



November 17, 2014

# ABORIGINAL CANADIANS AND THEIR SUPPORT FOR THE MINING INDUSTRY: THE REALITY, CHALLENGES AND SOLUTIONS

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Prepared by Dr. Libby Sharman, PR Associates

Survey and data processing conducted by Mustel Group

## Introduction

This summer PR Associates commissioned a survey to assess the perceptions that rural Aboriginal Canadians have of the mineral exploration and mining industry in Canada. This is the first time such a survey has been undertaken to accurately gauge the perspectives of Canada's Aboriginal communities and allow comparison with the perceptions of non-Aboriginal Canadians, despite the fact Aboriginal Canadians are critical long-term rights-holders in the mining industry.

This information is particularly relevant in the landscape of modern mineral exploration and mining. According to Natural Resources Canada, an estimated 1,200 Aboriginal communities are located within 200 kilometres of approximately 180 producing mines and more than 2,500 active exploration properties. Mining is also the largest private sector employer of Aboriginal people in Canada and employment is poised to increase. The June 2014 Tsilquot'in Supreme Court of Canada decision serves to place this survey in a legal perspective. This decision, which affirmed Aboriginal title, has placed more emphasis on the need to work with Aboriginal communities to gain acceptance of resource projects in their traditional territory.

The results of this survey provide valuable insight mining proponents can use to help gain social license by building positive relationships with aboriginal communities, addressing concerns and ensuring the communities benefit from proposed projects.

## Research Objective

PR Associates' objective was to research the perception of the mineral exploration and mining industry among Aboriginal Canadians residing in rural/remote communities across Canada.

## Methodology

PR Associates engaged Mustel Group, a market research firm, to conduct a random telephone survey of 500 Aboriginal Canadians aged 18 years and older in rural/remote communities. Mustel Group was selected to conduct the survey based on their extensive experience in similar studies with the Aboriginal population and on First Nations-related topics. Respondents were screened and self-identified as a Canadian Aboriginal person (i.e., First Nations, Inuit, Métis) and interviews were all completed from July 10 to 26, 2014.

To effectively target this population, the sampling involved a multi-stage approach. The sample frame of landline telephone records was matched to Statistics Canada Census areas with population sizes of less than 5,000 as well as the following criteria:

- Census subdivisions (CSD) designated as Indian Reserves (IRIs) were compiled, selecting records with known “Aboriginal” surnames;
- General non-CSD designated area records were then compiled, selecting “Aboriginal” surnames;
- For Nunavut, Northwest Territories and Yukon, where the above methods yielded few listings, a general population sample was added with Aboriginal screening.

The following steps were taken to ensure the final sample was representative and the results projectable:

- Random selection of Aboriginal person in household;
- Up to six calls placed to each number to minimize potential non-response bias;
- Weighting based on Canada-wide age statistics as well as Aboriginal gender within each province.

The margin of error on the results (95% confidence level, n=500) is  $\pm 5.2\%$ .

## Results

### Overall Perceptions

The study revealed that the overall opinions of mineral exploration and the mining industry among Canadian Aboriginals tend towards an unfavourable impression (only 38% favourable, Fig. 1, below). Support for the industry is highest in the three Territories (57% favourable) and least favourable in Alberta and Quebec (34% and 25% favourable, respectively) (Fig. 2 below). The findings are relatively consistent by demographic characteristics such as gender, age and proximity to a mining project. Even those past/presently employed in the mining industry have similar views to those who are not.

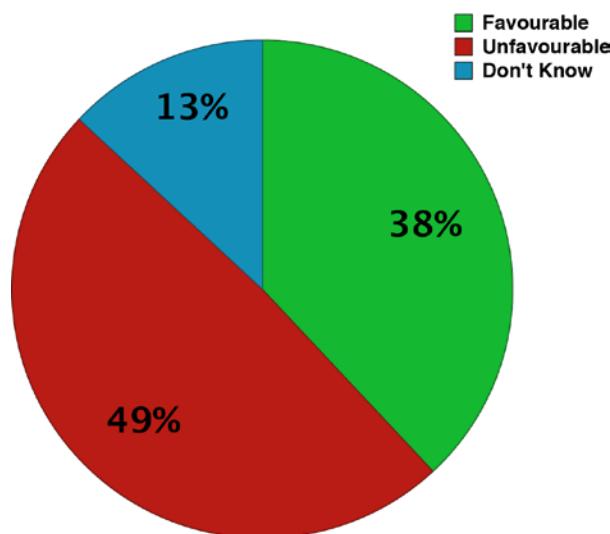


Figure 1: Aboriginal Canadians’ opinion of the mineral exploration and mining industry (sample size = 500,  $\pm 5\%$ ).

