

Huu-ay-aht First Nations Economic Development Plan

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1. INTRODUCTION

Building on the HUU-AY-AHT First Nations (“HFN”) five posts of the government’s strategic plan, the objective of this report is to provide a detailed course of action that achieves an end result that enhances the quality of life of HFN citizens through economic means regardless of geographic location. The Economic Development Plan is a result of the operational planning process.

2. BACKGROUND INFORMATION

A number of documents were consulted in completing this report, all of which provided a wealth of valuable historical information (Economic Development Act, HFN Constitution, Current HFN Economic Development Plan, EDC’s June 2014 Quarterly Report.) The foundation and framework for the Economic Development Plan was provided by the Economic Development Act, which outlines the required components. This report is congruent with the HFN strategic plan and cultural core values. A literature review provided numerous examples of Economic Development Reports and therefore, a combination of styles were used in this report. The HDC’s quarterly report was referenced to provide accurate results for our limited partners. Outside agencies such as the RCMP, EMS, and VIHA were consulted for statistical purposes only.

(a) Strategic Vision and Mission

As a leader among First Nations, HFN will create certainty for its people and generate wealth for financial independence by providing economic opportunities, social, cultural and recreational programs for all HUU-AY-AHT.

The HUU-AY-AHT envisions a strong, self-governing and self-reliant Nation. LISAAK will guide HFN traditions and family values, reverence for elders and their teachings, respect for the gifts taken from the land. Cultural and historical traditions will be enshrined in future social and economic policies and projects. This will ensure future economic development initiatives will be in keeping with the HFN Constitution.

HFN government officials will develop policy that grows the cultural value of citizens by creating programs that provide families with tools to manage social factors such as childcare, mental / physical / spiritual health, addiction, housing, education and traditional teachings such as language. As we work together to foster a safe, healthy and sustainable community; where our culture, language, spirituality and economy flourish for all.

3. ECONOMIC DEVELOPMENT

No society can evolve without sustainable economic development. Wealth of a community is multi-dimensional and each asset must be nurtured in order for a society and economy to excel. HFN, like other communities in Canada must devise programs to harness the potential in their resources. HFN government will develop policy that will unlock the value of the territory.

(a) Mission

To develop diverse, sustainable and profitable business for HFN that enhance the quality of life of citizens, while valuing all people, the environment, the home and ensuring a bright future for children. To set conditions for entrepreneurs to succeed for future generations.

(b) Values

- Develop the economy over the long term so it will be operated sustainably and be the major employer in the region and the major source of revenue for the nation.
- HUU-AY-AHT business enterprises will, to the greatest extent possible, be self-sufficient and independent of the financial resources of the HUU-AY-AHT First Nations in their operation. Our HUU-AY-AHT businesses under treaty and the Economic Development Act were created to be self-sufficient and independent from the HUU-AY-AHT First Nations (HFN) government. New businesses are required by law and policy to be profitable as soon as possible, and current businesses are expected to be sustainable sources of income for its owners, the HFN government.
- Previous to the Treaty, and previous to the passing of the Economic Development Act, our HUU-AY-AHT businesses were financially integrated with the HFN government. This created many challenges in a financial and commercial sense. While it allowed for direct input from its owners (the HFN government itself), it led to intermixing of HFN government and HUU-AY-AHT business enterprise moneys. This had led to problems where moneys meant for the sustenance of our businesses were used for non-commercial (i.e. governmental) purposes and threatened the self-sufficiency and independence of our businesses.
- The Economic Development Act, and the regime therein, helps to rectify that situation by holding politics at arms-length from our commercial activities. It remains true and proper that the HFN government is still the owner and sole shareholder, but it also remains true and proper that eyes and minds independent from solely political interests more directly guide those businesses into sustainable operations and reliable revenue for its shareholder.

- Business will be sustainable, profitable enterprises and a reliable source of revenue for the HFN Government to provide services to citizens. It is the expectation of the government that as business profit margins continue to grow, so will employment rates, thus proportionally decreasing HFN citizen's government dependence. It is expected that the return on investment (ROI) is congruent with the trending global economy; therefore as the Canadian economy continues to recover, HFN should follow suit.
- Separation of government and business is paramount in order for the longevity of profit margin growth. To that end, it is the weight of law that protects reliable economic engines from the threat of short term political gain.
- Transparency and accountability are pillars of ethical business practices and HFN business enterprises share the same scrutiny as any major crown corporation who is accountable to their respective governmental body. In order for a shareholder (HFN) to make strategic decisions, accurate and timely reporting of performance outcomes is critical. To ensure competitive tenure and application process, some performance outcomes may only be reviewed in full by the direct owners (HFN) and all data will remain confidential as to prevent a negative impact to the viability of the business.
- HFN business will comply with the governance and fiscal agreement, the applicable annual plan and all laws. It is the rule of law that is the foundation for a successful business relationship. Each party must have confidence that their interests are protected if there is compliance to acts, laws and regulations of the community.
- HFN business enterprises will engage in economic development that is of the notion of "triple sustainability" in that it's consistent with the traditions of our people, our Ha'houlthee (traditional territory) and the environment. A critical balance between economic prosperity, environmental and social sustainability must be maintained.
- Like any capitalist society the problem with free-market economic development is effective and sustainable use of natural resources to increase business enterprises, revenue sharing, employment rates and an overall improved quality of life. HFN laws allows for our government, Ha'wiih, citizens and public officers to define our standards of environmental sustainability. Just as within the federal and provincial political arenas, achieving consensus in defining those standards while balancing the needs of the community (employment, income, etc.) can be a tremendous challenge.
- HFN business enterprises will use commercially reasonable efforts to maximize the employment and contracting opportunities of other HFN business enterprises. The ideal of "shop local" can have a tremendous impact on any economy and the HFN is no exception. Utilizing and sharing the skills, labour and corporate knowledge of businesses under the HFN umbrella will increase the profit outcomes of all business involved.
- HUU-ay-aht business enterprises will engage in economic development that is socially, economically and environmentally sustainable that respects our history and the heritage, culture and traditions of our people, our Ha'houlthee (traditional territory) and the environment within which we live. The notion of "triple sustainability" is key to the HUU-ay-aht's overall approach to economic development.

