENT IN REMOTE RURAL COMMUNITIES IN AN ERA OF FISCAL RESTRAINT	1
INTRODUCTION	1
A. Study	1
B. Considerations	1
1. Definition of Remote Rural Communities.....	1
2. Jurisdictions.....	2
3. Description of Report.....	2
SECTION 1: CANADA'S NORTHERN REMOTE COMMUNITIES — THE GROWING NATURAL RESOURCES SECTOR AND THE NEED FOR A SKILLED WORKFORCE	2
SECTION 2: CHALLENGES TO SKILLS DEVELOPMENT IN NORTHERN REMOTE COMMUNITIES.....	5
SECTION 3: RESPONDING TO LABOUR AND SKILLS DEVELOPMENT CHALLENGES IN CANADA'S NORTHERN REMOTE COMMUNITIES.....	7
A. Priority Policy Areas	7
1. Reinforcing the Connection between Skills Development and Labour Market Demand.....	7
2. Increase Skills Development and Training	10
Youth.....	11
Employees	12
The unemployed	13
Persons with disabilities	13
Older workers.....	13
3. Improving Educational and Employment Outcomes of Aboriginal Peoples Living in Northern Remote Communities	14
Aboriginal education.....	14
Employment and Skills Development Initiatives and Programs	17
4. Improving Infrastructure in Northern Remote Communities.....	20
5. The Regulatory Process	23
B. Best Practices to Build Skills and Knowledge: Public-Private Partnerships and Private Sector Initiatives	24
CONCLUSION	28

LIST OF RECOMMENDATIONS	31
APPENDIX A: PROGRAMS FROM VARIOUS FEDERAL DEPARTMENTS — HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA	35
APPENDIX B: LIST OF WITNESSES	43
APPENDIX C: LIST OF BRIEFS	47
REQUEST FOR GOVERNMENT RESPONSE	49
SUPPLEMENTARY OPINION OF THE NEW DEMOCRATIC PARTY OF CANADA ...	51

SKILLS DEVELOPMENT IN REMOTE RURAL COMMUNITIES IN AN ERA OF FISCAL RESTRAINT

INTRODUCTION

A. Study

On November 22, 2011, the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (hereafter, the Committee) agreed to study skills development in remote rural communities.

The Committee's study of skills development in remote rural communities was inspired by a report of the Canadian Chamber of Commerce entitled [*The Business Case for Investing in Canada's Remote Communities*](#) published on September 19, 2011.¹ The Canadian Chamber of Commerce makes the point that the development and economic success of major projects in the natural resources sector and other industries in remote rural communities depend not only on the accessibility to appropriate infrastructure but also on the availability of a skilled workforce.

During the 1st session of the 41st Parliament, the Committee held six meetings on this matter, hearing submissions from: representatives of federal departments that are directly involved in addressing these issues; businesses; sector councils; organizations delivering literacy, education and training programs; Aboriginal Peoples; municipalities; and from companies overseeing large projects in the natural resources sector located in remote rural regions of Canada.

Members of the Committee would like to convey their appreciation and thanks to those who provided evidence and the organizations that submitted briefs in connection with this study. Your input was invaluable and it is our hope that the issues you have brought before the Committee are well reflected in this report.

B. Considerations

1. Definition of Remote Rural Communities

For this study, the Committee adopted the same definition of remote rural communities as the one given in the Canadian Chamber of Commerce's report on challenges and opportunities in these communities. Remote communities are defined as having one or more of the following characteristics: limited transportation access (road, air, and rail); limited access to a commercial/service hub; limited infrastructure (water, off-grid

1 The Canadian Chamber of Commerce, *The Business Case for Investing in Canada's Remote Communities*, September 19, 2011.

[location], broadband access, healthcare, schools, library, and other institutions); and/or a single, primary employer. The Committee also decided to focus on northern remote rural communities (hereafter referred to as northern remote communities).

2. Jurisdictions

The delivery of education programs, skills development and labour market training in Canada is primarily a provincial/territorial responsibility. However, the federal government is responsible for the education and well-being of First Nations peoples living on reserves. Federal financial support for skills development is delivered primarily under bilateral agreements with provincial and territorial governments and Aboriginal communities, as well as grants and contributions to the private sector and community organizations for labour market training initiatives.

3. Description of Report

Section 1 of our report will give readers a brief overview of economic development in northern remote communities and anticipated labour and skills shortages. Section 2 outlines the challenges to skills development in these communities. Section 3 outlines potential ways of responding to the challenges outlined in Section 2. Subsection 3A addresses five priority policy areas: the mismatch between supply and demand for skills; the need for skills development and trades training; the need to improve educational and employment outcomes of Aboriginal Peoples living in northern remote communities; the importance of broadband access; and the regulatory process. Finally, subsection 3B showcases some of the many best practices that were shared with the Committee.

SECTION 1: CANADA'S NORTHERN REMOTE COMMUNITIES — THE GROWING NATURAL RESOURCES SECTOR AND THE NEED FOR A SKILLED WORKFORCE

The vast lands of Canada's North present a significant opportunity for the expansion of the natural resources sector and the future of the Canadian economy. The Committee heard that as a result of an ageing population and high retirement rates anticipated over the next decades, the natural resources sector and other industries will face increasing skills and labour shortages. While there will be many job openings, filling these jobs may prove to be more difficult. Much of the workforce in northern Canada lacks the skills set necessary to fill these occupations. The majority of witnesses who appeared before the Committee agreed that more needs to be done to promote economic development and improve the skills of populations living in northern remote communities. Failing to do so may put Canada at risk of losing its international competitiveness and may slow down economic growth in the natural resources sector.

Canada's North is home to large populations of Aboriginal Peoples. Aboriginal Peoples in northern remote communities are being called upon to play a major role in solving skills and labour shortages as well as in developing the economic potential of their own communities. Indeed, much of Canada's natural resources remain untapped in northern remote communities, where a quickly growing Aboriginal population could help leverage the wealth of Canada's natural resources.

The natural resources industry has already begun to take advantage of the great potential of Canada's North by developing major projects in northern remote communities. The importance of the natural resources sector to Canada's economy cannot be underestimated.

Labour demands associated with the Alberta oil sands are well documented. Increased mining activity in Saskatchewan will mean a considerable demand for construction workers over the next few years. For Manitoba, there are multi-billion dollar hydro projects, while in northern Ontario there are the Ring of Fire mining developments, all of which will generate many job opportunities. In Newfoundland and Labrador, the Lower Churchill hydro project and proposed mining project development will likely generate demands that exceed the available local labour force.²

Rosemary Sparks,
Construction Sector Council

The Committee heard from representatives of the mining, oil and gas, forestry, construction, and energy sectors, as well as other major employers in Canada that will face significant skills and labour shortages in the years ahead.

According to the Canadian Chamber of Commerce, "the mining, oil and gas extraction industries contributed \$54 billion to Canada's GDP in 2010 ... [and the] agriculture, forestry, fishing and hunting contributed nearly \$27 billion ... in the same year."³

In the past five years, the minerals and metals sector has averaged approximately 5% of Canada's GDP. Canada is first in the world for the production of potash and uranium and is in the top five for the production of nickel, cobalt, titanium concentrate, aluminum, magnesium and platinum group metals, gypsum, asbestos, cadmium, zinc, salt, molybdenum, and diamonds.⁴

The mining industry employed 320,300 workers in 2011, or 2.1% of total employment: 56,700 people in mineral extraction, 49,400 in non-metallic mineral product manufacturing, 61,800 in primary metal manufacturing and 152,400 in fabricated metal product manufacturing.⁵

Employers in the mining industry are facing major skills and labour shortages. If this problem is not resolved, it could jeopardize the expansion of the industry over the next two decades. The Committee heard that 40% of the mining sector workforce is over 50 years old and a third of these employees will be eligible for retirement in the next four years.

2 *Evidence*, Meeting No. 16, 1st Session, 41st Parliament, December 1, 2011, 1645.

3 The Canadian Chamber of Commerce, [The Business Case for Investing in Canada's Remote Communities](#), September 19, 2011, p. 9.

4 Mining Industry Human Resources Council, [Mining Facts and Figures](#).

5 Statistics Canada, *Survey of Employment, Payroll and Hours*, CANSIM Table 281-0024.

Based on a very moderate growth scenario, the mining industry will need to recruit 115,000 new people in the next ten years, but with new mining projects the number of recruits needed could quickly reach 150,000. The Canadian Nuclear Association told the Committee that AREVA Canada, the first producer of uranium in the world, anticipates that its workforce will grow by 60% over the next three years. Half of these new recruits are expected to be Aboriginal Peoples.

There is a need in Saskatchewan for approximately 18,000 new positions related to the mining industry. By 2028, we are expecting \$43 billion worth of capital expansions to occur; that number has actually been revised recently to be closer to \$50 billion. There's a huge demand in a number of occupations related to the mining industry, the vast majority of which are in the trades. Of course there will be administrative and professional services as well.⁶

Gary Merasty,
Cameco Corporation

The Construction Sector Council (CSC) told the Committee that investments in major mining and engineering projects in northern remote communities are driving new construction investments that could reach almost \$200 billion over the next decade. The CSC is expecting to see an employment growth of approximately 102,000 jobs between 2011 and 2019. At the same time, the construction sector will see as many as 217,000 people retire over the same period.

The Ontario Power Generation (OPG) is also forecasting labour challenges, as 30% of its employees will be eligible to retire by 2012. Hundreds of new skilled recruits will be needed to fill that gap.

With regard to the oil sands industry, the Petroleum Human Resources Council of Canada indicates that growth in this sector fuels a demand for more workers, but that the supply of skilled workers is very limited. In addition, with age attrition and competition from other industries for workers, it is anticipated that the industry will face additional skills and labour shortages in the years ahead. This oil sands sector's workforce is expected to grow by 73% by 2021.⁷ The Canadian Association of Petroleum Producers estimates that employment as a result of new oil sands investment will soar to 905,000 jobs in 2035, up from 75,000 in 2010.⁸ Whereas the natural gas sector is concerned, it is estimated the employment will grow from 172,000 jobs in 2010 to 317,000 jobs by 2035.⁹

6 Evidence, Meeting No. 17, 1st Session, 41st Parliament, December 6, 2011, 1530.

7 Petroleum Human Resources Council of Canada, [The Decade Ahead: Oil Sands Labour Market Outlook to 2021](#), Spring 2012.

8 Canadian Association of Petroleum Producers, [The Facts on: Oil Sands, Upstream Dialogue](#), October 2011.

9 Canadian Association of Petroleum Producers, [The Facts on: Natural Gas, Upstream Dialogue](#), September 2011.

Overall, in Canada, between 2011 and 2020, employment growth is projected to average 1.1% annually. However, growth is expected to be stronger in certain sectors, such as mining (2.9%), oil and gas extraction (2.2%) and construction (1.4%). Employment in the services sector is expected to grow at an annual rate of 1.1% (the same as the Canadian average). Manufacturing growth is expected to be 0.5% annually.¹⁰

SECTION 2: CHALLENGES TO SKILLS DEVELOPMENT IN NORTHERN REMOTE COMMUNITIES

Residents of northern remote communities, particularly youth, need skills development through higher education, trades training and/or employer-sponsored training if they are to have the competence needed to take advantage of the employment opportunities offered in the growing natural resources sector as well as in other businesses that are being created as a result of the booming resource industries.¹¹ This is not without challenges.