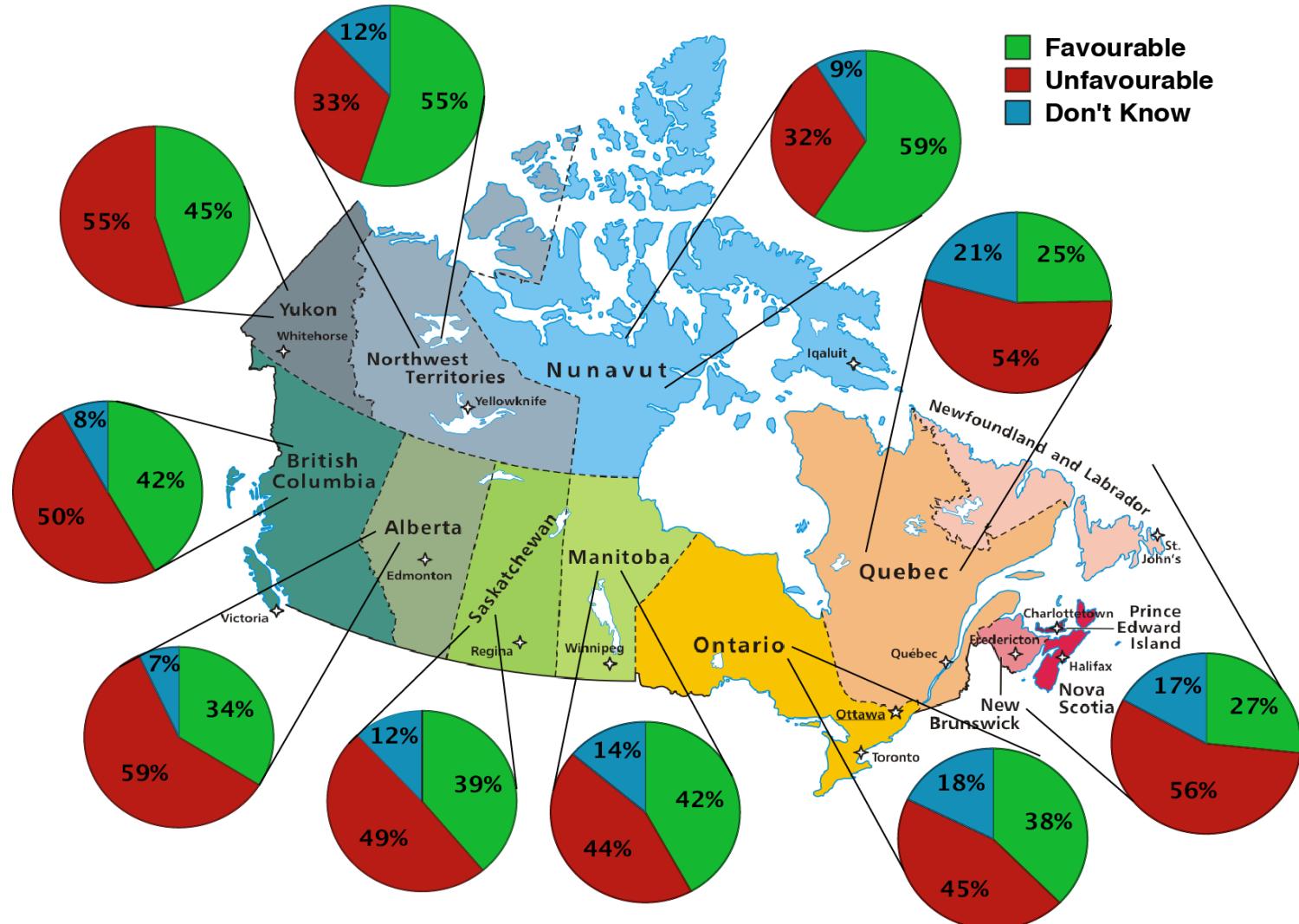


Figure 2: Aboriginal Canadians' opinion of the mineral exploration and mining industry by Province and Territory ( $\pm 5\%$ , due to small sample size Yukon and the Atlantic Provinces are not as statistically robust).