- All successful and independent businesses are required to be economically sustainable. In order to continue to survive as a businesses, they must make money and they must create value from the resources it consumes. This is not so much a legal requirement as it is a natural requirement of all businesses in a competitive environment. Our best protection from a lack of economic sustainability is a good set of laws, good strategic mindsets, effective and efficient management and productive use of resources and labour. All of these things are required by the Economic Development Act or its related regulations and agreements.
- Many of the problems identified with free-market (capitalist) economic development can be boiled down to a lack of environmental sustainability, which should be self-explanatory and can lead to environmental degradation that affects all aspects of life in a given area. Poor environmental sustainability leads to negative impacts on our scarce natural resources where it is degraded, denied, exhausted or otherwise eliminated from valuable use. The body of HUU-AY-AHT law allows for our government, ha'wiih, citizens and public officers to define our standards of environmental sustainability. The challenge, however, is coming to an agreement on what those standards should be when balanced with the needs of our community in regards to income, jobs and the like.
- Developing corporate knowledge and relevant skill sets are imperative for the evolution of any business or society. To that end HFN business enterprises will use all commercially reasonable efforts to access training opportunities to enhance their employability which in turn will bring practical economic benefits for HFN and the citizens.
- The HFN government will strive to enhance educational opportunities through various revenue streams, and directly communicating with training institutions the various departments of government at the municipal, provincial, and federal levels.
- HFN business enterprises will institute and maintain a system of preferential hiring of HFN citizens provide the required skills and capabilities are present or can be reasonable obtained such as tradespersons, contractors or small businesses owned and operated by HUU-AY-AT citizens.

(c) Goals, Financial Performance and Employment Targets

- Five pillars of HFN economic development are: communication; children and families; integrated cultural values; building infrastructure in keeping with Ha'wiih values and natural resources and trade (NRT). The HFN government will strive to achieve these goals by following the goals set out in the 2014 - 2017 strategic plan. First, informing, educating and engaging with HFN citizens, staff and businesses. Second, supporting protecting and nurturing HFN families and children. Third, upholding the Ha'wiih Council to identify, support, and promote all HFN Cultural Values. Fourth, designing, building, and operating enabling infrastructure. Fifth, develop, promoting and conserving natural resources for the benefit of the Nation.

- The land and the people which inhabit her are the HFN most valuable resource and any future development initiatives must reflect the economic, social, and environmental impact to HFN citizens. As such, there are aspects of economic development that hinge upon initiatives that fall outside the generally accepted mandate and into Land and Natural Resources, Fisheries, Intergovernmental Relations, Communications and Citizen Development. For example, it is paramount that the tenure policy enhances economic development opportunities.
- HFN look to secure reliable income from businesses to support government service and program delivery. Financial performance will be based on meeting / exceeding profit benchmarks or proportional improvement in losses from previous reporting periods. With the primary goal of business enterprises (generating income for HFN) in mind, employment increases must be done under the guise of government oversight to ensure the delicate balance of profitability with employment is maintained. There is a social need for job creation, many jobs require a specialized skillset or a level of education that can only be actioned through either the HFN government or the crown.

4. COMPREHENSIVE COMMUNICATIONS PLAN

A government cannot govern those it's responsible for if there are not effective mechanisms for collecting and disseminating information. With the HFN citizens living over a large geographical area both on and off Treaty Settlement Lands, effective communication can at times be difficult. HFN have put in place means of communicating with its' citizens, however, the process is under constant review to ensure the highest level of service possible.

- Ensure there is continued intergovernmental communication with the Crown, Province, other First Nations and respective municipalities regarding asset development.
- Conduct follow up a survey to assess if the initiatives put in place are addressing shortfalls and what can be done by the HFN government to better meet citizen needs.

(a) Economic Development Committee ("EDC")

- As mandated by the Economic Development Act the EDC is committed to keeping HFN citizens informed on the processes, decisions and initiatives in economic development. Our activities in the realm of economic development will be reported through the communications processes developed by the organization as part of the strategic plan for 2014-15, in which the first priority is improved communications with citizens and

stakeholders. These processes will include information sent out by mail and electronically, and will also include presentations, forums and consultations through larger meetings of citizens in the major population clusters including but not limited to Anacla, Port Alberni and the Lower Mainland. The economic development committee will report either through the chair, or through the economic development officer, to the community on the bimonthly community rounds, as well as through the newsletters prepared by the HFN and by the HDC.