There are numerous socio-economic barriers preventing students and workers in northern remote communities from pursuing skills development. The Committee was told that some of the most significant barriers are found in smaller remote communities with predominantly high levels of unemployment, lower individual incomes, poverty and a lack of essential infrastructure. However, when one overcomes these challenges and obtains the skills in demand, one is rewarded quickly with a job offer. Witnesses also told the Committee that hiring locally also comes with its rewards for employers as northerners and Aboriginal Peoples have proven to be loyal, hard-working and dedicated employees.

Witnesses shared some of the barriers Aboriginal youth and other students in northern remote communities must overcome to complete high school and pursue further skills development. Some raised the issues of a lack of funding for Aboriginal education; a lack of understanding of Aboriginal culture; a lack of transition supports from high school to post-secondary education for those having to move away from home to pursue their education; a poor academic preparation; a lack of self-confidence and motivation; an absence of role models; and a lack of awareness about the post-secondary programs that offer the skills needed to succeed in the labour market; among others.

Table 1 illustrates some of the socio-economic issues that exist in the territories. These conditions make it very difficult for some youth to imagine a bright future and invest their time in skills development.¹²

10 Human Resources and Skills Development Canada, *Canadian Occupational Projection System (COPS), Industrial Outlook, 2011-2020*.

11 In this report, skills development refers to all levels of education and training, occurring in formal, non-formal and on-the-job settings.

12 These socio-economic issues may also be present in other northern remote communities, in some provinces.

Table 1 – Selected Statistics, Territories

	Yukon	NWT	Nunavut	Canada
Population: Total	30,195	41,055	29,325	31,241,030
Aboriginal	7,580	20,635	24,915	1,172,785
Aboriginal Adults Without High School Diploma (%)	41	55	69	44
Aboriginal Population Not in Labour Force (%)	30	35	41	37
Average Age of Population	38	31	23	39
Social Assistance Rate (%)	3.6	4.3	29.2	5.2
Core Housing Need (%)	16.3	17.5	37.3	12.7
Suicide Rate (Per 100,000 Population)	19.4	25.7	80.9	11.3
Transfers Per Capita	\$19,887	\$21,940	\$33,936	N/A

Source: Table prepared for the Committee using data obtained from Aboriginal Affairs and Northern Development Canada, [“The Government of Canada’s Role in Arctic Resource Development,”](#) *Canada’s North Beyond 2011*, October 11–13, 2011, Edmonton, Alberta.

Other witnesses indicated that broadband connectivity is not fast enough nor is it sufficiently reliable to conduct business or to provide northerners with access to information and online learning opportunities in their communities. Another major challenge raised by employers in the natural resources sector is the limited number of people who are interested in training or who are trained in the skilled trades. The Committee was told, for example, that the mining industry has difficulty attracting youth as negative perceptions and stereotypes about skilled trades and the industry are still prevalent in the population today.

The Committee also heard that employees sometimes do not have the basic essential skills needed in the workplace. For example, some witnesses indicated that employers find it difficult to offer employer-sponsored and job-specific skills training in northern remote communities because many northerners lack the basic learning skills to take advantage of the training offered. As we know, literacy and essential skills are important contributors to workplace productivity. However, many working-age adults in northern remote communities lack the necessary literacy, numeracy, problem solving and other essential skills.

Finally, other witnesses told the Committee that while the private sector is doing its part for skills development, there is also a need to increase awareness among northerners

of existing social and labour market programs offered by Human Resources and Skills Development Canada (HRSDC). Education is a provincial responsibility but HRSDC plays a role through various programs offered under its learning programs, Youth Employment Strategy and Aboriginal programming, among others.¹³

SECTION 3: RESPONDING TO LABOUR AND SKILLS DEVELOPMENT CHALLENGES IN CANADA'S NORTHERN REMOTE COMMUNITIES

A. Priority Policy Areas

1. Reinforcing the Connection between Skills Development and Labour Market Demand

Employers in northern remote communities told the Committee that there is a mismatch between the skills needed to fill the jobs available in their industries and the skills of the local workforce. The vast majority of witnesses indicated that education, skills development, skilled trades training and labour programs should be reassessed to ensure that they are more closely aligned with the unique needs of employers in northern remote communities and that they are adequately funded.

The Committee was told that there is a need for more flexibility in and focus on delivering skills development to northerners if they are to meet the job-specific skills required by prospective employers. Alternate training models, such as online courses and more culturally appropriate programming, must be part of the solution.

Many witnesses also mentioned the importance of detailed, timely and accurate labour market information (LMI). HRSDC is a main provider of LMI products and services to job seekers, employers and learning institutions. *Working in Canada*¹⁴ is a federal government's website based on LMI which offers detailed analyses of outlooks by occupation by province and sometimes by region within a province. Some witnesses indicated that this online platform is particularly useful to achieving a better match between the skills of job seekers and the demands of employers. The Committee believes that the need for LMI will grow in importance in the next decade and that the Government of Canada should continue to improve its efforts in providing the most reliable LMI products and services to northern remote communities.

In addition, the Committee was told about the important role played by sector councils in the development of LMI for specific industries and its use to ensure a better match between labour demand and supply. For example, the Committee heard from the Construction Sector Council, which is a national industry-led organization engaged in

13 For a list of federal programs from various departments that can assist Canadians and Aboriginal Peoples in reaching their skills development and employment goals, see Appendix A.

14 Government of Canada, [Working in Canada](#).

researching how best to develop a highly-skilled workforce. Just as is the case for other sector councils, its top-priority is the development of LMI for its industry.

HRSDC's Sector Council Program supports "formal, national partnerships of businesses and other key stakeholders that address issues of human resources investment and workplace skills development on a sectoral basis."¹⁵ This is a contribution program that offers funding for research that is demand driven and for projects suggested by sector councils and other organizations working on skills development related issues. In 2010-2011, the federal government spent \$22.4 million on contribution payments through this program.¹⁶

Following the recent wide-ranging strategic review, the federal government announced changes to the funding of HRSDC's Sector Council Program. "Those changes will have an impact on all sector councils... albeit in different ways. As of March 31, 2013, funding for 'core' expenses (i.e., expenses that are not related to a specific project) will come to an end."¹⁷ Some witnesses talked about the impact that this funding cut could have on sector councils. One witness representing the mining industry told the Committee that its sector council would adapt and will continue to address the human resources concerns of its industry.

As I'm sure a number of you are aware, earlier this year, Minister Diane Finley announced changes to the sector council program and changes to the funding for our organization. Although this will have a fairly significant impact on the Mining Industry HR Council going forward, we are exploring all options to mitigate against this loss of funding. We do plan on continuing to identify and address the HR challenges facing the mining industry.¹⁸

Ryan Montpellier,
Mining Industry Human Resources Council

Many witnesses talked about the importance for human resources teams involved in major natural resources projects to be proactive and to engage communities early in a project in order to provide the time required to leverage the potential of the local workforce. The connection between the future needs of businesses for a skilled workforce and the skills development programs offered to individuals and job seekers in the surrounding communities must be strengthened.

15 Treasury Board of Canada Secretariat, [Departmental Performance Report 2010-2011](#), Human Resources and Skills Development Canada, [Supplementary Tables](#), Table 11.

16 Ibid.

17 Canadian Supply Chain Sector Council, [e-Newsletter](#), July 27, 2011.

18 *Evidence*, Meeting No. 18, 1st Session, 41st Parliament, December 8, 2011, 1635.

We have to be training for where there are jobs. We have to be aligning our education system with the training for where we think those jobs might be. If they don't happen, at least we had some plan where we were educating people in areas where we thought the economic drivers would actually deliver some jobs in the future.¹⁹

Kelly Lendsay,
Aboriginal Human Resource Council

The Committee also learned about the efforts made by businesses to collaborate with community colleges, other learning institutions and local communities to provide just-in-time training, which is very focused on the needs of employers. Basically, just-in-time training relates to skills development programs that are created to meet specific job openings in the labour market.

Providing career awareness, targeted skills development programs and just-in-time training are essential elements of a labour force building strategy that will respond to the needs of employers and to the need to integrate the local population into the workforce. Witnesses agreed that such an approach is a win-win solution. Employers can have access not only to a skilled workforce, but also to a local workforce that has proven to have a high retention rate; while local unemployed individuals and people out of the workforce can get the skills development they need to work and earn a decent wage.

The answer to the current mismatch between labour demand and supply lies in building strong partnerships between all levels of government, Aboriginal leaders, learning institutions, community organizations, employers and the local workforce. These partnerships ensure that a better link is created between skills development programs and jobs opening in northern remote communities. The Committee learned about many successful partnerships throughout its study. Some of these will be highlighted in subsection 3B of our report.

Recommendation 1

The Committee recommends that the Government of Canada work with industry, provincial and territorial governments, and Aboriginal leaders to ensure skills development programs meet the needs of employers and employees.

Current federal programming for skills development should also be reviewed to ensure that the programs offered to northerners actually match the skills in demand by employers, particularly in the natural resources sector, which is the largest employer in northern remote communities.

19 *Evidence*, Meeting No. 24, 1st Session, 41st Parliament, February 27, 2012, 1650.

2. Increase Skills Development and Training

Witnesses reported that there are fewer institutions providing training in northern remote communities. These institutions are often located in the region's largest community, and can be far away from smaller ones. The temporary Knowledge Infrastructure Program was created in Budget 2009. Industry Canada representatives explained to the Committee that 52 projects funded through this program were located in communities with fewer than 10,000 residents, including seven in communities with fewer than 1,000 residents. These projects included the construction of community learning centres in remote communities.

Recommendation 2

The Committee recommends that the Government of Canada assess whether the Knowledge Infrastructure Program has adequately met the infrastructure needs related to educational institutions located in northern remote communities, whether this program should be renewed and whether new funding should be allocated.

There are several ways to improve skills in northern remote communities. Many HRSDC programs relate to skills development. Knowledge of these programs must be more widespread. In this regard, an HRSDC representative talked about a Service Canada initiative that helped raise awareness about some programs.

In Nunavut, for example, where many people have until recently been unaware of many HRSDC programs, Service Canada program officers now travel to rural and remote areas to increase awareness of our social and labour market programs. As a result of this outreach, which is carried out in partnership with community elders, the uptake of programs such as Canada Summer Jobs has increased significantly, from three applications when the program first started, to about 50 applications this year.²⁰

Louis Beauséjour,
Human Resources and Skills Development

Several witnesses pointed out that federal government programs should be more flexible to adapt to the realities of different northern remote communities. Programs must also be attentive to industry needs in terms of skills.

