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Call and Response

The Truth and Reconciliation Commission's Call to Action #92 invokes corporate Canada to prioritize genuine consultation and respectful dialogue with Indigenous peoples. *Pivot* spoke with experts to explore its impact and future, including insights on how CPAs can play an instrumental role.

In 2008, the Truth and Reconciliation Commission, later led by Justice Murray Sinclair, set out on a nationwide journey to gather testimony from residential school survivors. The survivors recounted harrowing tales of being separated from their family, sometimes forcibly, to attend government-funded, church-run residential schools—where they faced physical and sexual abuse and were prohibited from speaking their own language.

After gathering thousands of testimonies from residential school survivors, in 2015, the TRC—mandated to create a historical record of Canada's residential school system—issued its final report, including 94 Calls to Action developed to “redress the legacy of residential schools and advance the process of Canadian reconciliation.”

Call to Action #92 asks Canada's corporate sector to “adopt the United Nations Declaration on the Rights of Indigenous

Peoples (UNDRIP) as a reconciliation framework and to apply its principles, norms and standards to corporate policy and core operational activities involving Indigenous peoples and their land and resources.” It's a business's “obligation to do a deeper dive into their own internal company orientation and the impact on Indigenous peoples,” explains Jason Rasevych, consultant and co-founder of the Anishnawbe Business Professional Association.

The Call to Action provides explicit direction for its implementation, including: educating management and staff on the history of Indigenous peoples; ensuring equitable access to jobs, training and education opportunities for Indigenous peoples and ensuring Indigenous communities “gain long-term sustainable benefits from economic development projects”; committing to “meaningful consultation, building respectful relationships, and obtaining the free, prior and informed consent (FPIC) of

Indigenous peoples before proceeding with economic development projects.”

Some large Canadian corporations have stumbled on their path to reconciliation. Last December, the Canadian National Railway Co.'s entire 12-member Indigenous advisory council—co-chaired by Sinclair and mandated to reinforce diversity and inclusion and foster meaningful relationships with Indigenous peoples—resigned with a statement saying, “CN had no intention of acknowledging and accepting their role in the historical and ongoing impact on Indigenous peoples,” according to CBC News.

Other companies, like Mosaic Forest Management (MFM) in British Columbia, have garnered a positive reception for their Indigenous relations efforts. MFM has supported Indigenous language revitalization efforts, partnered with First Nations on forest management and is using a portion of its proceeds from selling carbon credits—derived from the deferred harvesting

of around 40,000 hectares of land in B.C. for 25 years—to support Indigenous Protected and Conserved Areas. In 2023, MFM earned a Gold Progressive Aboriginal Relations certification from the Canadian Council for Aboriginal Business.

It falls to CPAs to help spearhead this ongoing development within their companies by bringing their knowledge and capabilities to the table. While it's a joint effort for the many professionals involved, the CPA perspective can help facilitate this meaningful change.

“There's been much wealth generated from extracting resources from the traditional lands of Indigenous peoples for over a century now,” says Rasevych. Adopting Call to Action #92 is a way for businesses to create opportunities and address the imbalance created by residential schools and other policies that led to the exclusion of Indigenous peoples, explains Rasevych, adding, “This Call to Action to corporate Canada is not going away.”



■ A Healing Walk through downtown Winnipeg



■ Scott Munro

CPA and deputy chief executive officer at First Nations Financial Management Board, Kaska Dena

It's been nearly 10 years since the TRC issued its Calls to Action. Do you remember what the reception was like within corporate Canada at that time?

I certainly remember when it came out, but it didn't feel like it was resonating elsewhere. I think the turning point was when the bodies of many of the residential school victims started to be found and identified, and talked about, and these were openly discussed by residential school survivors and First Nations, starting with the children who perished in Kamloops at the Indian Residential School, and others who have followed. These were known. They were never secrets. It's just that it started to be talked about and shared for the first time by survivors and by First Nations in ways that were new to most Canadians. It was bringing to light that reality in that dark chapter. I think that's when I felt a big shift in corporate Canada because it was no longer sort of a look back, and a report that has a certain shelf life, but it actually meant something to people, I think, for the first time.

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How would you describe consent in the context of FPIC?
The word "consent" can generate lots of discussion, and I don't think anyone has a single definition of what that means, or a way of measuring necessarily what that means, or when consent exists—it will be on a case-by-case basis to some degree. It depends on the relationship that you have with the rights holders who you're talking with. It's up to the Indigenous peoples who are impacted to decide what that means, and how it's given.

Nor do I think it's used to scare anyone. It's not a veto. It's a way of communicating whether or not one party feels its rights have been respected. That's no different than in the context of any negotiation that's being done in good faith. At the end of the day, we have a very strong judicial system and legal system, and there will still be times where the legal system will have to be relied upon to decide what the outcome is, and whether or not consent has been given. I don't think it's introducing anything new. I think it's being more explicit about what always should be happening. That concept can be applied in many other situations that are unrelated to Indigenous rights holders.