The majority of Aboriginals have not changed their opinions of mining companies over the past three years (61%). But, any change that is voiced leans toward a worsening impression (23% vs. 8% improving), and those employed/connected by family to the industry are more inclined to report worsening impressions (28% vs. 20% of those not employed/connected to the industry). Alberta Aboriginals are most inclined to report deteriorating impressions (32% vs. 6% improving). Furthermore, Aboriginals with a favourable impression of the industry themselves tend to perceive that others they know hold a less positive view. While 38% reported to personally have a favourable opinion of the mining industry, only 16% believe other people hold a positive impression and a further 32% held a neutral impression. Aboriginals from Alberta and Quebec, and those over 55 years of age are the most negative of other people's views.

### **Specific Attributes of the Mineral Exploration and Mining Industry**

In spite of an unfavourable leaning in overall impressions of the industry, when questioned more specifically, perceptions about mining companies operating in Canada range from positive to acceptable for many of the 15 attributes measured. The strongest performance (% very good/good/acceptable) is for:

- Providing opportunities for Canadians (74%)
- Safety of employees in mines (71%)
- Providing economic benefits (69%)
- Treating employees well and respecting workers' human rights (65% and 64%, respectively)
- Providing opportunities for youth (64%)
- Obeying laws/regulations (61%)
- Collaborating with government (65%)

In contrast, the weakest performance (% poor/very poor) is for:

- Collaborating with Aboriginal communities (50%)
- Environmental impacts (45%)
- Providing opportunities for Aboriginals in general (42%)
- Being honest and trustworthy (39%)

Youth (under age 35) tend to rate the industry better than their older counterparts on most attributes.

### **Mining and Mineral Exploration Word Associations**

To further understand perceptions, respondents were given pairs of words/phrases and asked to select the better description of the mineral exploration and mining industry. Favourable descriptors chosen by a majority of Aboriginals were: future (64%), great jobs (63%), changing for the better (60%), pride (54%) and innovative (53%).

Views are more divided on: jobs vs. environment (52% vs. 44%), ethical vs. unethical (46% vs. 39%), good for you vs. bad for you (45% vs. 48%). Concerns are expressed with strong leaning to the negative on pollution (59%), risks (58%), and bad for your community (53%). Albertans appear especially sensitive to pollution (77%) and risks (68%) whereas young Aboriginals are more positive about the industry than their older counter parts in terms of great jobs (74%) and pride (63%).

## Respecting the Environment

When questioned further Canadian Aboriginals' opinions on the industry's respect for the environment was recorded as poor for a majority (55%, Fig. 3 below) and especially poor in Alberta (70%) and Quebec (62%). Concern is greatest regarding the impact of mining activities on water (36%). In Manitoba and Ontario impacts on land are almost as much of a concern as on water.