20 Evidence, Meeting No. 15, 1st Session, 41st Parliament, November 29, 2011, 1535.

There are complex reasons for why education and training programs fail to bring the desired outcomes. One is a lack of focus and flexibility rather than funding. Education and training programs developed to meet provincial, territorial, and—in the case of Aboriginal programs—national goals may not be focused or flexible enough to meet the needs of residents of remote communities and their prospective employers.²¹

Susanna Cluff-Clyburne,
Canadian Chamber of Commerce

Recommendation 3

The Government of Canada must ensure that in northern remote communities projects funded by its skills development programs meet the following criteria: they are developed on the basis of a strong partnership with local stakeholders and Aboriginal Peoples, being community, education or industry representatives, and they are more flexible to adapt to the specific circumstances of each community.

Some HRSDC programs related to training and skills development target specific groups.²²

Youth

High school students living in northern remote communities need to be more aware of job opportunities, especially in the resource sector. They should also be well aware of the benefits of obtaining a high school diploma and a post-secondary degree (e.g., a college or university education, or an apprenticeship program leading to a skilled trade). LMI must be not only available but also be persuasive and directed at young people.

According to a report by the Canadian Council on Learning, students from rural communities had a much higher high school dropout rate than urban students (16.4% compared with 9.2% in 2004-2005).²³ Results in international tests such as those of the 2009 Programme for International Student Assessment were lower in rural areas in math, reading and science.

Skilled trades account for a larger share of employment in northern remote communities than in urban communities. For example, in 2011, the construction trades, other trades and occupations unique to the primary industry accounted for 6.7% of total employment in Toronto, but 14.4% of total employment in northeastern Ontario.²⁴ The importance of validating these types of trades in high schools attended by young

21 *Evidence*, Meeting No. 16, 1st Session, 41st Parliament, December 1, 2011, 1530.

22 Programs with respect to Aboriginal skills development are discussed in the following section.

23 Canadian Council on Learning, "[The Rural-Urban Gap in Education](#)," *Lessons in Learning*, March 1, 2006.

24 Statistics Canada, *Labour Force Survey Estimates*, [CANSIM Table 282-0063](#).

people living in northern remote communities, especially for those having greater academic difficulties and more likely not to complete high school, was mentioned by many witnesses.

The federal government provides some incentives for learning skilled trades, such as Apprenticeship Grants worth \$1,000 annually (up to \$2,000), and a tax deduction for the purchase of certain tools. HRSDC is also responsible for the Interprovincial Standards Red Seal Program, which facilitates inter-provincial mobility for people who pass the exam in one of 52 skilled trades.

Another set of programs for youth is the Youth Employment Strategy. This strategy includes the Canada Summer Jobs program, which allows youth to gain work experience during the summer, and other programs aimed at increasing young people's employability.

Recommendation 4

The Committee recommends that the Government of Canada provide more labour market information aimed at high school students in northern remote communities, such as information on job opportunities in their region and on the benefits of obtaining a high school diploma and post-secondary degree (e.g., apprenticeship program or college or university education). This awareness-raising campaign should not only use traditional means of raising awareness but also more innovative ways to reach youth, such as visits to schools and community centres by Service Canada or private sector representatives or a public information campaign in local or social media.

Employees

The lack of basic skills (reading, writing and math) was also mentioned by some witnesses as a barrier to skills development in adults, because employers are more reluctant to provide training to their employees if they lack the basic skills to succeed and build on such training.

Through the Adult Learning, Literacy and Essential Skills Program, HRSDC “works with partners to facilitate the creation of opportunities for Canadians to acquire the learning, literacy and essential skills they need to participate in a knowledge-based economy and society.”²⁵ Planned spending is \$21.5 million annually from 2011-2012 to 2013-2014. Clearly, this is not all spent in northern remote communities.

25 Treasury Board of Canada Secretariat, [Report on Plans and Priorities 2011-2012, Human Resources and Skills Development, Details of Transfer Payment Programs](#).

Recommendation 5

The Committee recommends that the Government of Canada assess specifically whether the Adult Learning, Literacy and Essential Skills Program meets the needs of northern remote communities and, if necessary, increase funding in these regions through this program.

The unemployed

Through Labour Market Development Agreements (LMDAs), which are aimed at unemployed persons eligible for Employment Insurance, the federal government provides \$1.95 billion annually to provinces and territories for them to develop and administer training programs locally. Labour Market Agreements (LMAs) are aimed at other unemployed persons.

Under LMAs, “each province and territory must complete an evaluation of the impact and effectiveness of their LMA by March 2013. Provinces and territories can elect to conduct the evaluation either independently or jointly with Canada.”²⁶ LMDAs also include provisions on accountability and information sharing between federal and provincial and territorial governments.

HRSDC officials told the Committee that this shared responsibility is the best way to ensure that programs are more tailored to the needs of the various provinces and territories.

Persons with disabilities

There are also LMAs respecting persons with disabilities and an Opportunities Fund for Persons with Disabilities, which is aimed at increasing the participation of persons with disabilities in the labour market.

Older workers

The Targeted Initiative for Older Workers is a cost-shared program between the provinces and territories and the federal government, aimed at improving the employability of people aged 55 to 64 by helping them retrain, acquire skills and return to the labour market. The program is designed specifically for smaller communities, where unemployment is high and often dependent on one major industry.

26 Treasury Board of Canada Secretariat, [Departmental Performance Report 2010-2011, Human Resources and Skills Development, Supplementary Tables](#).

3. Improving Educational and Employment Outcomes of Aboriginal Peoples Living in Northern Remote Communities

Aboriginal education

Northern Canada, as we know, is home to significant Aboriginal populations. According to the 2006 Census, the percentage of Aboriginal Peoples was higher in the more rural and northerly provinces and territories: Nunavut (85%), the Northwest Territories (50%), Yukon (25%), Manitoba (15%) and Saskatchewan (15%).

The Committee heard that more than 400,000 Aboriginal youth will be of age to enter the labour market in 2020. However, Aboriginal Peoples living on reserves must surmount very complex barriers in order to participate in skills development and job integration programs.

It is well known that Aboriginal education must be improved for their employment rate to increase. Lack of education and training of a large part of the population in northern remote communities prevent their participation in skills development programs and their integration into the labour market. For a country as advanced as Canada, the dropout rate of Aboriginal high school students is far too high.

As many of Canada's remote communities are Aboriginal, the failure of the education system to graduate Aboriginal youth from secondary school and to give them the opportunity for post-secondary education and training are considerable barriers to economic development. As you all know, secondary school graduation or its equivalent is usually the minimal level of education required by employers.²⁷

Susanna Cluff-Clyburne,
Canadian Chamber of Commerce

In 2006, 34% of Aboriginal Peoples between 25 and 64 had no high school diploma, compared with 15% for the rest of the population. This difference was even greater among Inuit and First Nations living on reserves. Of those groups, about half the adults had not completed high school. The Committee also heard that in Nunavut only 25% of young people graduate from high school. Nevertheless, a growing number of Aboriginal Peoples pursue and complete a post-secondary education. In 2006, 14% had trade credentials, 19% a college diploma, and 8% a university degree (compared with 6% in 2001).²⁸

Moreover, the Committee heard from witnesses who raised the lack of basic knowledge in reading, writing and math among Aboriginal Peoples, which hampers

27 *Evidence*, Meeting No. 16, 1st Session, 41st Parliament, December 1, 2011, 1530.

28 Statistics Canada, [Educational Portrait of Canada, 2006 Census](#), Catalogue no. 97-560-X, March 2008, p. 9 and p. 19-23. Because of changes in methodology, only the percentages of individuals with university attainment can be compared between 2001 and 2006.

education in a trade. While private companies are interested in training the workforce in northern remote communities, low literacy limits opportunities for skills development.

To address the problem of Aboriginal education, the Government of Canada has undertaken a number of initiatives in partnership with the Assembly of First Nations, including the establishment of the National Panel on First Nations Elementary and Secondary Education. The purpose of this engagement process was to develop options, including legislation, to improve outcomes in primary and secondary schools for First Nations children living on reserves. On February 8, 2012, the National Panel delivered its report, “Nurturing the Learning Spirit of First Nation Students.” The report outlined five recommendations on education.

Recommendation 6

The Committee recommends that Aboriginal Affairs and Northern Development Canada examine the report, “Nurturing the Learning Spirit of First Nations Students,” and implement the priority recommendations, taking into account that Canada is in an era of fiscal restraint.

Aboriginal Affairs and Northern Development Canada is responsible for funding the education of First Nations on reserve. Funding is provided to band councils to administer. Although First Nations are required by the Department to offer a program equivalent to that of the province in which they are located — and by teachers approved by the province — they receive less money per student than the provinces pay for students for whom they are directly responsible. Several witnesses stated that this inequity in funding makes it difficult to provide adequate education to First Nations children and youth.

Other factors also constrain First Nations children and youth from pursuing their studies, such as poverty, their parents not valuing education and, in some cases, the lack of available space to accommodate students in Aboriginal schools.

I think one of the big issues for grade 12 graduation in our communities is funding adult students, and this is one of many, but I'll give you an example.

If you went into any of the northern first nations schools and entered a grade 10 classroom in September, you would find students standing up with their books all around the classroom because there are not enough seats. The reason, and maybe it's because of the effects of poverty, is that there have been a lot of dropouts in earlier years, through the middle years perhaps. Basically we fail those kids, and they quit again by October.

This is a huge lost opportunity for us in terms of a portable and a mobile and available workforce, because these are younger adults who need that grade 12 to get into the trades.²⁹

Gary Merasty,
Saskatchewan Mining Association

The 2012 Economic Action Plan recognizes the importance of securing the participation of First Nations in the Canadian economy. The plan proposes investing in First Nations education by providing early literacy programming, building and renovating schools on reserves, improving the on-reserve Income Assistance Program, promoting training programs to help individuals who can work to find employment, renewing the Urban Aboriginal Strategy to improve their economic opportunities, and introducing a First Nations Education Act to establish strong and accountable education systems on reserve. Funding of \$275 million over three years was announced to support First Nations education and build and renovate schools on reserves. The funding announcement was welcomed by some Aboriginal groups who see it as a step in the right direction. Aboriginal representatives have long argued that at least \$500 million is needed to address problems in First Nations education.

However, funding is only one of the issues. In some cases a lack of interest in pursuing secondary or post-secondary education is the issue. Some witnesses suggested that the federal government should above all try to address these shortcomings by developing strategies to increase young people's interest in pursuing their studies. Parents must also be educated that going to school is a real benefit. One witness said that one reason explaining the lack of importance attached to education is the bad memories parents have of residential schools. The Committee heard that one of the strategies to overcome this obstacle was undertaken in Nunavut through a series of plans and policies on education, entitled First Canadians, Canadians First. The program was aimed at parents to help them connect with schools and make them aware that it was important to send their children to school.

Young people in Aboriginal communities also find it difficult when they have to leave their families and reserves to pursue their studies. Often it is the first time these young people will leave their communities. The Committee heard that it might be useful to establish transition programs that would allow these young people to spend a few weeks in an urban centre or in the area where the school is located before the start of school so they can more easily adapt and integrate into their new environment.

