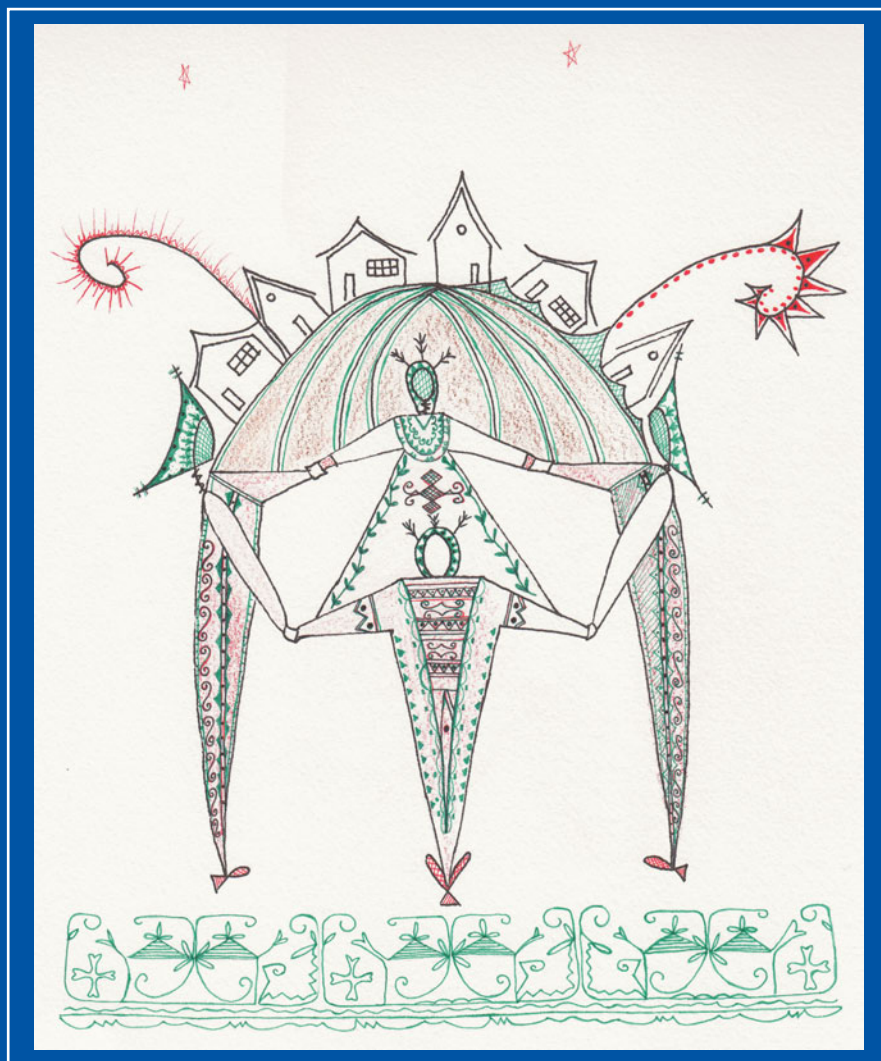


J o u r n a l o f
ABORIGINAL
ECONOMIC DEVELOPMENT

Volume 8, Number 1



*Journal of
Aboriginal Economic Development*

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cando
Inspiring Success
Captus Press

The Journal of Aboriginal Economic Development is the first journal devoted exclusively to issues and practices in the field of economic development and Aboriginal peoples' communities. The journal, published jointly by Captus Press and Cando (Council for the Advancement of Native Development Officers), offers articles that are of interest to those who teach and those who work in the field.