- The notion of “triple sustainability” is key to HFN’s overall approach to economic development.

5. HUU-AY-AHT DEVELOPMENT CORPORATION FINANCE DEPARTMENT

HDC Vision: “Together, the HUU-ay-aht Economic Development Committee (EDC) and group of businesses strive to achieve a flourishing HUU-ay-aht economy through initiatives that provide sustainable benefits for all.” The HDC manages the business portfolio for the HFN and provides quarterly reports detailing whether performance projections are being met.

(a) Historical Business Partnerships

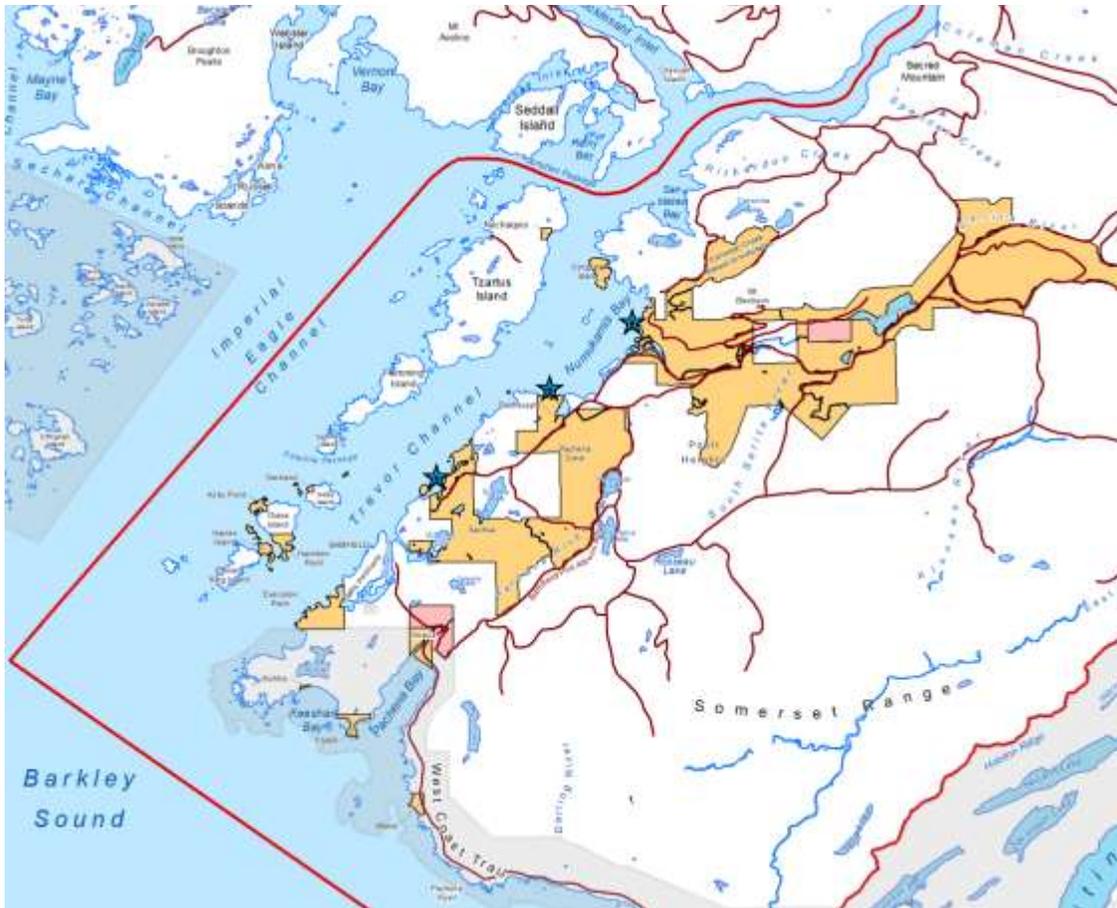
The EDC manages and reports on the numerous business partnerships and economic projects for the HFN government such as; The proposed Micro Hydro project, West Coast train Project, Pachena Bay Campground, Gas Bar, Bamfield Market and Café, Fishing Licenses, Bamfield East Dock, Pachena Bay Gravel Pit, HFN Forestry LP, HFN Fisheries LP and HFN Lands LP.

(b) New Business Opportunities

Currently there is one business opportunity for which a feasibility study has been prepared and as such has been given the highest priority. However, as per the agreed upon disclosure and confidentiality agreement, the terms of the feasibility study may not be provided until the completion / approval of the business plan and the implementation or termination of the business.

(c) Deep Sea Port Development

- This business opportunity may include Container Transshipment, LNG/LPG Export Facilities, Bulk Terminals or other commodity exports. Any deep sea port development would require the investment of multi-billion dollar capital and may include a combination of industry and government as a public private partnership. Such a development would bring unprecedented growth and opportunity to the region. A map of potential marine terminal locations is below.