What does FPIC look like applied to accounting?

I think it can be applied in the context of standard setting, for example. UNDRIP's Article 19 says that the state shall get the free, prior and informed consent of rights holders on administrative matters that may affect them. So, the way I look at it, we should be developing standards or amending them only after we have the free, prior and informed consent of Indigenous peoples, when we're talking about things that ought to reasonably affect them.

Can you give an example of why that's important?

On the East Coast, particularly in Mi'kmaq territory, many of the First Nations there acquire commercial fishing licences as part of their economic development strategy. What was happening frequently, especially in that region, was that these fishing licences—which cost millions of dollars—were not treated as assets from an accounting point of view. That was really interfering with accountability and transparency objectives that elected officials, chiefs and councils had with respect to their citizens. They were caught in a dilemma. They would either have to defy accounting standards of the day or follow them and treat those purchases as an expense, and then face citizens who were upset by that, asking what they did with all that money. You'd have to explain we have the licence, but it's not an asset.

Now, the good thing that came from it was that the Public Sector Accounting Board reached a consensus to amend one part of the Public Sector Accounting Standards. Basically, it allowed any public sector entity, including First Nations, to begin recording those fishing licences as assets, as they probably should have been from the start. That's probably hundreds of millions of dollars of assets that now could correctly be reported as assets that have enduring value.



What is redwashing?

According to a Yellowhead Institute report on Indigenous relations at Canada's big banks, redwashing is akin to greenwashing in that it's "a generally corporate response to an urgent social and/or legal issue that merely co-opts language and symbols but offers little transformative or meaningful change."

For example, a prominent Canadian bank has been criticized for redwashing its tens of billions of dollars in financing for Alberta's oil sands via its Indigenous relations initiatives, which the Yellowhead Institute describes as "problematic."

Other symptoms of redwashing include tokenizing Indigenous peoples and committing to Call to Action #92 but failing to implement its framework into policy, explains Jason Rasevych, consultant and co-founder of the Anishnawbe Business Professional Association. The antidote to redwashing, he says, is that companies need to "operationalize UNDRIP and FPIC into their corporate DNA," and collect data to measure the impact of that effort.



■ Hayley Angell

Senior manager of DEI at Chartered Accountants Australia and New Zealand (CA ANZ)

In 2021, CA ANZ developed a Reconciliation Action Plan (RAP). What issues does it aim to address?

Previously, there was no mechanism for Aboriginal and Torres Strait Islander members to be able to identify themselves, so the first challenge set by the CA ANZ Aboriginal and Torres Strait Islander Member Panel was establishing a formalized mechanism. A cultural background question was incorporated into the annual member subscriptions process in 2023 to give us the first indication of Aboriginal and Torres Strait Islander representation and participation in the profession. Only 0.5 per cent of CA ANZ members identify as Aboriginal and/or Torres Strait Islander, despite Aboriginal and Torres Strait Islander cultural identities making up 3.8 per cent of the broader Australian population. A key highlight for us was including First Nations voices on a panel ahead of an Australian referendum last year that would have recognized Indigenous peoples in the constitution (the referendum, painfully, did not pass).

What lessons can Canadian businesses take from the RAP and DEI initiatives that CA ANZ has implemented?

Approach this space with curiosity and openness and be willing to acknowledge gaps and shortcomings as well as what's working. Just making a commitment to ask questions and learn will fundamentally change you, your team and your organization, and you'll learn and grow more quickly than you imagine. If I look at something as simple as the First Nations acknowledgement in the opening pages of our DEI strategy released in 2022, and I think about how we do that today, and what we understand as an organization, it is honestly night and day.

■ Aboriginal elder and cultural ambassador Major Sumner performs a welcome ceremony ahead of a referendum to amend Australia's constitution to recognize First Peoples of Australia





■ **Matthew Foss**

Vice-president of research and public policy at the Canadian Council for Aboriginal Business (CCAB), member of Métis Nation of Alberta

CCAB has partnered with Indigenous Services Canada to increase Indigenous procurement. What kind of barriers has CCAB identified when it comes to Indigenous procurement?

A lot of it comes down to access to capital. That seems to be a common barrier with respect to financing Indigenous businesses that we have documented for quite a while, specifically in getting involved in procurement contracts with the federal government. The short duration of projects tends to be a challenge. Oftentimes, you're dealing with requests for proposals that are anywhere from 20 to 60 pages in length, that have a lot of legalistic language that speaks to limitations and risks

and the terms of the parties' relationships, and that almost requires a lawyer's expertise in dealing with contracts and procurement. So, we're pushing to try and get the government to simplify these types of agreements and use more plain language.

Why is it important to highlight Indigenous perspectives in business?

Indigenous people have been held back from Canada's economy since the start of Canada. The Indian Act's exclusionary policies have prevented Indigenous people

from participating in the economy the same way that other Canadians have. It's prevented the accumulation of and passing on of intergenerational wealth that other Canadians have benefited from. So, many Indigenous people are starting from behind.