EDITORS

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Dean of Academic Programs
Nicola Valley Institute of Technology
Merritt/Burnaby, British Columbia

ROBERT J. OPPENHEIMER
Professor
Department of Management, Concordia University
Montréal, Québec

WANDA WUTTUNEE
Professor & Director (Aboriginal Business Education Partners)
Department of Native Studies, University of Manitoba
Winnipeg, Manitoba

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THE ARTIST

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Gina Brooks

Gina Brooks is a Maliseet traditional artist from the Saint Mary's First Nation in New Brunswick. Gina specializes in Maliseet porcupine quillwork, birch bark containers, and brown ash basketry which is often embellished with sweet grass and Wabanaki motifs. To deepen her multi-disciplinary artwork, Gina's traditional knowledge is now being combined with lithographs, a type of printing process that involves etching and printmaking where original works of art can be printed and reproduced. Keeping her artistic focus on traditional Wabanaki arts revitalization, Gina has taught classes in drum making, mask making and basketry throughout the Wabanaki region. Gina's quillwork and birch bark basketry is showcased in the contemporary collection of art at the New Brunswick Museum in Saint John, NB.

ARTIST'S STATEMENT
"Building from Traditions"
(Ink on paper, 2012)

.....
Gina Brooks

Relational traditions that enliven the spirit of the work: Respect for the Territory, Respect for the People & Respect for the Communities. These interwoven threads are built into the contemporary structures and reflect the spirit of the work to building communities and building capacities. The images on the art work are traditional archival design the Wabanaki people use.

Editor's Comments

.....

Warren Weir

Welcome to the 15th Issue of the *Journal of Aboriginal Economic Development* (JAED). Honouring the tradition of meeting the needs of our readers and Cando members, this issue highlights community-based success stories while making visible current research on maintaining and enhancing strong Indigenous communities and economies.

Since its inception in 1999, JAED has provided a broad-based update of the diverse and ever-changing aspects of Aboriginal economic, community, and business development and enhancement. This dialogue continues in this issue through shared stories, as well as the critical analyses of advances occurring in Aboriginal communities and businesses across Canada and around the world. In this issue, readers will be invited to read articles on governmental relations, Indigenous leadership, the ever-inspiring stories of Aboriginal youth, the celebration of community, the clarification of advances in business models of development, and Indigenous tourism.

While the majority of the past 14 issues of JAED have represented the diverse work occurring in Aboriginal economies, from time-to-time Cando and JAED has provided an in-depth look into specific and current issues. For example, Volume 2/Issue 2 was dedicated to a review and analysis of Aboriginal gaming in Canada.

The next issue of JAED (Volume 8/Issue 2) has been dedicated to exploring the specific topic of "On-Reserve Property Rights and Development and Management," as a response to current national debates that focus on collective and communal property rights versus the increasing calls for privatization. The issue will explore the First

Nation Land Management Act (FNLMA), as well as the relationship between property rights on-reserve lands and lands adjacent to those lands. A review of how Native American tribes are managing reserve lands in the United States will also be included.

On a personal note, I am now with the Nicola Valley Institute of Technology — British Columbia's Home of Aboriginal Public Post-Secondary Education. Given my place at this point in time, I say *k^wuk^wscémx^w* and *limlømt* (thank you in Nlaka'pamux/Thompson Salish and Syilx/Okanagan), and hope that you enjoy this issue. I look forward to your feedback (wweir@nvit.bc.ca), and will take your thoughts and ideas forward to future issues. I would also like to thank our dedicated staff at Cando and Captus Press, and the committed editors of JAED (leaders in Aboriginal education and community economic development in Canada). Without your help and untiring assistance, the publication of JAED would not be possible.

Editor's Introduction

.....
Wanda Wuttunee

Sharing our experiences in this section is a significant and culturally appropriate way to learn about building strong communities from our neighbours. We need strong communities so that there is a foundation for economic development that will drive dreams, plans and turn meaningful governance into a reality.

Inspiring our young people is not easy and encouraging business training as a career so they can help drive the community economy in a positive way is not usually on their radars. "Inspiring Aboriginal Youth Achievement" highlights inner city student Lenny McKay who was motivated by a caring teacher and used the experience he gained from an E-Spirit business plan competition to enroll in a university business program. Many young people from across the country are being mentored by teachers in this competition and learning about business opportunities.