- Another potential business opportunity being researched is the potential for Treaty Settlement Land to sustain mining and mineral extraction. A potential precious metal zone has been identified and research is being conducted to determine the extent of mineralization and what other potential may exist on Treaty Settlement Lands.
- Another potential business is the development of Independent Power Projects, or run of river micro-hydro, at Sarita River and the Bam 400 site. Preliminary engineering will soon be complete at Sarita and a water license application, leading to a HFN Feasibility Study and Business Plan may soon be developed.
- Future business projects being researched may include additional tourism, including cultural tourism, opportunities, real estate development and property management, shellfish, finfish and other seafood opportunities, and internet and telecommunications opportunities.

6. SOCIO-ECONOMIC AND HEALTH RELATED FACTORS AFFECTING HFN ECONOMIC DEVELOPMENT

Today, HFN citizens' number close to 730, however, only about 75 primarily reside on Treaty Settlement Land (TSL) around the village of Anacla, the Nation's principal community close to

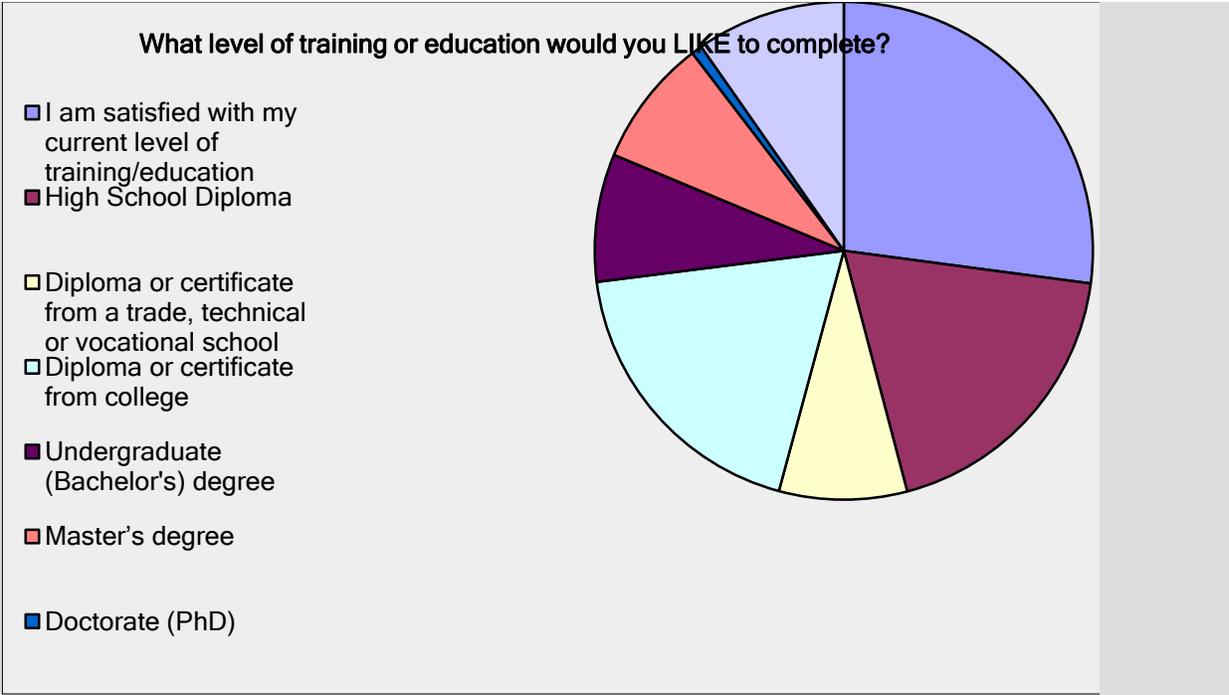
Bamfield, as well as Port Alberni, the closest population center. The balance of our citizens live across Vancouver Island, in the Vancouver area, and the United States.

(a) Economic Overview

- The latest survey completed by HFN citizens provides valuable demographic information that affect the economic development of the economy:

What levels of schooling/training have you completed? (check all that apply)		
Answer Options	Response Percent	Response Count
Grade 9	23.6%	34
Some high school	39.6%	57
High school Diploma or GED	37.5%	54
Diploma or Certificate from trade, technical or vocational school	11.1%	16
Diploma or Certificate from college	15.3%	22
Journeyman Certificate	0.7%	1
Undergraduate (Bachelor's) degree	2.1%	3
Master's degree	1.4%	2
Doctorate (PhD)	0.0%	0
Other (please specify)		17
	<i>answered question</i>	144
	<i>skipped question</i>	13

Answer Options	Response Percent	Response Count
I am satisfied with my current level of training/education	27.1%	39
High School Diploma	18.8%	27
Diploma or certificate from a trade, technical or vocational school	8.3%	12
Diploma or certificate from college	18.8%	27
Undergraduate (Bachelor's) degree	8.3%	12
Master's degree	8.3%	12
Doctorate (PhD)	0.7%	1
Other (please specify)	9.7%	14
	<i>answered question</i>	144