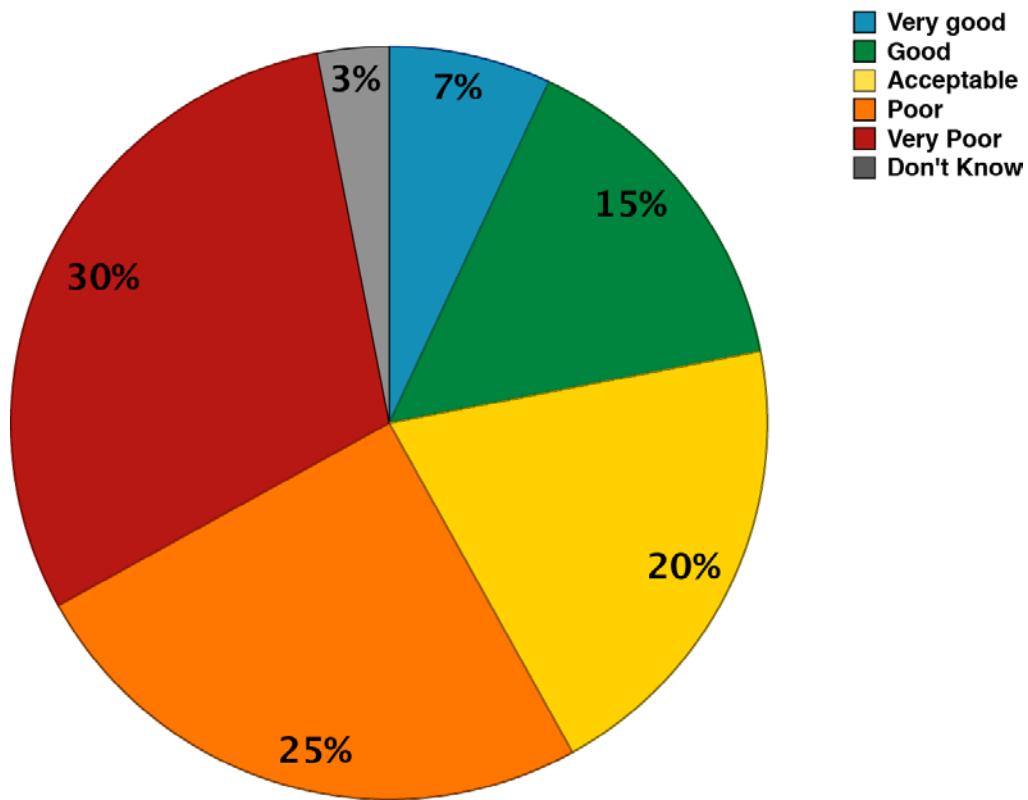


Figure 3: Aboriginal Canadian's perceptions on how good a job mining companies do on respecting the environment (sample size = 500,  $\pm 5\%$ ).

## Discussion and Conclusion

This survey reveals that the perceptions of the mineral exploration and mining industry by rural Aboriginal Canadians are divided with a greater tendency toward an unfavourable overall impression. This unfavourable impression is more pronounced when compared to results from a similar survey of non-Aboriginal Canadians where 76–82% of those surveyed had a favourable impression of the industry.

However, the surveyed Aboriginal Canadians recognize the benefits and many positive aspects provided by mining companies operating in Canada. A majority also identifies positive words/images with the industry. While these perceptions are promising and may serve to attract Aboriginals in these communities to work in mining, concerns about mining's respect for the environment, and a lack of trust take a toll on the industry's image.

While these results are generally negative, they provide valuable insight into the areas where the industry is well perceived and where improvements can be made. The importance of social license for projects across Canada has been demonstrated by numerous recent events, and this survey highlights that, despite some commentary to the contrary, this is far from being assured amongst the rights-holders represented by Aboriginal Canadians. There are many companies that have succeeded in partnering with First Nations, developing mutually beneficial relationships and gaining project acceptance through thoughtful and well-informed engagement, which demonstrates it can be achieved.

## Recommendations

- As the first of its kind, these survey results should serve as a baseline on which the mineral exploration and mining industry should measure Aboriginal Canadian's perceptions of this industry.
- This survey has identified a disconnect between the perceptions Aboriginal and non-Aboriginal Canadians have of the industry. In this context it should be viewed as a key stepping-stone in building genuine relationships within Aboriginal communities, to improve engagement with Aboriginal Canadians, find common ground and gain project acceptance.
- Drawing on more than a decade of success in promoting the economic benefits of mining to communities, the mining industry should now focus on Aboriginal collaboration, building trust and demonstrating respect and concern for the environment, areas the survey results identify as needing improvement.

## About PR Associates

PR Associates is a trusted leader and partner in public relations and communications, focused on the natural resource, energy and sustainable development industries. PR Associates has a well-respected reputation for pushing the boundaries of communication, creating a new era of public engagement and sincere cooperation between organizations, stakeholders and rights-holders. We represent private, public and non-profit organizations connecting with decision makers in the natural resource and sustainable development sectors. Our expertise helps companies globally with government and regulatory affairs, indigenous and rights holder affairs, corporate and stakeholder communication, public consultation and engagement, issues and emergency response communication and planning, media relations and training, executive training and communication research.