Success is often achieved with great sacrifice and hardship. Perseverance is an incredible tool in this modern world for success. That is the story of turning a former residential school into a successful hotel that is captured in the story of St. Eugene Mission. A former residential school student shares the memories in the process of changing a place of loss and sadness into a vibrant business opportunity for the community. It is also a means of educating a clientele who have little or no knowledge of community history.

When stories of successful community development are shared, feelings of pride, community and hope are inspired. The three winners of last years' EDO awards are sharing those kinds of stories. Kendal Netmaker (Sweet Grass First Nation) is owner of

Neechi Gear, a socially conscious clothing brand that celebrates humour and culture for contemporary tastes. Grant Taibossigai, (M'Chigeeng First Nation) has built a foundation of sustainability in his community through such projects as Mother Earth Renewable Energy wind farm project. Finally, find out how remote Moricetown Band capitalized on their assets through a wholly-owned value added mill that embraces community values. Shared stories are meaningful in today's fast-paced world. It is about making connections for yourself and for your community.

2011 ECONOMIC DEVELOPER OF THE YEAR AWARD WINNERS

.....

Michelle White-Wilsdon

CANDO LEAD RESEARCH & SPECIAL PROJECTS COORDINATOR

The 18th Cando Annual National Conference theme “Nation Building through Economic Development”, was embraced by conference delegates who all attended to promote and foster sustained economic development in Aboriginal communities. In the opening ceremonies of the Cando conference, Chief Kim Baird, of Tsawwassen First Nation addressed the conference delegates and captured the conference theme perfectly by stating that “Economic development is a means to an end, and that end is nation building ... that builds robust, vibrant and healthy communities”. Building Aboriginal economies is not a task for the federal government alone. It requires hard work and a collaborative effort by EDOs, corporations, entrepreneurs and the support of Aboriginal governments and communities. While there is still a long road ahead, Aboriginal people have made significant gains to eradicate poverty and create opportunities in the communities they live.

It is important for Aboriginal economic developers to get the recognition that they deserve for their commitment and dedication to increasing standards of living and prosperity in Aboriginal communities. This is what motivates Cando to coordinate and host the annual Aboriginal Economic Developer of the Year Awards. Outstanding achievements of nominees from across the country are recognized in three separate award categories which include: Community, Individual Economic Developer Officer and Aboriginal Private Business Sector. Two

finalists in each of the categories are selected to present to an audience during a special plenary at the Cando Annual National Conference. After finalist presentations conference delegates vote via secret ballot for the finalist who they believe is most deserving of the top award in each category. It is an honour to present to you the 2011 Economic Developer of the Year award winners!

ED OF THE YEAR AWARD WINNER, ABORIGINAL PRIVATE SECTOR BUSINESS CATEGORY:

NEECHIE GEAR

Established in June of 2010, Neechie Gear is an award-winning clothing company with a social conscience. The Neechie Gear clothing line promotes humorous phrases with attractive designs that appeal to both the Aboriginal and non-Aboriginal market. The company was founded by Kendal Netmaker, 25, a recent University grad with a B.Ed and a B.A in Native Studies.

Remarkably, Kendal started the company at the age of 23, while studying full time at the University of Saskatchewan for his degree in education. During his studies at the University of Saskatchewan, he was introduced to the corporate/business lifestyle through Inroads, which is a national organization with a mission to “develop and place talented minority youth in business and industry and prepare them for corporate and community leadership.” Inroads sponsored

Kendal to attend a business leadership summit in Toronto, where he immediately fit in. In his last year at the University of Saskatchewan, Kendal had the idea of starting a clothing company. He wrote his first business plan in between managing his full-time course load, and decided to enter an on-campus business pitch competition to test the response to his business idea. Kendal won over ten thousand dollars in this competition, and Neechie Gear was born.