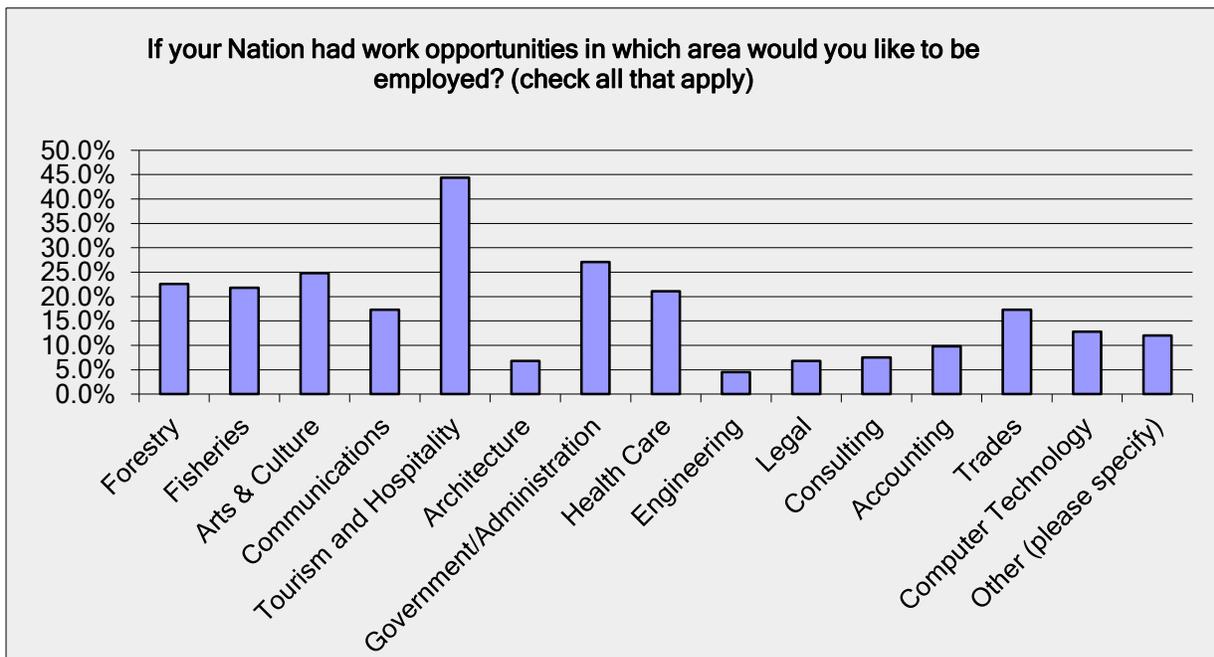


During the past 12 months have you volunteered? (fundraising for a cause; organizing sports or games; unpaid work for a community organization; a social services organization to help the poor, elderly, or homeless; a hospital; or an organization involved with youth, children, sports or education)

Answer Options	Response Percent	Response Count
Often	13.6%	19
A few times	42.9%	60
Never	43.6%	61
<i>answered question</i>		140
<i>skipped question</i>		17

How would you describe your current employment status?

Answer Options	Response Percent	Response Count
Social/income assistance	20.0%	29
Contract (Temporary) employment	5.5%	8
Self-employment	12.4%	18
Full time employment (35-40 hours a week)	22.8%	33
Part time employment	12.4%	18
Seasonal employment (2-4 months a year)	6.2%	9
Retired	6.2%	9
Currently a student	9.0%	13
Other (please specify)	20.7%	30
answered question		145
skipped question		12



If your Nation had work opportunities in which area would you like to be employed? (check all that apply)

Answer Options	Response Percent	Response Count
Forestry	22.6%	30
Fisheries	21.8%	29
Arts & Culture	24.8%	33
Communications	17.3%	23
Tourism and Hospitality	44.4%	59
Architecture	6.8%	9
Government/Administration	27.1%	36
Health Care	21.1%	28
Engineering	4.5%	6
Legal	6.8%	9
Consulting	7.5%	10
Accounting	9.8%	13
Trades	17.3%	23
Computer Technology	12.8%	17
Other (please specify)	12.0%	16
	<i>answered question</i>	133
	<i>skipped question</i>	24

How many people normally live in your home with you?

Answer Options	Response Average	Response Total	Response Count
Children (birth - age 12)	1.83	139	75
Youth (age 13 -age 18)	1.31	59	45
Young Adult (age 19 - age 30)	1.35	70	52
Adult (age 31-59)	1.33	134	101
Elder (age 60+)	1.10	44	40
		<i>answered question</i>	143
		<i>skipped question</i>	14

Huu-ay-aht First Nations' Government (HFN) makes decisions about resource use, economic development, education and more. Please read the statements below and see if you strongly agree, agree, disagree or strongly disagree with each.