Work placements are also a promising opportunity for integration. One example is the John Wesley Beaver Memorial Award established by the Ontario Power Generation (OPG). The award allows a boy and a girl from an Aboriginal community to participate in a work placement. The mentoring program also opens up the possibility of training and

29 *Evidence*, Meeting No. 25, 1st Session, 41st Parliament, February 29, 2012, 1610.

hiring employees, sometimes at an entry level, to fill future management or supervisory positions. The people who get jobs at the OPG can serve as a model and inspire other Aboriginal students to pursue post-secondary studies and perhaps even a career with the company.

The Committee heard that career awareness activities and targeted training must also be provided to help people find jobs faster. Courses are all the more effective when offered in the communities themselves.

Recommendation 7

The Committee recommends that the Government of Canada continue to facilitate the creation of partnerships between governments, industries, educational institutions and Aboriginal communities in northern remote regions to create innovative skills development programs that respect Aboriginal culture, are of interest to Aboriginal students and motivate them to continue their secondary and post-secondary studies.

Recommendation 8

The Committee recommends that the Government of Canada, in cooperation with provincial and territorial governments, Aboriginal Affairs and Northern Development Canada, Aboriginal communities and schools, continue to support the creation of more effective transition programs for students in northern remote communities so they can adapt more easily to their new environment when they leave their reserve to continue their secondary and post-secondary studies.

Employment and Skills Development Initiatives and Programs

HRSDC announced its Aboriginal Skills and Employment Training Strategy (ASETS) on April 1, 2010.³⁰ The strategy aims to help First Nations, Inuit and Métis find meaningful employment in the Canadian labour market. The strategy also supports demand-driven skills development through partnerships with the private sector, provinces, territories and Aboriginal groups. It also emphasizes accountability and results.

About 80 organizations working under ASETS deliver services that help local Aboriginal clients participate in the Canadian economy by finding sustainable, meaningful employment. Signatories to Aboriginal agreements design and deliver programs and services that meet the specific needs of their clients. These services help Aboriginal youth

30 The strategy expires in March 2015.

make a successful transition from school to work or support their return to school, and support child care programs.³¹

The Construction Sector Council has worked with the Aboriginal Skills and Employment Training Strategy Agreement Holders over the past six years to forge linkages between Aboriginal communities and the construction industry. The 80 ASETs agreement holders have close to 400 points of service across Canada, are a direct link to Aboriginal youth, and provide training and counselling — among other services — in their communities.³²

Rosemary Sparks,
Construction Sector Council

In 2010 and 2011, a total of \$254.5 million was spent to implement ASETS, allowing 49,000 clients to complete a study program or obtain a service in order to enter the labour market; 7,175 clients to return to school; and 14,324 clients to find employment. In addition, 8,500 daycare spaces were made available in more than 450 First Nations and Inuit communities in Canada, allowing parents to pursue their studies and/or find employment.

The Aboriginal Skills and Employment Partnership (ASEP) is a national initiative that focuses on developing skills and promotes increased participation of Aboriginal Peoples in major economic development projects through the creation of partnerships with their communities. The Skills and Partnership Fund — Aboriginal (SPF), launched in July 2010, provides funding of \$210 million over five years for projects that focus on skills development and the entry of First Nations, Inuit and Métis into the labour market. The projects that are funded must foster innovation, partnerships and new ways to deliver services.³³ The Committee heard that two calls for proposals were launched under the SPF and that 400 proposals were received.

For example, the HRSDC skills and partnership fund recently invested \$3.2 million in the Mine Training Society's 'More Than a Silver Lining' project in the Northwest Territories. The project will assist 225 Aboriginal people from five area communities to access training opportunities and work experience in the mining sector, in addition to helping 70 of them secure employment in the mine.³⁴

Louis Beauséjour,
Human Resources and Skills Development

31 This paragraph is taken in part from the Treasury Board Secretariat, [Departmental Performance Reports, Human Resources and Skills Development, Supplementary Tables](#).

32 Evidence, Meeting No. 16, 1st Session, 41st Parliament, December 1, 2011, 1645.

33 Treasury Board Secretariat, [Departmental Performance Reports 2010-2011, Human Resources and Skills Development, Supplementary Tables](#).

34 Evidence, Meeting No. 15, 1st Session, 41st Parliament, November 29, 2011, 1540.

The Committee also heard from witnesses about another interesting program, the Northern Career Quest Partnership. According to a witness, with \$33 million in funding, it is the largest program in Canada, targeting employment and training programs for First Nations and Métis in northern Saskatchewan. Approximately 3,000 First Nations and Métis have applied for 1,500 training spots and 750 jobs.

Witnesses also noted other skills development and employment initiatives that have been successful in northern remote communities. For example, a joint project between the Saskatchewan Indian Institute of Technologies and Aboriginal Affairs and Northern Development Canada outfitted two recreational vehicles with computers to provide First Nations in the province with direct access to programs available on the Internet, for example those providing career opportunities.

In addition, the Committee heard that the Lower Mattagami Project is an exemplary project of \$2.6 billion developed by OPG in northern Ontario. Work placements are offered through the firm's partner, which engages with Aboriginal communities and provides them with information about available jobs, especially in the area of catering, surveying and working on the roads, and gives confidence to people who have been unemployed for a long time.

The Electricity Sector Council has implemented a three-year program on Aboriginal workforce participation, which consists of two stages: training and recruitment, and raising awareness of career opportunities in the electricity sector. Aboriginal youth camps are also offered to make them aware of various career opportunities and develop their interest in math and science.

General Electric Canada also supports an organization called Actua, which has a program in science and technology for First Nations children aged 9 to 15. The program has increased children's curiosity about science and technology. Activities are also adapted to Aboriginal culture and led by First Nations students who travel to northern remote communities.

One of the great stories about this is that for one of the programs that was run in the far north — and you never know how many kids are going to come — the first day there were 50. The next day there were 100, and then 150, and then all the elders started coming as well. The comment was that this is what we tell you about climate change, and why we hunt two months earlier, and so on. This kind of program is having a great impact, and the feedback from the kids in terms of now wanting to do something in science and technology has actually been quite compelling.³⁵

Kim Warburton,
General Electric Canada

35 *Evidence*, Meeting no. 24, 1st Session, 41st Parliament, February 27, 2012, 1615.

In addition, the mining sector employs many Aboriginal Peoples, and a number of programs in this sector have been successful, including the ASEP and the Mining Essentials Program, a pre-employment training program for Aboriginal youth. Cameco Corporation is another model employer that invests in training and work experience for members of Aboriginal communities.

As you all know, several mining companies operate their mines in close proximity to Aboriginal communities. In fact, the mining sector is the largest private sector employer of Aboriginal Peoples. Approximately 7.5% of the current national mining workforce self-identify as Aboriginal Peoples, and that's 2006 Census data. From our analysis, that number is closer to 10% today. This represents somewhere between 17,000 to 20,000 Aboriginal Peoples currently employed. My understanding is that you heard earlier in the week from Cameco. Cameco is one excellent example of a mining company leading the charge in this area. They're not the only one, but they're certainly doing some excellent work at attracting and retaining Aboriginal talent.³⁶

Ryan Montpellier,
Mining Industry Human Resources Council

Lastly, several other mining companies fund literacy and workplace training programs so that employees can acquire the skills they need. Employees can even get a general education diploma and training on the equipment they use in their work. The Committee heard that these initiatives are offered in the Diavik and Ekati mines in the Northwest Territories, with great success.

Recommendation 9

The Committee recommends that the Government of Canada support programs funded by the private sector that offer work placements and training to Aboriginal Peoples living in northern remote communities, for example through a tax credit or other measure.

4. Improving Infrastructure in Northern Remote Communities

Many witnesses raised concerns about a lack of infrastructure in northern remote communities. The Committee was told about the need for affordable, reliable and efficient sources of energy; affordable and adequate transportation; access to clean and abundant water; better overall living conditions on reserves and in Aboriginal communities; among others.

Moreover, other factors inhibit business development in northern remote communities, such as energy, clean water and transportation.

36 *Evidence*, Meeting no. 18, 1st Session, 41st Parliament, December 8, 2011, 1640.

The first barrier [is] related to energy. A lot of the new development in small northern communities is in areas that are off the grid. The challenge there is getting reliable sources of electricity to those communities to allow them to wean themselves off diesel, in particular, which is very expensive and very polluting.

The other area relates to clean water. A lot of communities felt that they didn't have adequate water resources now, and particularly, if they are going to be developing new resource-based projects, whether forestry or mining....

The other area was related to transportation, in and out. Some of these communities are fly-in, fly-out. Others have a combination of fly-in, fly-out, and the local communities; others are communities built from scratch. The cost of transportation is something that holds back people who want to go there, and also people who are there from being able to get out³⁷

Ross Hornby,
General Electric Canada

Related more specifically to the topic of skills development in northern remote communities, the Committee learned about a number of concerns related to broadband access. Witnesses told the Committee that access to reliable high-speed Internet is necessary to deliver services, conduct business, offer online health services, provide information and skills development programs to residents in northern remote communities, and especially to provide online learning tools to schools on reserves. Employers also expressed concerns with regard to their capacity to offer distance learning opportunities to their workforce without having access to reliable high-speed Internet.

Connectivity is a big issue in the northern schools. The more remote they are, the more difficult it is for these communities to recruit qualified teachers. It helps to have connectivity and the ability to use that technology to teach specialized courses such as math and science, which are subjects not often taught in the north. You need math and science to get into the apprenticeship programs and virtually anything else.³⁸

Gary Merasty,
Cameco Corporation

In addition, the Committee was told that it is difficult to increase the number of online business opportunities without improving Internet access and bandwidth. Broadband Internet services are also very important from a social perspective as it allows residents of northern remote communities to connect with the rest of the world.

37 *Evidence*, Meeting No. 24, 1st Session, 41st Parliament, February 27, 2012, 1605.

38 *Evidence*, Meeting No. 17, 1st Session, 41st Parliament, December 6, 2011, 1555.

The federal government in Budget 2009 provided \$225 million over three years for Industry Canada to develop and implement a strategy to extend broadband coverage. The biggest component of this strategy is the program Broadband Canada: Connecting Rural Canadians.³⁹

The program provides a one-time, non-repayable contribution to support the expansion of broadband connectivity where it may otherwise not be economically feasible for the private sector to deploy on its own. The program provides federal funding, up to 50% of eligible costs, to eligible recipients that include the private sector or consortiums of companies, not-for-profit organizations, and provincial/territorial entities that build and operate broadband infrastructure through a competitive application process. Projects serving First Nations communities can receive additional funding from other federal sources, for up to 100% federal funding.⁴⁰

Janet DiFrancesco,
Department of Industry

The Broadband Canada: Connecting Rural Canadians (Broadband Canada) program has ended on March 31, 2012. The Committee was told that all projects undertaken using funds from this program will be completed by summer 2012. Budget 2012 indicates that Broadband Canada will have helped to provide broadband access to approximately 210,000 additional households, in rural and remote areas of Canada.⁴¹

Budget 2012 includes a plan for the deployment of advanced wireless services and announces that the Government of Canada will “hold spectrum auctions for the 700 MHz and 2,500 MHz spectrum bands.”⁴² Some measures will be put in place to ensure that wireless Internet services are also improved in rural Canada. Rural deployment is not without its challenges. Internet services in small northern remote communities will not likely benefit from these spectrum auctions.