During the time that Kendal was finishing his last year of school he managed to exceed over \$22,000 in sales. This past fall, he was one of thirty entrepreneurs in Canada chosen to form Team Canada at the G20 Young Entrepreneur Summit in France. Neechie Gear has since been recognized in many prestigious awards including the 2011 ACE Saskatchewan Student Entrepreneur Provincial Champion, third place Award in the Brett Wilson Centre for Entrepreneurial Excellence i3 Challenge, and the 2012 Saskatoon's Finest Entrepreneur Award — and has been nominated for many more.

In the summer of 2012, Neechie Gear celebrated the Grand Opening of its store located in Saskatoon, Saskatchewan. Since expanding from online retail to operating a retail store, Neechie gear has enjoyed substantial increases in sales and continues to grow. Although the growth of the company is impressive, what is incredibly unique about Neechie Gear is its commitment to giving back to the community. Kendal established the NG Athletics Club Inc, which is a non-profit organization and arm of the Neechie Gear Company that supports, develops and manages Canadian youth based sports teams. Neechie Gear also offers educational bursaries for Aboriginal students enrolled at the University of Saskatchewan which provides the added benefit of free advertising for the company that reaches its strongest target market — Aboriginal youth.

The Story behind the “Social Conscience”

From Neechie Gear's website, <http://www.neechiegear.com/pages/the-story>, we learn that Kendal Netmaker is the eldest child of four siblings from the Sweetgrass First Nation and was raised in a single-parent, low income family. Kendal attended elementary school off-reserve, and without disposable income or a vehicle, he did not have the opportunity to get involved in

any extra-curricular activities. During this time, he met a life-long friend who was from South Africa who recognized Kendal's athletic talent and wondered why Kendal did not join any of the same sport teams that he played on. Kendal told his friend that his family did not the money to pay registration fees, or have any mode of transportation that would allow him travel to and from games and practices. He relied on the school bus to travel to and from school, and was restricted from participating in any after school activities. Shortly after this exchange, his South African friend pulled Kendal aside and said, “Kendal, I told my parents what you told me and they want to pay for your fee to play on my soccer team and we can even drive you home after all games and practices”. Kendal was surprised and touched by the kindness and generosity of this South African family, and was extremely grateful for the opportunity to be part of many sports teams and continue with his education. Many years later, the South African family moved away — but before they left, they gave Kendal's family a running vehicle which would enable him and his sisters to continue their involvement in sports and would eventually carry them through high school and into university. Kendal believes that without his friends' help, he would not have a landed a college volleyball scholarship after graduating high school, finish university and later go on to establish an award-winning company! As a result of his life experience, Kendal has learned firsthand what sports can do for youth by developing elite athletes and future leaders. The support and kindness Kendal received from the generous South African family as a youth has changed his life. Kendal remains committed to “paying it forward”, which is why he has incorporated the “social conscience” into his business model, where a portion of all profits are used to support Aboriginal youth achieve success through sports and education. Kendal is now involved in promoting entrepreneurship to various First Nations communities throughout the province of Saskatchewan as a role model and successful business owner. He is often invited to motivational speaking engagements where he strives to inspire others to start businesses by sharing his remarkable journey of success.

“Helping youth through the Neechie Gear Brand”

Kendal Netmaker,
2011 Cando Conference

**ED OF THE YEAR AWARD WINNER,
INDIVIDUAL EDO CATEGORY:
GRANT TAIBOSSIGAI**

Grant is from the M’Chigeeng First Nation located on Manitoulin Island, Ontario and has worked as the Economic Development Officer for the past 25 years. Under Grant’s leadership, expertise and teamwork-based enthusiasm, M’Chigeeng First Nation has made great strides in building a sustainable economic base that provides opportunities and prosperity for the M’Chigeeng First Nation citizens through innovative projects such as the Mother Earth Renewable Energy wind farm project. When asked about his views on Aboriginal economic development, Grant believes that “We are moving and forging ahead with new ideas. First Nations are taking a larger step and doing business outside of the community. The opportunities are there and we need to move on them.” It is apparent that Grant Taibossigai walks the talk, and is a valued driver of economic development in the M’Chigeeng First Nation. Grant is certainly deserving of the ED of the Year award and will surely continue to do excellent work in the field of Aboriginal economic development. Congratulations Grant!