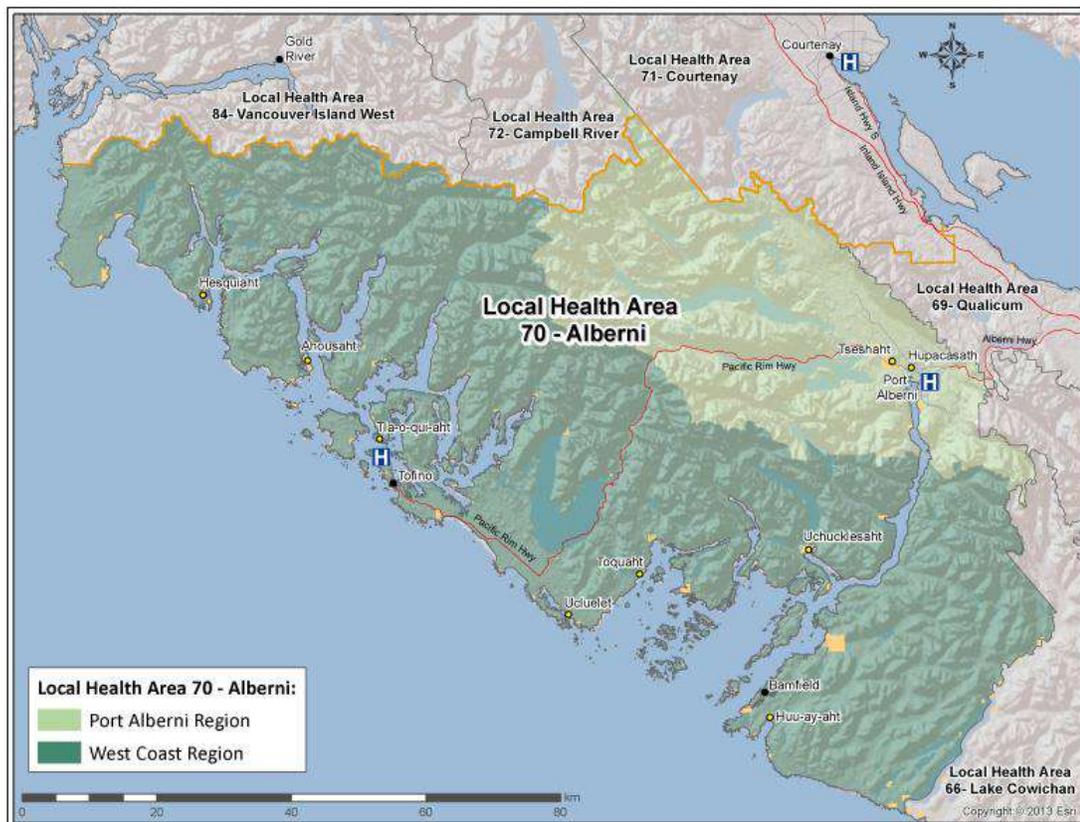
Answer Options	Strongly Agree	Agree	Disagree	Strongly Disagree	Response Count
Enforcement of HFN bylaws and regulations is fair and transparent.	9	64	27	11	111
Council is governing in a way that reflects the needs of Huu-ay-aht.	9	57	32	12	110
The level of support for growth of the local economy on HFN lands is adequate.	9	56	35	11	111
There are a variety of employment opportunities for Citizens.	5	39	47	23	114
HFN is doing enough to protect the environment for future generations.	9	59	33	9	110
HFN is doing enough to promote and preserve our Huu-ay-aht culture and language.	10	56	41	7	114
Our Elders receive support and recognition in our HFN community.	11	62	30	9	112
Our Youth are supported by HFN to complete schooling.	12	65	30	6	113
HFN provides support for families.	7	54	42	10	113
<i>answered question</i>					119

(b) Health Related Factors/Social Detriments of Health

- The West Coast region, including Tofino, Ucluelet, Bamfield and Ahousat, is home to approximately 5,500 people, 19% identified as Aboriginal, Local Health Area 70 – Alberni which also includes Port Alberni is home to approximately 31,500 people, 8% are aged 75 and over. The total population is not expected to change much over the next 20 years, however, the over 75 population is expected to nearly double.
- Compared to the Island Health region as a whole, Local Health Area 70 – Alberni residents have (based on the most recent data available) a higher birth rate and a higher teen birth rate, higher rates of preterm births and low birth weight babies, lower life expectancy (78 years), higher rate of death due to diabetes, alcohol-related causes, and motor vehicle accidents. Similar to the Island Health region, leading chronic conditions include hypertension, depression/anxiety, osteoarthritis and asthma. These statistics are congruent with HFN society.
- Social Determinants of Health such as housing, employment, education and social support can have a big impact on the health of our communities and our ability to make healthy lifestyle choices. Compared to Island Health overall (based on most recent data available), the west coast area has a higher unemployment rate and lower median family income and the area has a lower percentage of 15-24 Year-Olds who graduated from high

school, and a lower percentage of adults aged 25-64 with post-secondary.

- Child Health – Local Health Area 70 has a higher rate of children hospitalized for respiratory illness and a higher infant mortality rate.
- Crime –Local Health Area 70 has a higher crime rate, including a motor vehicle theft, serious crime and serious juvenile crime, but it has a lower rate of deaths due to illicit drug use.



