Canada’s Natural Resources

- Energy - top-5 producer worldwide (Council of the Federation 2015)
- Forestry - World’s largest softwood & newsprint exporter
  - Boreal forest 58% of national land mass; 350M ha
  - 90% provincially owned
  - 600 indigenous communities in boreal

(Natural Resources Canada 2015)
Well-Being in First Nations Communities: The Community Well-Being (CWB) Index, 2011

Canada
CWB Index Score Range, 2011

Higher scores indicate a greater level of well-being.

Source: Index produced by Aboriginal Affairs and Northern Development Canada using data from the 2011 National Household Survey. Data are presented at the census subdivision (CSD) level. Mapping: Aboriginal Affairs and Northern Development Canada April 2015

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https://www.aadnc-aandc.gc.ca/eng/1321883955297/1321884166104
Bioenergy Policy

• The Canadian Energy Strategy and Kenora Declaration of Forest Innovation emphasize Aboriginal businesses and innovation in growing Canada’s bioenergy economy.

• All provinces & territories have policy language referring to bioenergy & indicate bioeconomy is expected to grow.

• Most current bioenergy projects with Aboriginal communities involve woody biomass (NRCAN n.d.).

• Growing international demand & firms place demands on communities & lands where benefits could exist, BUT local agendas may differ from international strategic agreements.

Objectives

1. Explore Aboriginal business leaders’ perspectives on risks, barriers, benefits, & opportunities

2. Identify perspectives within domestic policy context & internal/external pressures to participate in bioenergy economy
Results: Risks & Barriers

- **No consensus among business leaders regarding perceived risks & benefits**
- Environmental concerns related to risks of (over)harvesting & bioenergy outputs
- Preference for use of residual waste wood, e.g.,
  “We can’t chop down the forest to feed the power plant!” - IBL06
- Damage to forest understory, water ways, wildlife, nutrient loss, e.g.,
  “A risk would not be leaving enough biomass on the forest floor” - IBL12
Results: Risks & Barriers

- **Uncertainty** - bioenergy as “green-washing”
- Support bioenergy if it reduces dependency on fossil fuels & nuclear
- Could shift attention away from “cleaner” renewables, i.e., solar & wind
- Technological skepticism:
  
  “People hear ‘bio’ and they think it’s ‘green’, and people are afraid of green stuff” - IBL14
Results: Risks & Barriers

- **Big gaps in knowledge & capacity**
- Low business sense & self-sufficiency linked to potential for business failure, e.g.:
  
  “As a small nation, there is only so much time that we can invest looking into opportunities. We would need market research to know if it’s a good opportunity” - IBL08

  “Consultants will make a lot of money off our failures” - IBL02
Results: Risks & Barriers

- Banking system is major barrier, e.g.:

“The biggest barrier is that you can’t finance anything on First Nations land. The bank will not give a mortgage to someone on First Nation land. You can’t build a health centre and get it financed by a bank... Why? Because you can never take it away. Can’t seize the asset. You have to build it outside of Band [reserve boundaries].” – IBL06

“[Banks] give out unsecured high-risk venture business loans every day, but they won’t do it on reserve.” – IBL10
Results: Risks & Barriers

• Financial risk major barrier, especially for remote northern regions, e.g.:

“It’s very trial and error in the Arctic… Usually things have to go wrong first and then be adapted to the environment and circumstances. Feels like often technologies are developed in the south, and it just doesn’t work well in the north. Things are also much more expensive to run in the north. If you have an ailing machine… there are only flights every couple of days” - IBL15
Conclusions

- Lack of capacity more than a limiter of mobilization, it’s a limiter of imagination and entrepreneurialism
- Increasing local support requires more info on ecological implications of bioenergy, including carbon emissions & potential climate impacts, forest health, forest flora and fauna
- “Unproven” energy sources present higher uncertainty & so may meet pragmatic scepticism rather than enthusiasm as some communities want & need stability
Conclusions

• On-reserve entrepreneurs are disadvantaged because banking system not designed to support Indigenous realities.

• Systemic challenges in banking & related systems such as energy distribution systems & research pose barriers to Aboriginal involvement in economic development, governance, & research/knowledge production