MERE Project

For the past ten years Grant has worked tirelessly on the MERE Project—a wind farm on M’Chigeeng First Nation land to harness renewable wind energy that would be sold to the Ontario Power Authority for power grid distribution. After a decade of perseverance, the MERE dream has become a reality. In June of 2011, construction commenced for the erection of two 2MW turbines and is the first renewable energy project in Canada owned entirely by a First Nation. M’Chigeeng has contributed \$3 million to the \$12.5 million project. Another \$1 million has come from the Government of Canada while the Government of Ontario is providing a loan guarantee, enabling M’Chigeeng to borrow the

remaining \$8.5 million. The loan will be repaid from the income received from the Ontario Power Authority, at 15 cents per kilowatt hour for 20 years. By next spring the turbines will be in place and ready to deliver enough electricity for a thousand homes.

Community Benefits

The MERE project will create over 100 local jobs, and has provided opportunities for M’Chigeeng contractors to assist with road construction, tree felling & clearing, security, landscaping, sanitation and meal & hospitality, to name a few projects associated with the construction phase of the wind farm. M’Chigeeng will use the net profits for the benefit of band members through social and development activities that contribute to the bands economic self-reliance.

“Innovation distinguishes between a leader and a follower”

Grant Taibossigai
2011 Cando Conference

**ED OF THE YEAR AWARD WINNER,
COMMUNITY CATEGORY:
MORICETOWN BAND —
KYAHWOOD FOREST PRODUCTS**

Moricetown is located along the Bulkley River Valley approximately 30 km west of Smithers, BC. Moricetown is home to approximately 636 on-reserve members and with a total population of 1923 people. Due to its geographic location and like many other remote Aboriginal communities, the Moricetown Band faces greater challenges in identifying economic opportunities than those communities who are located close to major urban markets. Remote communities are often left to rely on the utilization of natural resources for economic development, which is often in conflict with traditional values of stewardship. The Moricetown Band has long aspired to achieve a level of sustainable economic self-sufficiency and the provision of employment opportunities on reserve without forgoing their traditional values. In an effort to balance these needs, Moricetown Band has worked hard to incorporate traditional values *into* their approach

to business and economic development and it is clear that these efforts have really paid off. Moricetown is an excellent example for other communities who strive to pursue economic opportunities that reflect the values of the community and earn the support of the members, while creating jobs and self generated revenue. The pride and sense of community is strong in Moricetown, it is with great honour that Cando presented them with the ED of the Year Award in the Community Category. Congratulations Moricetown Band!

Kyahwood Forest Products

Kyahwood Forest Products is a finger-joint value added mill that is wholly owned by the Moricetown Band and operated on reserve lands. Due to a declining lumber market and productivity challenges, the mill was forced to halt operations in 2008. As the largest employer of the community, the closure of the mill had a devastating effect on the community which saw unemployment rates skyrocket to nearly 90%. The band recognized that the only feasible way to get the plant operational and get members back to work was to cut production costs and improve efficiency. It was clear that an investment in technology was required, and in order to finance the upgrades they needed to be innovative in their approach. Moricetown pulled up their sleeves and got to work. The band created a new economic development structure that allows the band to establish a tax effective way of building and operating business on reserve. Moricetown also forged partnerships that assisted with securing the capital needed for crucial technology upgrades, and provided access to markets in China where they would now export their

product. More impressively, the Kyahwood Mill is a green operation; they utilize scraps from external sawmills to create a marketable product. 25% of the sawdust created from the Kyahwood mill is used to heat the facility, and the remaining “waste” is shipped to China. Overall, Kyahwood has achieved a 98% decrease in air pollution from preventing the burning of scrap material.