(c) HFN Community Services Department

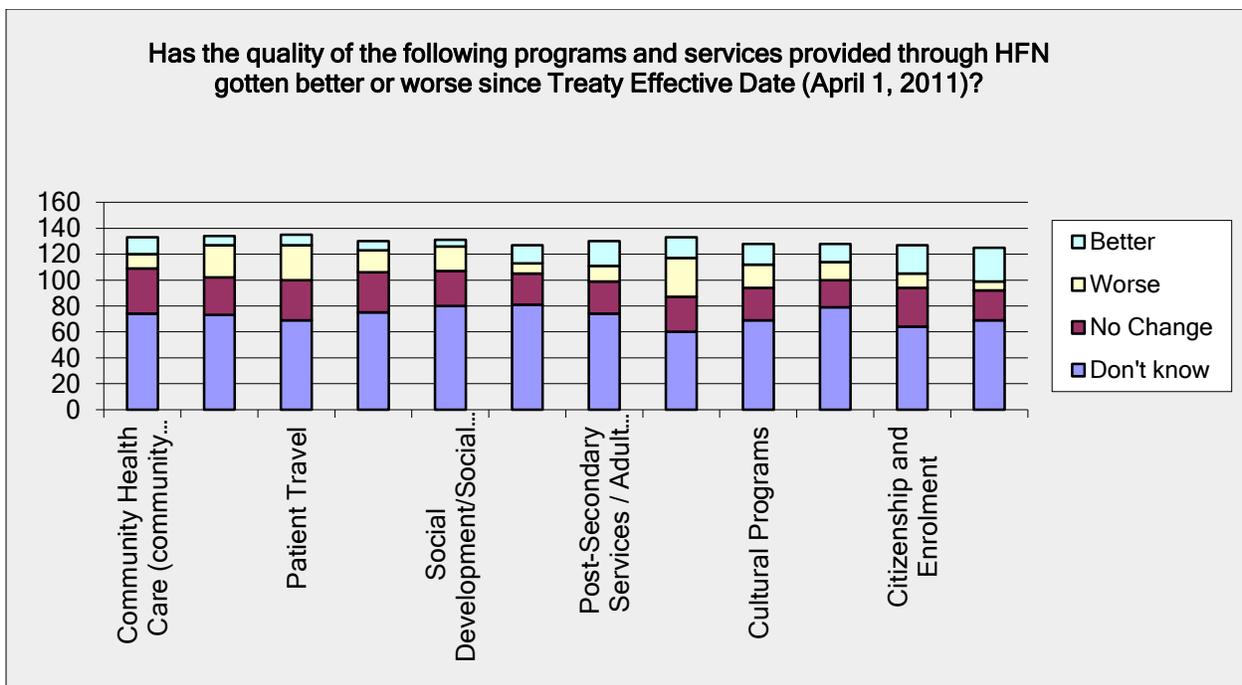
- A service contract between HFN and NTC provide access to care programs for citizens to address the above mentioned social detriments to health and well-being such as; Health Promotion and Education, Medical Home Visits, Chronic Condition Management, Immunizations/vaccinations, pandemic and communicable disease prevention / education including influenza clinic, pre-natal / post-natal vitamins, coordination of medical travel, prescriptions, medical equipment, and discharge planning. Basic dental services are also provided in Anacla.
- Mental Health services such as connection to addictions counselling, supports, treatment

centers, travel to treatment, grief and loss workshops, suicide prevention, violence prevention are provided, however, this is an area for potential growth. Counselling support is only available on Wednesdays from 10:30 am until 1 pm in the Anacla community and currently there are not any formal support groups available (AA, NA, children who witness abuse, etc).

- The Social development program provides social assistance, emergency funding, family violence prevention, funeral subsidy, workshops, low income parent support programming and income tax filing.
- Educational supports include; a school supply allowance, student recognition, and support for learners with extra learning needs, bus passes, recreation support and tutoring. A Child and Youth Worker at the community school provides cultural and language education, one on one support, afterschool programs and classroom support.
- Post-secondary includes formal education tuition (Adult Basic Education, college, university, trades, vocational), living allowance, assistance with supplies and text books, bus passes, career counselling, bus service for the Bamfield Community School children, and emergency supports.
- Early Learning Programs in Anacla provide a licensed early learning environment that is immersed in HFN culture and language, free child care for parents who are working for the Nation or going to school. This program provides nutritious lunches and snacks as well as connections of families to elders and teachings (children birth to Kindergarten), as well as assessments of child development and connecting to external services where needed. We are in the process of expanding this service for the Port Alberni citizens.
- The Cultural Program provides assistance with traditional teachings, cultural protocol, and language. This includes craft/art workshops, dance practice, drumming practice, Nananiiqsu (Elders group), travel to cultural events, host cultural events, support citizens with cultural events, assists with food fish distribution, and connects staff with protocol and traditions.
- Family Support Services assists children, parents and families who are involved with the child protection system including; court advocacy, safety planning, family planning, cultural planning, legal aid support, counselling (one on one), parent education, addiction support, and connection to external services.
- There is a Crisis Grant Program which provides emergency assistance for citizens with unexpected costs associated with basic needs.
- In keeping with the HFN Strategic Plan, means of communication have been established to citizens provide website updates about important HFN community services news, posting events, information, job or training opportunities and internal communication systems.

Has the quality of the following programs and services provided through HFN gotten better or worse since Treaty Effective Date (April 1, 2011)?