The definition of what it means to have access to high-quality Internet services keeps evolving. The Canadian Radio-television and Telecommunications Commission released a new target in early 2011 that calls for all Canadians to have access to Internet services at 5 Mbps or faster by 2015. To put this target in perspective, the Broadband Canada: Connecting Rural Canadians program had a target of 1.5 Mbps or faster.

Some northern remote communities have such a small population that building a strong business case to justify making the large investments that would be required to

39 Industry Canada, [Broadband Canada: Connecting Rural Canadians](#).

40 *Evidence*, Meeting No. 15, 1st Session, 41st Parliament, November 29, 2011, 1550.

41 Government of Canada, [Jobs Growth and Long-Term Prosperity, Economic Action Plan 2012](#), Budget 2012 tabled in the House of Commons by the Hon. James M. Flaherty, P.C., M.P., Minister of Finance, March 29, 2012, p. 177.

42 *Ibid.*

deploy advanced wireless services is very difficult. Internet service providers do not have the financial capacity to build a more robust broadband infrastructure in those areas.

There is no one-size-fits-all solution to broadband connectivity problems in northern remote communities. A representative of General Electric Canada suggested that the solution may lie in better partnerships between businesses, suppliers, producers, governments and other interested parties. Others argued that incentives should continue to be given to internet service providers to ensure that the building of broadband infrastructure continues to evolve in northern remote communities in the years ahead. New technology may also be the answer such as the recently launched high-speed carrier-grade satellite network that can provide fast and uninterrupted Internet services even in very remote sites quickly and cost-effectively.

The message given to the Committee throughout its study has been clear. Broadband access is essential to skills development in northern remote communities and the Government of Canada needs to continue its efforts toward ensuring that this access is readily available.

Recommendation 10

The Committee recommends that the Government of Canada consider options for working with internet service providers, businesses, Aboriginal Peoples, governments, users, and other interested parties to better facilitate the affordability, reliability, and speed of broadband available for northern remote areas.

5. The Regulatory Process

In addition to the issues already discussed, some witnesses raised concerns regarding the regulatory process for approval of new projects. To ensure a better match between labour demand and supply, employers need to invest in skills development early in the deployment of their projects. However, if a project is delayed because of the regulatory process, an employer is less likely to start making investments in skills development.

Investing in the regulatory infrastructure would help us speed up a lot of the processes. There's a lot of duplication at present, and this has resulted in a lot of time being consumed. Overlapping issues between the province and federal processes has cost time and significant amount of money. It has also reduced royalties and eliminated opportunities to get into production quicker and share benefits with other northern communities.⁴³

Gary Merasty,
Saskatchewan Mining Association

Another of our members, Aurora Energy Limited, is working on a large-scale uranium project in Labrador. If the regulatory hurdles are cleared, Aurora anticipates needing up to 700 construction workers to build the facilities for the mine mill complex. After that, it should employ about 400 workers on an ongoing basis. Many of these jobs could be filled by employees from the surrounding communities, which are small, widely separated, and primarily Inuit, with very low rates of other employment.

Aurora's project will be a tremendous opportunity for people of the Labrador coast to find long-term, meaningful employment near home. Government training funds and assistance will enhance this opportunity. The several years before the Michelin project starts in earnest should be used to provide secondary school upgrading, which will make it easier for potential workers to be involved in the higher-level operator skills training opportunities the project is going to bring.⁴⁴

John Stewart,
Canadian Nuclear Association

In Budget 2012, the Government responded to this issue by announcing new measures that seek to streamline approval processes and also set a strict timeframe for the review of major projects. To avoid duplication, the federal government will move to a “one project, one review” policy on environmental assessments. It will only transfer the responsibility for some major project reviews to provinces if they have similar standards than those of the federal government. The fixed timelines will be set at two years for reviews conducted under the Canadian Environmental Assessment Act, 18 months for those that fall under the National Energy Board Act, and 12 months for standard assessments. These measures answer the concerns raised by witnesses during the course of our study.

B. Best Practices to Build Skills and Knowledge: Public-Private Partnerships and Private Sector Initiatives

Offering skills development programming that match the skills needed by employers in northern remote communities was a recurrent theme of this study. The Committee learned of numerous successful public-private partnerships that offer a number of skills development initiatives targeted specifically to the needs of employers and

43 *Evidence*, Meeting No. 25, 1st Session, 41st Parliament, February 29, 2012, 1555.

44 *Ibid.*, 1535.

residents in these communities. Witnesses also talked about the efficiencies resulting from public-private partnerships and private sector initiatives in the delivery of skills development.

In much of our work these days in the area of education, in the area of social development, and in the area of economic development, we find that the partnership approach is the one that is effective. It's not all about the Department of Aboriginal Affairs being able to address the needs of rural communities. We have a role to play, but provinces have a role to play. They have access to programs and services, and deliver those. First Nations have a role to play in articulating their needs and finding ways they can deliver them within their communities as well as accessing programs. And the private sector has a role to play in terms of providing access.⁴⁵

Sheilagh Murphy,
Aboriginal Affairs and Northern Development Canada

First, it's important to have multi-stakeholder dialogues with the federal and provincial governments, First Nations partners, communities, and industry at the table developing solutions. We think these kinds of dialogues and investments in solutions for building skills and capacity in the community will pay long-term benefits both economically and socially.⁴⁶

Arlene Strom,
Suncor Energy Inc.

There are best-practice programs showing how the mining industry has achieved their employment results. One of these is the Multi-Party Training Plan, which is a partnership program between government, industry, educational institutes, and First Nations and Métis representatives. It's 50% industry-funded, and it's been going on since 1993, with \$52 million invested. So that's one successful program.⁴⁷

Pamela Schwann,
Saskatchewan Mining Association

Many witnesses mentioned HRSDC's ASETS and the SPF as two very successful programs which facilitate partnerships with Aboriginal communities and the private sector. The Committee heard about many best practices that have resulted in positive outcomes for Aboriginal Peoples. For example, the Committee learned about the success of the Sibi Employment and Training Initiative (Sibi). Through Sibi services, members of Moose Cree First Nation, MoCreebec, and Taykwa Tagamou Nation and Métis individuals in the Lower Moose River Basin have access to training-to-employment programs.⁴⁸ Sibi is funded in

45 *Evidence*, Meeting No. 15, 1st Session, 41st Parliament, November 29, 2011, 1655.

46 *Evidence*, Meeting No. 18, 1st Session, 41st Parliament, December 8, 2011, 1535.

47 *Evidence*, Meeting No. 25, 1st Session, 41st Parliament, February 29, 2012, 1550.

48 Ontario Power Generation, *Project News*, August 19, 2011.

part by HRSDC's ASEP and in part by the OPG. Federal funding for Sibi amounted to \$4 million, while the entire value of the project is \$8.5 million.⁴⁹

The strongest partnership we've been involved in is the lower Mattagami. This is an initiative — Sibi, as it's called — that was established in March 2010 with the Moose Cree Nation, MoCreebec, Taykwa Tagamou Nation, and Métis. Through funding from the federal and provincial governments, and our partner, Kiewit, as well as the building trades unions, we have provided a training and employment initiative. What it has resulted in is the Mattagami Aboriginal project. We have \$250 million in Aboriginal-only contracts in areas such as security and catering. We have over 900 First Nations individuals in our database, and we are employing 100 to 200 through contracts for work on that project. Right now on this project, there are 600 to 800 individuals on any given day. At the peak, it will be 1,200, so it has been a substantial achievement. The breakthrough has come through getting the training. We have an employee readiness program where we've been able to assess people's skills, and then really key in on opportunities where critical skills are required and work with the communities to build that.⁵⁰

Barb Keenan,
Ontario Power Generation

Many companies involved in major natural resources projects shared some of their best practices with the Committee. For example, Cameco Corporation invests in virtual schools, scholarships, in-house training, among others. The company targets one-percent of after-tax net earnings to finance community projects, in four areas: youth; education and literacy; health and wellness; and community development.⁵¹ Suncor Energy Inc. and the Suncor Energy Foundation (SEF) invest in Aboriginal education, training, scholarships and work placement programs, as well as leadership development, community development and services, and cultural events, among other initiatives. SEF, since its inception in 1998, has contributed more than \$74 million into Canadian communities.

We invested \$2 million into Credenda virtual high school to enhance the math and science training in those schools, especially the remote ones, so they can come out with the math and science. Then we do the university-college — again, we do scholarships there, some of that traditional approach. We also bring them in to partner internally with our in-house training, so we can have economies of scale. We look at leveraging outside dollars, our internal dollars, and undertaking some of this.⁵²

Gary Merasty,
Cameco Corporation

Agnico-Eagle, Nunavut governments and the Nunavut Arctic College formed a successful partnership that has led to the hiring of about 70 individuals at the Agnico-Eagle mine in Baker Lake. General Electric Canada offers awards, scholarships, mentoring and

49 Canada's Economic Action Plan, [SIBI Employment and Training Board](#).

50 *Evidence*, Meeting No. 24, 1st Session, 41st Parliament, February 27, 2012, 1535.

51 Cameco, [Community Investment](#).

52 *Evidence*, Meeting No. 17, 1st Session, 41st Parliament, December 6, 2011, 1620.

internships, job-readiness and essential skills training targeted at Aboriginal Peoples that have led to employment with their company.

Other companies, whether it is the OPG, Canadian Nuclear Association or Vale Canada Limited, work in partnerships and develop private sector initiatives to support and/or directly contribute to skills development in northern remote communities. They all shared with the Committee some of their success stories and best practices.

My final point, Mr. Chairman, is that motivation matters. Allowing young people to see the link from school to work and letting them taste some of the rewards of working can be powerfully influential in their choices. They can see the employer not so much as a corporate entity but as a group of people. Internships and similar programs let young people get a first-hand look at the career opportunities and benefits of education and perhaps let them earn a little money while they're in school. This can inspire them to work and succeed.⁵³

John Stewart,
Canadian Nuclear Association

Some witnesses also talked about partnerships with women in Nunavut that provide assistance through the sharing of best practices and the creation of tools for women who want to create their own small or medium sized businesses. Suncor's representative told the Committee that the SEF supports an initiative that seeks to empower women — including Aboriginal women — to succeed in non-traditional careers, such as the construction trades. The organization's Edmonton-based Women Building Futures Suncor Energy Training Centre (Women Building Futures) — the first of its kind in Canada — provides women with the theory, skill training and workplace conditioning they need to be successful.⁵⁴ Working closely with employers, women are given the foundation they need to prepare for actual work on a construction site and once they are ready, they have a job waiting for them and a supporting employer that will provide them with the services needed to ensure their retention. Women Building Futures is providing women with unique career opportunities in oil and gas, mining, and in the construction industries. It is a very successful initiative that should be replicated across Canada.

53 *Evidence*, Meeting No. 25, 1st Session, 41st Parliament, February 29, 2012, 1535.

54 Women Building Futures, [About Women Building Futures](#).

Recommendation 11

The Committee recommends that the Government of Canada continue to invest in public-private partnerships that provide residents in northern remote communities with skills development programs that prepare them for the job opportunities in their communities.