Community Benefits

Once the upgrades were complete, Kyahwood Forest Products reopened during the global recessions and began exporting its product. Since 2010, Kyahwood has successfully operated at full capacity and may need to expand operations through an additional shift, indicating the success of the company. Kyahwood currently employs 71 people from the community and is the largest employer of Band members on reserve. Effectively, the jobs created at Kyahwood have resulted in a 70% decrease in the reliance on social assistance payments within the community and has instilled great pride among the trained employees. Kyahwood is an environmentally conscious business that has created jobs for community members, and provided revenues for the Moricetown to make great strides toward the goal of economic self-sufficiency.

“Incorporating traditional values in our approach to business and economic development”

**Moricetown Band
2011 Cando Conference**

ABORIGINAL TOURISM

St. Eugene Mission, BC

.....

Thea Pedersen

STUDENT, FACULTY OF HUMAN ECOLOGY, UNIVERSITY OF MANITOBA

INTRODUCTION

The Aboriginal tourism industry in Canada is unlike the general Canadian tourism industry, as organizations within the industry place a holistic value on profits, culture, society, and the environment, rather than being primarily driven by profit. Responsibilities of organizations involved in Aboriginal tourism include making a business that is profitable, socially supportive, and environmentally inclusive, in the midst of adequately providing tourist services. Among these responsibilities are challenges specific to the Aboriginal community. Despite the challenges, there are examples within the industry where organizations have flourished by creating a balance between economic return and satisfaction within the community—The St. Eugene Mission Resort is a paragon of this. This report will provide a brief description of the Aboriginal tourism industry in general with respect to challenges and opportunities facing Canadian Aboriginal organizations involved in tourism. It will include a specific case study of The St. Eugene mission, a former residential school, turned tourist destination. This report will explore how the Ktunaxa First Nation community has responded to the project, and how the St. Eugene Mission project is counselling them through their grievances, based on empirical research and a personal reflection.

ABORIGINAL TOURISM IN CANADA

Tourism is a commercial industry by which a particular group demonstrates, teaches, and pro-

motes their lifestyles through range of activities. Aboriginal tourism in particular is described as a set of activities that are “generally consistent with Indigenous values about the sanctity of the land and people’s relationship to it” (Butler & Hinch, 2007, p. 3), where activities are manipulated to demonstrate the value of the land, culture, and beliefs, in order to improve relationships between the Aboriginal and non Aboriginal people of Canada. Aboriginal tourism is a growing industry, as the global tourism industry has demonstrated a shift in importance from a scenic excursion far from home, to a cultural experience where the rate of authenticity takes precedence over the distance travelled (Industry Canada, 2008). In addition, Aboriginal tourism seeks to integrate cultural elements into economic development. Butler et al. (2007) make a connection by stating that Aboriginal tourism demonstrates “a symbolic relationship ... to the extent that cultural survival contributes to economic success and economic success contributes to cultural survival” (p. 3).

Tourism services are difficult to define considering the industry’s inclusive tendencies that promote business within other areas (BearingPoint LP, 2003). For example, a tourist organization’s primary service could be providing luxurious accommodations, but to guarantee success, it is likely to employ other industries including catering facilities, transportation services, and souvenir retailers. Some “tourists shop at local arts and crafts outlets (71%) and antique markets while on their trips (49%)”

(BearingPoint LP, 2003, p. 15) suggesting that this industry is not only economically viable on its own, but it also promotes business in other areas of the Aboriginal economy, including retail.

Aboriginal tourism in Canada services a wide variety of interest groups. The United States is the industry's largest market, and the market expands as far as Western Europe (BearingPoint LP, 2003). The United Kingdom, Italy, Germany, The Netherlands, and Switzerland have "markets ... (that) ... have been identified as having (strong) potentials for generating Aboriginal tourism travelers" (BearingPoint LP, 2003, p. 7) to Canada. The United Kingdom is Canada's largest overseas market in terms of tourism activity and generated revenue, while the United States produces the largest number of tourists overall (BearingPoint LP, 2003).