Answer Options	Better	Worse	No Change	Don't know	Response Count
Community Health Care (community health workers and screening clinics)	13	11	35	74	133
Elder Care	7	25	29	73	134
Patient Travel	8	27	31	69	135
Non-insured Health Benefits	7	17	31	75	130
Social Development/Social Assistance programs	5	19	27	80	131
Early Childhood Education	14	8	24	81	127
Post-Secondary Services / Adult Basic Education & Training	19	12	25	74	130
Government communication	16	30	27	60	133
Cultural Programs	16	18	25	69	128
Land and Natural Resource Management	14	14	21	79	128
Citizenship and Enrolment	22	11	30	64	127
Harvesting Licenses	26	7	23	69	125
<i>answered question</i>					136

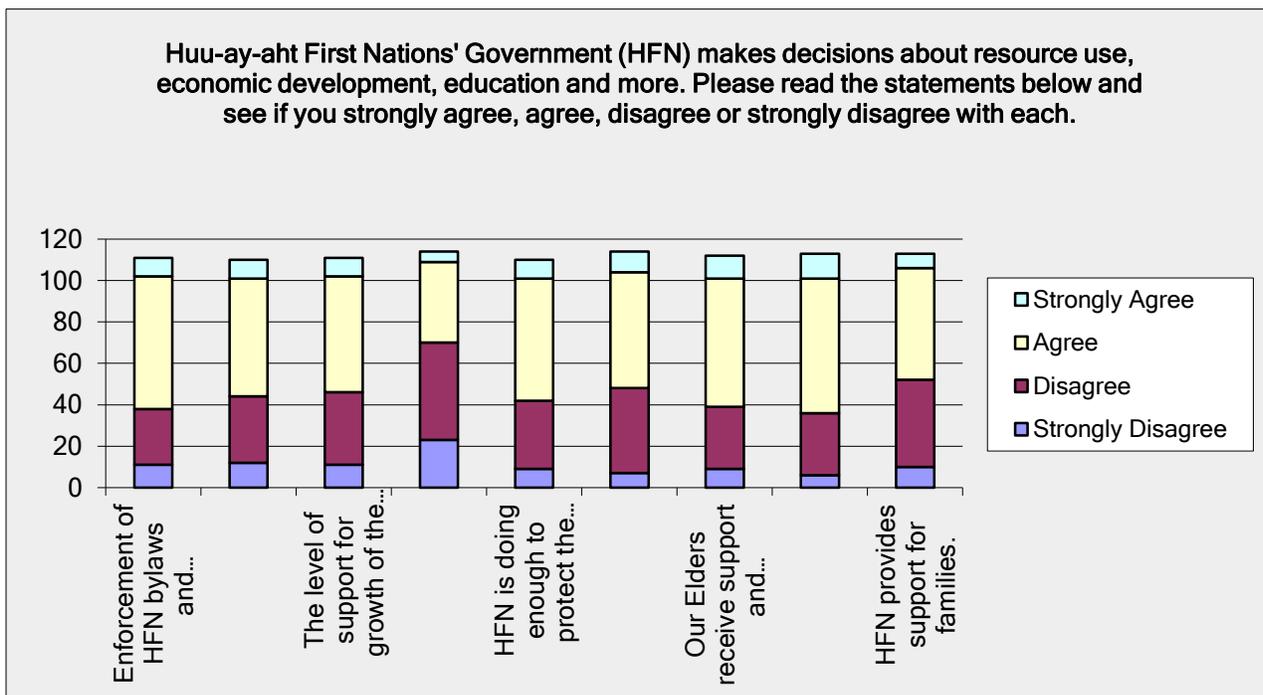


7. CONCLUSION

Recommendations:

- Continue to assign resources to multidimensional communication mechanisms such as social media, a web master to update the public web page, group forms, and publications.
- Undertake a genealogical study to identify family connections and include houses on HFN identity cards.
- Work with the EDC to develop revenue generating streams with established business enterprises.
- Move ahead with feasibility studies for future economic development of resources such as hydro- electric, fisheries (shellfish, finfish & other seafood opportunities), forestry and mining.
- Develop and implement a sound plan to enhance cultural and ecological tourism opportunities.
- Investigate opportunities to enter into service provider business.
- Develop and implement an Integrated Resource Management Plan assessing highest and best use of all HFN natural resources using best available information and consultation with stakeholders.
- Promote balanced and financially viable development including potential major projects by creating a project management office and a project management system in place.
- Establish a HFN conservation strategy is established to build, manage, and document both wildlife and marine resources.
- Continue to assist in the development of the subdivision in Upper Anacla with a vision to include a community cultural centre, assisted living facility, child care facility, and a school. The design should be in keeping with HFN values of family and the passing on of customs from elders to the younger generations.

- Develop future strategies to address short falls in providing social welfare programs (counselling, Mental Health & Addictions), to citizens such as continued / potential partnership with HTC, VIHA, and Health Canada.
- Look to develop real estate and property management opportunities by granting in long term land agreements.
- Assist in the development of citizenship programs targeting youth in the areas of life skills, training and recruitment.
- Listen to and support the voices of HFN citizens regarding the performance of the government and the services provided.



NOTE:

1. **Specific budgetary resources will be allotted to the various priorities following consultation with the HFN Executive Council and the HFN Finance Committee.**
2. **Amendment to this document to follow prior to second reading.**