Recommendation 12

The Committee recommends that the Government of Canada continue to facilitate public-private partnerships and the sharing of best practices as well as support private sector initiatives that allow young people in northern remote communities to actually see a link between skills development and work (e.g., hand-on training, mentoring programs, internships, co-op programs, in-house skills training, etc.).

CONCLUSION

The vast lands of Canada's North present a significant opportunity for the expansion of the natural resources sector and the future of the Canadian economy. The Committee recognizes the importance of skills development and labour market integration in northern remote communities. However, one of the biggest issues raised by numerous witnesses is the gap between workers' skills and employers' needs. Career awareness, targeted skills development programs, just-in-time training, and better education for Aboriginal children and youth are essential elements of a labour force building strategy for northern remote communities.

A two-pronged approach is needed; employers must make better use of all potential sources of supply and all stakeholders involved must maintain and increase their investments in skills development and labour market integration programming. Resources must be allocated efficiently and outcomes monitored closely.

The importance of partnerships in skills development and labour market integration programming has been a recurring theme of this study. To address the lack of a skilled workforce, many employers have had to finance skills development and social development projects in northern remote communities. The Committee heard from many public-private partnerships and private sector initiatives that are dedicating funding for education, employability skills and job-specific skills needed to fill job vacancies, while also supporting long-term community and economic development. There are definite efficiencies resulting from public-private partnerships and private sector initiatives in the delivery of skills development in northern remote communities.

The Committee was impressed with the initiatives undertaken by employers in the natural resources sector, Aboriginal Peoples, governments, and educational institutions, among others. We strongly support their work and encourage them to continue their efforts to ensure that the skills of the local workforce match the skills in demand by employers in

northern remote communities. The economy of Canada's North holds great promises for northern remote communities and its success will further impact the entire Canadian economy, at home and abroad.

LIST OF RECOMMENDATIONS

Recommendation 1 9

The Committee recommends that the Government of Canada work with industry, provincial and territorial governments, and Aboriginal leaders to ensure skills development programs meet the needs of employers and employees.

Current federal programming for skills development should also be reviewed to ensure that the programs offered to northerners actually match the skills in demand by employers, particularly in the natural resources sector, which is the largest employer in northern remote communities.

Recommendation 2 10

The Committee recommends that the Government of Canada assess whether the Knowledge Infrastructure Program has adequately met the infrastructure needs related to educational institutions located in northern remote communities, whether this program should be renewed and whether new funding should be allocated.

Recommendation 3 11

The Government of Canada must ensure that in northern remote communities projects funded by its skills development programs meet the following criteria: they are developed on the basis of a strong partnership with local stakeholders and Aboriginal Peoples, being community, education or industry representatives, and they are more flexible to adapt to the specific circumstances of each community.

Recommendation 4 12

The Committee recommends that the Government of Canada provide more labour market information aimed at high school students in northern remote communities, such as information on job opportunities in their region and on the benefits of obtaining a high school diploma and post-secondary degree (e.g., apprenticeship program or college or university education). This awareness-raising campaign should not only use traditional means of raising awareness but also more innovative ways to reach youth, such as visits to schools and community centres by Service Canada or private sector representatives or a public information campaign in local or social media.

Recommendation 5 13

The Committee recommends that the Government of Canada assess specifically whether the Adult Learning, Literacy and Essential Skills Program meets the needs of northern remote communities and, if necessary, increase funding in these regions through this program.

Recommendation 6 15

The Committee recommends that Aboriginal Affairs and Northern Development Canada examine the report, “Nurturing the Learning Spirit of First Nations Students,” and implement the priority recommendations, taking into account that Canada is in an era of fiscal restraint.

Recommendation 7 17

The Committee recommends that the Government of Canada continue to facilitate the creation of partnerships between governments, industries, educational institutions and Aboriginal communities in northern remote regions to create innovative skills development programs that respect Aboriginal culture, are of interest to Aboriginal students and motivate them to continue their secondary and post-secondary studies.

Recommendation 8 17

The Committee recommends that the Government of Canada, in cooperation with provincial and territorial governments, Aboriginal Affairs and Northern Development Canada, Aboriginal communities and schools, continue to support the creation of more effective transition programs for students in northern remote communities so they can adapt more easily to their new environment when they leave their reserve to continue their secondary and post-secondary studies.

Recommendation 9 20

The Committee recommends that the Government of Canada support programs funded by the private sector that offer work placements and training to Aboriginal Peoples living in northern remote communities, for example through a tax credit or other measure.

Recommendation 10 23

The Committee recommends that the Government of Canada consider options for working with internet service providers, businesses, Aboriginal Peoples, governments, users, and other interested parties to better facilitate the affordability, reliability, and speed of broadband available for northern remote areas.

Recommendation 11 28

The Committee recommends that the Government of Canada continue to invest in public-private partnerships that provide residents in northern remote communities with skills development programs that prepare them for the job opportunities in their communities.

Recommendation 12 28

The Committee recommends that the Government of Canada continue to facilitate public-private partnerships and the sharing of best practices as well as support private sector initiatives that allow young people in northern remote communities to actually see a link between skills development and work (e.g., hand-on training, mentoring programs, internships, co-op programs, in-house skills training, etc.).

APPENDIX A: PROGRAMS FROM VARIOUS FEDERAL DEPARTMENTS¹ — HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA

Human Resources and Skills Development Canada (the Department or HRSDC) does not have a program that is specifically dedicated to skills development in northern remote areas. However, it has a number of programs in the “learning” area, which could be used by everyone, including people living in northern remote areas. Another area of programming includes programs targeted toward Aboriginal Peoples.

LEARNING

A. Sector Council Program

This program supports formal, national partnerships of businesses and other key stakeholders that address issues of human resources investment and workplace skills development on a sectoral basis. Contribution payments primarily support demand-driven research and project-based activities proposed by Sector Councils and other national organizations (sector council-like) working on skills and learning issues. The main target groups of this program are businesses, workers, and learning institutions.²

As a result of its recent wide-ranging strategic review, the Government of Canada has decided on changes to the funding of HRSDC’s Sector Council Program. Those changes will have an impact on all sector councils, albeit in different ways. As of March 31, 2013, funding for “core” expenses (i.e., expenses that are not related to a specific project) will come to an end.³

B. Employment Benefits and Support Measures of the Employment Insurance Program

Employment benefits and support measures (EBSMs) are intended to help participants become more employable. Most EBSMs are offered by provinces and territories under Labour Market Development Agreements (LMDAs). LMDAs funds are transferred to the provinces and territories for the programs. All provinces and territories now have transfer agreements in place.⁴

1 It should be noted that most of the information for this list of programs has been taken verbatim from *2010-2011 Departmental Performance Reports* and other departmental sources.

2 Treasury Board of Canada Secretariat, *2010-2011 Departmental Performance Report, Human Resources and Skills Development Canada [HRSDC], Supplementary Tables, Table 11.*

3 Canadian Supply Chain Sector Council, *e-Newsletter*, July 27, 2011.

4 Léonard, André, *The Employment Insurance Program in Canada: How it Works*, Publication no. 2010-52-E, Parliamentary Information and Research Service, Library of Parliament, Ottawa, October 18, 2010.

Employment benefits can include financial assistance or wage subsidies and are provided through five programs: Skills Development, Targeted Wage Subsidies, Self-Employment, Job Creation Partnerships and Targeted Earnings Supplements. Support measures comprise Employment Assistant Services, Labour Market Partnerships, and Research and Innovation.⁵

All EBSMs are available to claimants with active employment insurance claims and those who have established a benefit period in the last three years (or the last five years for maternity or parental benefit claimants). Others can access employment services only, as well as services provided under Labour Market Agreements (LMAs), which are in place with all of the provinces and territories. The LMDAs provide \$1.95 billion annually.⁶ The LMAs provide \$500 million per year in funding to provinces and territories, totalling \$3 billion between 2008-2009 and 2013-2014.⁷

C. Canada Education Savings Program

The Canada Education Savings Program (CESP) encourages the financing of children's post-secondary education through savings, from early childhood, in Registered Education Savings Plans. The CESP provides clients with the Canada Education Savings Grant, which includes a regular matching grant available to all Canadian children, and enhanced grant portions for low and middle income families; and the Canada Learning Bond, which is a grant intended for low income families.⁸

The Department delivers the Canada Education Savings Grant and the Canada Learning Bond through a public-private partnership with banks, mutual fund companies, and scholarship foundations. The Department also administers the Education Savings Community Outreach initiative which funds organizations to develop outreach projects that encourage lower income Canadians to save for their children's post-secondary education, use education savings, and increase their financial literacy.⁹

D. Canada Student Loans and Grants

Canada Student Grants help students and families manage the cost of post-secondary education and are provided through a single program. Grants do not need to be paid back. The Canada Student Grants are available to students from most provinces and territories except the Northwest Territories, Nunavut and Québec which operate their own

5 Ibid.

6 Canada Employment Insurance Commission, [Employment Insurance Monitoring and Assessment Report 2010](#), Annex 3.1, p. 194.

7 Treasury Board of Canada Secretariat, *2010-2011 Departmental Performance Report*, HRSDC, *Supplementary Tables*, [Table 10](#).

8 Ibid., [Table 17](#).

9 Ibid.

student financial assistance programs. From August 2010 to July 2011, \$587 million were awarded to 310,445 students.¹⁰

In 2009-2010, the Canada Student Loans Program also provided \$2.1 billion in loans to 402,000 full-time students and \$4.6 million to 2,698 part-time students.¹¹

E. Apprenticeship Grants

This program increases access to apprenticeships in the designated Red Seal trades, and encourages the progression of an apprentice through the early years of their apprenticeship program, building momentum for completion and Red Seal certification. The Apprenticeship Incentive Grant (AIG) also provides an incentive for Canadians to pursue apprenticeships to meet the future need for skilled trades-people that is crucial to the sustained growth of the economy, and improve labour mobility. The AIG helps first or second year/level (or equivalent) apprentices in a designated Red Seal trade by funding a portion of their expenses related to tuition, travel and tools.¹²

F. Youth Employment Strategy

The Youth Employment Strategy (YES) has four components: Canada Summer Jobs, Career Focus, Skills Link, and the Federal Public Service Youth Internship Program. Skills Link helps youth facing barriers to employment – such as single parents, Aboriginal youth, young persons with disabilities, recent immigrants, youth living in rural and remote areas and high school dropouts – obtain the knowledge and develop the broad range of skills and work experience they need to participate in the job market. Skills Link offers a range of programs and services that can be tailored to meet individual needs and provide more intensive assistance over longer periods of time. YES is a very important program to develop skills of youth in northern remote communities. In 2010-2011, the federal government spent \$275.1 million in contribution payments through this strategy.¹³

ABORIGINAL PROGRAMS

A. Aboriginal Skills and Employment Training Strategy

The Aboriginal Skills and Employment Training Strategy (ASETS) began on April 1, 2010 and will end in March 2015. This program replaced the Aboriginal Human Resource Development Strategy, which expired in March 2010. ASETS' goals are to ensure that First Nations, Inuit, and Métis peoples secure meaningful employment in the Canadian labour market. ASETS aims to improve labour market outcomes through supporting demand-driven skills development, fostering partnerships with the private sector and

10 Ibid., [Table 21](#).

11 Human Resources and Skills Development Canada, [Canada Student Loans Program Annual Report 2009-2010](#), Program Highlights.