The positive news story is that the Indigenous population is the fastest-growing population; its average age is younger than the Canadian average. This is the workforce of the future, and if we can get Indigenous individuals fully participating in Canada's economy, it's going to reap benefits for all Canadians. As Indigenous nations and communities thrive, all of Canada thrives. In contrast, when they don't, we've got challenges. Recent court rulings demonstrate that the legal world is finally embracing and respecting the sovereignty of Indigenous peoples. When we don't do that, projects get held up. We see lawsuits, and we get opposition to development. In some cases, things have to be completely abandoned. It's in everyone's best interest to be inclusionary. ♦



■ Indigenous lobster fishermen in Nova Scotia

CPA Canada aiding Indigenous youth

The CPA Canada Mentorship Program for Indigenous Students has one goal: to provide Indigenous students with CPA mentors who encourage them to graduate and pursue post-secondary education. Through this, students are exposed to many career opportunities, including those in accounting and finance, and forge meaningful connections with CPAs in their communities.

Programs generally launch in September, when the mentor team meets with students and parents or guardians. Each program is unique, with students and mentors together planning the year ahead, activities ranging from social events to resumé and scholarships workshops to CPA office visits.

The program has proven successful for schools, with enhanced student retention, performance and graduation rates, as well as for mentors, who report learning from the Indigenous students. Carol Langley, a school lead from West Vancouver Schools, says, "The opportunity to ask the mentors questions about post-secondary life and different careers has equipped them with connections and tools to help them be successful in their future journeys beyond high school."

Present efforts are concentrated on restoring the program to its pre-COVID capacity and launching the inaugural post-secondary initiative at the University of Winnipeg.

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■ **Mark Podlasly**

Chief sustainability officer at First Nations Major Projects Coalition (FNMPC), board member at CIBC and Hydro One, and member of Cook's Ferry Indian Band, Nlaka'pamux Nation, British Columbia

What has changed in corporate Canada since the TRC issued its Calls to Action in 2015?

The world has changed since then. You have UNDRIP coming into force in Canada, and around the world. You're starting to see court cases in Canada decided in favour of Indigenous people, and Indigenous rights are now recognized as something to be reckoned with. The FNMPC has found that companies now realize that they're not going to get their development permits from the government unless they have at least consulted with Indigenous people. Indigenous rights have come to the fore in a way they weren't able to in 2015, and you're starting to see companies now waking up to that.

What do a company's operations look like when UNDRIP has been well implemented?

The position of the FNMPC is, if you have an Indigenous co-investor, you have a co-proponent, and if you have a co-proponent, de facto you have consent. That's the approach we're taking, and you're starting to see more projects like that. Right now, 20 per cent of Canada's clean energy-generating infrastructure is Indigenous-owned. You're starting to see that really blossom, and if you talk to those companies, they will tell you that having an Indigenous co-proponent gives them consent. You start to see those companies thinking this is the best thing in the world. It takes care of the risk, speeds up their permit issuing in theory, and investors themed in sustainable investment love these projects and will crowd in the capital.

What advice would you give to a company that's just starting out on its reconciliation journey?

One thing a lot of companies don't know is who is the traditional owner of the territory they're on. If there's a treaty, what is the treaty? No company would go into an international realm without knowing that, right? That's the first place to start. Then go meet those people and start a conversation. A lot of companies, what they'll do is they'll go ahead, do their plans, draw everything up, and then after all the plans have been decided, they'll go to a First Nation and say, "Hey, here you go. We want your opinion." And they drop a completely finished plan on their desk. That's not respectful.

Indigenous rights have come to the fore and you're starting to see companies waking up to that

What if the First Nation had contributed their traditional knowledge about what would be better in terms of use of the land, or lesser environmental impact? Or increasingly, they're a possible source of capital for that project as a co-investor. That's a loss at that point, and that's generally how it's done in this country. Companies just show up with their finished plans and it's an afterthought to go to the First Nation. In those cases, if the First Nation is unable to comment on something that may be very complex, or has already been costed out, the answer is going to be automatically no. Think about how you get out of that hole as a company. It's better to start at the beginning.

Mark Podlasly will be speaking at this year's ESG Symposium on the topic of meaningfully incorporating Indigenous perspectives in capital projects and business models

Indigenous Learners Initiative

Launched last spring, the Chartered Professional Accountants Western School of Business's (CPAWSB) Indigenous Learners in Accounting (ILA) initiative aims to increase the number of Indigenous accountants by infusing the CPA curriculum with "Indigenous content, context and culture."

A 2022 report commissioned by CPA Canada to identify and mitigate

systemic barriers faced by Indigenous peoples pursuing a career in accounting found an "absence of Indigenous culture and context" in accounting studies. One of its 44 recommendations proposed the inclusion of Indigenous case studies in education materials.

Developed in partnership with the Aboriginal Financial Officers Association of Alberta, CPAWSB and