12 Treasury Board of Canada Secretariat, *2010-2011 Departmental Performance Report*, HRSDC, [Supplementary Tables, Table 12](#).

13 Ibid., [Table 5](#).

provinces and territories, and emphasizing increased accountability and results. This program supports a network of over 80 Aboriginal service delivery organizations that develop and deliver programs and services to help Aboriginal clients at the local level to prepare for, obtain and maintain meaningful and sustainable employment, assist Aboriginal youth to make successful transitions from school to work or to support their return to school, and support child care programs. Under this strategy Aboriginal Agreement Holders design and deliver employment programs and services best suited to the unique needs of their clients.¹⁴

B. Aboriginal Skills and Employment Partnership

The Aboriginal Skills and Employment Partnership (ASEP) program is a nationally-managed skills development program designed to promote greater employment for Aboriginal Peoples on major economic initiatives through a collaborative partnership approach. This program supports multi-year training and employment strategies that are developed and managed by formalized partnerships to train individuals for targeted jobs.¹⁵

Formalized partnerships including the private sector and Aboriginal organizations, and others such as provincial governments and training institutions, are responsible for jointly developing and managing comprehensive, multi-year skills development (training-to-employment) plans leading directly to targeted jobs. The plan must have a commitment from the employers to provide at least 50 long-term jobs for Aboriginal Peoples. The partnership must also make a significant financial contribution to the training plan (at least 50%) and must develop a governance model that will manage and oversee the activities of the project.¹⁶

The ASEP program was launched as an \$85 million initiative in 2003-2009 that was expanded in 2007 with an additional \$105 million, and extended to 2012. Budget 2009 announced an additional \$100 million investment over three years beginning in 2009-2010 as part of Canada's Economic Action Plan.¹⁷

C. Skills and Partnership Fund

The Skills and Partnership Fund (SPF) shares the ASETS objective to increase Aboriginal participation in the Canadian labour market, ensuring that First Nations, Inuit, and Métis peoples are engaged in sustainable, meaningful employment. The SPF is a separate, yet complementary program to ASETS. The SPF supports projects that encourage innovation, partnerships and new approaches for delivery of employment services. Aboriginal organizations may submit proposals for funding through the application based process. The SPF will end on March 31, 2015.¹⁸

14 Ibid., [Table 1](#).

15 Ibid., [Table 3](#).

16 Ibid.

17 Ibid.

18 Ibid., [Table 2](#).

1. Aboriginal Affairs and Northern Development Canada

The Education Program activity seeks to provide First Nations and Inuit with the tools to achieve educational outcomes comparable to those of other Canadians. Education programs support the provision of elementary and secondary education services. These services include continuing the reforms of First Nations education through a student success program and a partnership program. The Education Program also provides special education services, financial supports for First Nations (Status Indians) and Inuit to participate in post-secondary education, as well as support to culture and education centres.¹⁹ In its *2010–2011 Report on Plans and Priorities*, Aboriginal Affairs and Northern Development Canada (AANDC) identified one of its priority areas as “Education: to Advance the Reforming First Nations Education Initiative.”²⁰

AANDC offers financial assistance to promote access to post-secondary education among Inuit and First Nations students residing on or off reserve. The Post-Secondary Student Support Program²¹ (PSSSP) and the University College Entrance Preparation Program²² provide assistance to cover the cost of tuition, books, travel and living expenses, when applicable. The Indian Studies Support Program²³ also provides financial support to post-secondary institutions for the development and delivery of college or university level courses for First Nations and Inuit students. These three programs are almost 100% administered and delivered by First Nations bands whose councils define their own selection criteria and policies. Status First Nations students²⁴ and Non-Status Aboriginal students who are not eligible for assistance under the PSSSP can apply for Canada Student Loans and associated provincial loans and grant programs.²⁵

AANDC’s performance report for the years 2010–2011 indicates that over \$1,755.7 million was invested for program activity in education.²⁶ It should be noted that funding for post-secondary education programs has been capped at 2% annual growth since 1996.

19 Treasury Board Secretariat of Canada, *Departmental Performance Report 2010-2011, Indian and Northern Affairs Canada and Canadian Polar Commission*, [Supplementary Tables](#).

20 Treasury Board of Canada Secretariat, *2010-2011 Report on Plans and Priorities, Indian and Northern Affairs Canada and Canadian Polar Commission*, p. 11.

21 Aboriginal Affairs and Northern Development Canada, [Post-Secondary Student Support Program](#).

22 Aboriginal Affairs and Northern Development Canada, [University College Entrance Preparation Program](#).

23 Aboriginal Affairs and Northern Development Canada, [Indian Support Program](#).

24 Not all Status Aboriginal students can access funding under the PSSSP as resources are limited. Those who do get support under the PSSSP are usually not eligible for Canada Student Loans. *Ibid.*, pp. 19-21.

25 *Ibid.*, p. 19.

26 Treasury Board of Canada Secretariat, *Departmental Performance Report 2010-2011, Indian and Northern Affairs Canada and Canadian Polar Commission*, [Supplementary Tables](#).

2. Industry Canada

Community Futures Program (CFP) is an ongoing national program, administered by the Federal Economic Development Initiative for Northern Ontario (FedNor) under Industry Canada (IC) and the other regional development agencies: Federal Economic Development Agency for Southern Ontario; Western Economic Diversification; Canada Economic Development for Québec Regions; and the Atlantic Canada Opportunities Agency.²⁷

The CFP program provides operating assistance and investment capital to 258 Community Business Development Corporations (CBDCs) in Atlantic Canada and parts of Québec, and Community Futures Development Corporations (CFDCs) in other parts of Canada. These organizations in turn help support economic development at the community level. With this support, CBDCs and CFDCs carry out a mandate to provide repayable financing for local businesses; a variety of business services for small and medium-sized enterprises and social enterprises; strategic community planning and socio-economic development; and support for community-based projects.²⁸

Administered by FedNor, the Northern Ontario Development Program (NODP) is an ongoing program created in 1987. The goal of the program is to encourage economic growth, diversification, job creation and self-reliant communities in Northern Ontario. To achieve these objectives, FedNor provides financial support to viable projects led by businesses, municipalities, First Nations, and other organizations and institutions. FedNor's NODP also supports youth internships in Northern Ontario. Since April 2006, FedNor has approved more than \$192 million in support of 1070 projects through the NODP.²⁹

With regard to access to internet services, Budget 2009 provided \$225 million over three years for Industry Canada to develop and implement a strategy to extend broadband coverage. The biggest component of this strategy is Broadband Canada: Connecting Rural Canadians.³⁰

Having access to broadband internet access is essential for remote rural communities to be able to fully participate in today's economy. "It enables citizens, businesses and institutions to access information, services and opportunities that could otherwise be out of reach."³¹

27 Industry Canada, *Canada's Rural Partnership, Part 1: [Rural Canadians' Guide to Programs and Services](#)*.

28 Ibid.

29 Federal Economic Development Initiative for Northern Ontario (FedNor), [Northern Ontario Development Program](#).

30 Industry Canada, [Broadband Canada: Connecting Rural Canadians](#).

31 Ibid.

3. Other Incentives and Programs of the Federal Government for Learning Activities or People Living in Remote Rural Areas

The federal government also offers a series of non-refundable tax credits for learning activities, such as deductions on the interest paid on student loans, on tuition, education and textbook fees. There is also a deduction which reduces taxable income for people living in a prescribed northern or intermediate zone.³²

Other departments or agencies have programs targeted at remote rural communities. For example, the Canadian Northern Economic Development Agency is responsible for the Strategic Investments in Northern Economic Development (SINED), which includes the Targeted Investment Program, the Innovation and Knowledge Fund, the Pan-Territorial Fund and the Partnership and Advisory Forums. Funding for the SINED Program is at \$95 million over five years, from 2009 to 2014.³³

Other economic development federal programs that focus on Canada's remote regions include the Geo-mapping for Energy and Minerals (\$100 million five-year program) and the Aboriginal Capital Corporations program.³⁴

32 The complete list of areas can be found at: Canada Revenue Agency, [Line 255 — Places in Prescribed Zones](#).

33 Canadian Northern Economic Development Agency, [Strategic Investments in Northern Economic Development](#).

34 Natural Resources Canada, [GEM : Geo-mapping for energy and minerals](#).

APPENDIX B LIST OF WITNESSES

Organizations and Individuals	Date	Meeting
<p>Department of Human Resources and Skills Development</p> <p>John Atherton, Director General, Active Employment Measures, Skills and Employment Branch</p> <p>Louis Beauséjour, Associate Assistant Deputy Minister, Skills and Employment Branch</p> <p>James Sutherland, Acting Director General, Aboriginal Affairs Directorate, Skills and Employment Branch</p>	2011/11/29	15
<p>Department of Indian Affairs and Northern Development</p> <p>Allan Clarke, Director General, Policy and Coordination Branch, Lands and Economic Development Sector</p> <p>Sheilagh Murphy, Director General, Social Policy and Programs Branch, Education and Social Development Programs and Partnerships Sector</p>		
<p>Department of Industry</p> <p>Janet DiFrancesco, Director General, Electronic Commerce Branch, Spectrum, Information Technologies and Telecommunications Sector</p> <p>Adam Scott, Director, Business and Regulatory Analysis, Telecommunications Branch, Strategic Policy Sector</p> <p>Shane Williamson, Director General, Program Coordination Branch, Science and Innovation Sector</p>		
<p>Canadian Chamber of Commerce</p> <p>Anne Argyris, Director, SME Policy</p> <p>Susanna Cluff-Clyburne, Director, Parliamentary Relations</p>	2011/12/01	16
<p>Canadian Institute of Forestry</p> <p>John Pineau, Executive Director</p>		
<p>Construction Sector Council</p> <p>Rosemary Sparks, Executive Director</p>		
<p>Federation of Canadian Municipalities</p> <p>Bev Buckway, Board Member, Mayor, City of Whitehorse, Yukon, Chair of the Federation of Canadian Municipalities Northern and Remote Forum</p> <p>Erin Hogan, Board Member, Councillor, City of Thompson, Manitoba</p>		
<p>ABC Life Literacy Canada</p> <p>Margaret Eaton, President</p>	2011/12/06	17

Organizations and Individuals	Date	Meeting
<p>Association of Canadian Community Colleges</p> <p>Michèle Clarke, Director, Government Relations and Policy Research, Public Affairs</p> <p>Suzanne Taschereau, Director, Essential Skills, Canadian Partnerships</p> <p>Cameco Corporation</p> <p>Gary Merasty, Vice-President, Corporate Social Responsibility</p> <p>SIBI Employment and Training</p> <p>Kim Radbourne, Board Member, Executive Director, Moose Cree First Nation</p>	2011/12/06	17
<p>Conference Board of Canada</p> <p>Anja Jeffrey, Director, Centre for the North</p> <p>Heidi Martin, Research Associate, Leadership and Human Resources Research</p> <p>Mining Industry Human Resources Council</p> <p>Ryan Montpellier, Executive Director</p> <p>Prospectors and Developers Association of Canada (PDAC)</p> <p>Scott Jobin-Bevans, President</p> <p>Glenn Nolan, Vice-President</p> <p>Suncor Energy Inc.</p> <p>Cathy Glover, Director, Stakeholder Relations and Community Investment</p> <p>Arlene Strom, Vice-President, Communications and Stakeholder Relations</p>	2011/12/08	18
<p>Aboriginal Human Resource Council</p> <p>Kelly Lendsay, President and Chief Executive Officer</p> <p>Assembly of First Nations</p> <p>Peter Dinsdale, Chief Operating Officer</p> <p>Elvera Garlow, Representative</p> <p>Cheryl McDonald, Representative</p> <p>General Electric Canada Inc.</p> <p>Ross Hornby, Vice-President, Government Affairs and Policy</p> <p>Kim Warburton, Vice-President, Communications and Public Relations</p> <p>Ontario Power Generation Inc.</p> <p>Barb Keenan, Senior Vice-President, Human Resources and Chief Ethics Officer</p> <p>Canadian Nuclear Association</p> <p>John Stewart, Director, Policy and Research</p>	2012/02/27	24

Organizations and Individuals	Date	Meeting
Saskatchewan Mining Association	2012/02/29	25
Gary Merasty, Member		
Pamela Schwann, Executive Director		
Vale Canada Limited		
Ryan Land, Manager, Corporate Affairs		
Wayne Scott, General Manager, Human Resources Processes		

APPENDIX C LIST OF BRIEFS

Organizations and Individuals

Association of Canadian Community Colleges

General Electric Canada Inc.

Public Service Alliance of Canada

Saskatchewan Mining Association

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 15, 16, 17, 18, 24, 25, 42 and 44](#)) is tabled.

Respectfully submitted,

Ed Komarnicki, M.P.

Chair

SUPPLEMENTARY OPINION OF THE NEW DEMOCRATIC PARTY OF CANADA

Northern remote communities face unique challenges relating to their geography and size. It is critical that communities are involved in, and benefit directly from, economic development in their region. In order to do so, Canadians in northern remote communities must have the necessary education and skills training to participate in the local jobs economy. The New Democratic Party therefore supports this report on skill development in northern remote communities, but we think the recommendations should go further to ensure that skills training and development will be available to northern remote communities.

PARTNERSHIPS APPROACH

New Democrats find it disappointing that no witnesses representing employees or labour unions were invited to participate in the study. Skills development needs to be a shared project between governments, employers, labour representatives, community groups and individuals in order to ensure that the needs of both employers and employees are met. The report recommends that the government of Canada invest in and facilitate public-private partnerships to provide residents with skills development programs. New Democrats recommend that such **partnerships include all existing community partners, including federal, provincial, territorial and Aboriginal governments, businesses, labour unions, and not-for-profit groups.**

One key partner is sector councils, which bring together “business, labour and educational stakeholders.”ⁱ Sector councils provide very useful sector-specific labour market information that helps governments, businesses, and training and education facilities to direct education and skills training programs to areas of need. Given the committee’s recognition of the growing need for labour market information, New Democrats recommend **that the government restore the core funding for Sector Councils that was cut in 2011.**

FIRST NATIONS, INUIT AND MÉTIS

First Nations education is the jurisdiction of the federal government, which does not provide equitable funding for First Nations children. According to the Assembly of First Nations, \$500 million per year is needed in order to bring funding for First Nations K-12 education to parity with non-Aboriginal Canadians. If educational outcomes are to improve for Aboriginal students, they need adequately funded education that respects their unique culture and history in safe and healthy school facilities. New Democrats therefore recommend **that the government provide equitable funding for First Nations K-12 education.** We also recommend **that the government provide sufficient and equitable funding for post-secondary education, including vocational training, apprenticeships, and the Aboriginal Skills and Employment Training Strategy, and that the government remove the punitive 2% cap on funding for First Nations.**

I think, as you think about your children and your grandchildren, that they should be able to go to a first nation on-reserve school and get the same quality of education as a native child going to a school here in Ottawa. If we really believe in public education, that's the measure, and that is why that deficit of about 25% that exists between first nations on-reserve schools and off-reserve schools has to close.

Kelly Lendsay, Aboriginal Human Resource Council

The federal government also provides funding for Inuit education through territorial transfers and land claims agreement transfers. The education system is seriously failing Inuit youth, with only 25% graduating from high school. Those that do manage to graduate are still not at the same skill level as non-Aboriginal graduates.ⁱⁱ The report of Thomas Berger, a conciliator appointed to resolve differences in the negotiations of the Implementation for Land Claims Agreement, found that education is a key factor in impeding progress on Article 23, which calls for Inuit representation in the public service to match their percentage of the population. He called for an increase of \$20 million annually to education funding, beyond what is provided through territorial financing.ⁱⁱⁱ The same holds true for other jobs: Inuit youth need culturally and linguistically appropriate education that enables them to stay in school and graduate with the skills they need to join the workforce. New Democrats therefore recommend **that the government increase funding for Inuit education, beyond the funding provided through territorial financing and land claims agreements.**

The National Panel on First Nation Elementary and Secondary Education provided an excellent report on what is needed to improve educational outcomes for First Nations students. New Democrats believe that the Panel's recommendations should be implemented in consultation with First Nations. However, we are dismayed that the committee report recommends that the government only "implement the priority recommendations, taking into account that Canada is in an era of fiscal restraint." New Democrats believe that **the rights of First Nations, Inuit and Métis Canadians should not be subject to fiscal restraint.** We believe that a relationship of mutual respect between Canada's government and Aboriginal peoples requires a nation-to-nation partnership that respects inherent Aboriginal and treaty rights as rights, not as options dependent on the spending priorities of the government of the day.

First Nations, Inuit and Métis Canadians also have unique cultures that are intimately connected to their history and geography. Unless employers are aware of the unique cultures of Aboriginal employees, they will have difficulty retaining their Aboriginal employees and helping them to succeed. While training should help to prepare Aboriginal Canadians to be successful employees, New Democrats recommend that **employers also take cultural training in order to provide a respectful and accommodating environment for Aboriginal employees.**

Another challenge is the cultural shock that can be experienced on the job site. This, along with the isolation from family and friends, can impact the retention of aboriginal people. Employment and training opportunities that have more than one aboriginal person in attendance help to address the isolation issue. Cultural awareness training helps to provide an understanding of the workplace culture and helps employers understand the culture of aboriginal people.

Rosemary Sparks, Construction Sector Council

ACCESS TO INTERNET

Access to the internet is becoming increasingly important for social inclusion, economic development, and education and skills training. However, access to reliable high-speed internet remains a challenge for many remote northern communities. Even when communities have internet access, it can be difficult for the more vulnerable members of the community to access that service — low income Canadians and Aboriginal Canadians in particular. Only 54% of the poorest 25% of Canadians (those with incomes of less than \$30,000) had internet access in 2010.^{iv} According to the First Nations Regional Health Survey, only 51.8% of all First Nations homes have internet, compared to 77.8% of all Canadians.^v

The Community Access Program was developed by Industry Canada to help rural and remote communities and underserved communities in urban settings to achieve affordable public internet access. Canadians could access internet services at local public venues such as schools, libraries and community centres through the program. CAP was a very important source of internet services for low income Canadians. Unfortunately, the Conservative government cut the funding for this important and effective program in Budget 2012. New Democrats recommend **that the government restore funding for CAP.**

Access to the internet is also increasingly important for enabling lively democratic participation. Social media offers opportunities to participate in ongoing discussions, emerging ecommerce has made business products and services available online more than ever before, and government services — including health services, skills development programs and job postings — are increasingly being made available online. New Democrats recommend **that access to the internet for all Canadians be a government priority. This means undertaking to implement measures that will continually improve access to the internet across Canada.**

INFRASTRUCTURE

As the report notes, “The Committee was told about the need for affordable, reliable and efficient sources of energy; affordable and adequate transportation; access to clean and abundant water; better overall living conditions on reserves and in Aboriginal communities; among others.” It is very hard to focus on education or skills training programs or to be a successful and effective employee when you are faced with crowded, unsafe or unhealthy living conditions, when you don’t have access to clean and safe

drinking water, or when transportation to and from school or work is difficult. New Democrats therefore recommend that **the federal government provide adequate investments in transportation, water and housing to Northern communities, according to federal government jurisdiction and in partnership with the provinces and territories.**

Far too many of our communities have far too many barriers that prevent people from prospering. We need to access those same building blocks to success that are enjoyed by most Canadians. Imagine if all of our ASETS clients lived in communities with proper housing, water, and even recreational services. Imagine if they had access to a high school in their community, and they were able to graduate at rates equal to the rest of Canada.

Peter Dinsdale, Chief Operating Officer, Assembly of First Nations

RESOURCE REVIEW

While the majority report suggests that speeding up the regulatory process for the approval of new projects would help to alleviate the labour shortage, that is not an obvious conclusion and wasn't supported by testimony. Speeding up the approval of new projects could also exacerbate the labour shortage by resulting in more projects competing for the same workers at the same time. In fact, New Democrats believe that the regulatory process has little to do with labour shortages and skills development. Instead, reviews are meant to ensure that projects are safe and will not result in significant environmental degradation or health challenges for the current population or for future generations. When such reviews are not done thoroughly and lead to significant environmental impacts without mitigation, they can compromise the ability of Canadians to function as safe and healthy workers. Failure to effectively consult and engage communities in assessments risks the erosion or loss of social license and thereby increases costs to industries as lawsuits and public protests can create delays, uncertainty and unpredictability. It also represents a failure of the government's duty to consult and accommodate Aboriginal peoples on projects that will affect them. New Democrats therefore **oppose the destructive changes being made to the Canadian Environmental Assessment Act, the Fisheries Act and the National Energy Board Act by the Trojan Horse Bill, Bill C-38.**

-
- i Human Resources and Skills Development Canada, "Sector Councils Program Information," http://www.hrsdc.gc.ca/eng/workplaceskills/sector_councils/information.shtml.
 - ii National Committee on Inuit Education, Inuit Tapiriit Kanatami, *First Canadians, Canadians First: National Strategy on Inuit Education*, http://www.itk.ca/sites/default/files/National-Strategy-on-Inuit-Education-2011_0.pdf.
 - iii Thomas R. Berger, "Conciliator's Final Report: The Nunavut Project," <http://www.tunnigavik.com/documents/publications/2006-03-01%20Thomas%20Berger%20Final%20Report%20ENG.pdf>.
 - iv Canadian Internet Registration Authority, *Factbook 2012*, http://www.cira.ca/factbook/internet_economy.html.

v First Nations Information Governance Centre, *First Nations Regional Health Survey Phase 2 (2008/10) National Report for Adults, Youth and Children Living in First Nations Communities*, http://www.rhs-ers.ca/sites/default/files/First_Nations_Regional_Health_Survey_2008-10_National_Report.pdf.