Although Aboriginal tourism acts as a catalyst for other economic activities, there are common challenges faced by organizations in the industry. Business development, management, and marketing are deemed as challenges that inhibit the economic activity of the industry. A lack of marketing skills and expertise are often considered the main threats to the sustainability and survival of an Aboriginal tourist project (Industry Canada, 2008). Knowledge regarding marketing is not just a matter of knowing how to promote the product or service, but knowing *where* to market the product or service. As different markets, for example, such as the United States and some Western European countries, have different interests and reasons for exploring Aboriginal tourist opportunities, organizations must assess the characteristics of each market and tailor their services toward the different markets.

Despite the challenges faced by Aboriginal tourism industry, it can be an economically viable industry, as well as an educational industry, in that it teaches non Aboriginal people about Aboriginal values and culture and promotes a positive relationship between them. Certain types of Aboriginal tourism facilitate education among the services they offer, and when done appropriately, it can benefit both the community as well as the general population. As Butler et al. (2007) states, "much of the harm that has been perpetuated by dominant society on Indigenous people has been, and continues to be, based on ignorance" (p 3). Thus, if such projects are able

to adequately educate tourists about contemporary Aboriginal issues with respect to historical events, the presence of hostile negative relationships between Aboriginal and non Aboriginal people will be lessened, as ignorance regarding Aboriginal issues becomes something of the past.

ST. EUGENE MISSION RESORT

The St. Eugene Mission takes advantage of this opportunity, as they have taken a commonly misunderstood chapter of Canadian Aboriginal history and expanded on it by educating people in an economic and socially rewarding way. The St. Eugene Mission, located on reserve land near Cranbrook British Columbia, offers tourists a 4.5 star rated experience with access to an 18-hole golf course, a licensed casino, a gourmet restaurant, and of course luxury accommodations. The St. Eugene Mission is truly one of a kind, as the Ktunaxa First Nation community was the first band to create an economic resource out of a former residential school (Personal Communication, 2012).

A Brief History

In 2003, Sophie Pierre, former Chief of the St. Mary's band—one of the five Ktunaxa First Nations bands—took the liberty of announcing the grand re-opening of the St. Eugene Mission Resort and Casino. This marked an extraordinary accomplishment for the Ktunaxa First Nations people, considering the last opening of the site certainly did not receive the same level of encouragement. Former residential schools are infamous for the negative impacts they have had on students and survivors and their future generations. More often than not, these schools created irreversible feelings of sorrow that stripped the culture away from many Aboriginal people (Amnesty International, 2004), and the St. Eugene Mission was no exception to this daunting perception of residential schools. Gordon Sebastian—part of the St. Eugene Mission security team—suggests that the biggest problem created by residential schools is the after effect, as many former students and their families have yet to receive any emotional compensation for their losses (Personal Communication, 2012)—at least not prior to Steven Harper's public apology in 2008. Gordon was a

student at the former school for eleven years and was also one of the supporters of the project's vision. Sophie Pierre, chair of the St. Eugene Mission board, spent nine years of her childhood as a student at the former school. Neither of them imagined that forty-five years later they would be reopening the site in honour of the Ktunaxa First Nations people (Pierre, 2009 and Personal Communication, 2012).

In 1970, the Government of Canada decided that integrating Aboriginal students into the mainstream educational system would be more effective, thus marking the date of the school's closure (Pierre, 2009). After the school was shut down, the buildings and the land were bestowed upon the Ktunaxa First Nations people on behalf of the government and the church. Ideally, inheriting the land would be beneficial to the community that had lost so much because of the school activities, but in reality, it was the complete opposite as they were bequeathed with an unmanageable liability. Pierre refers to the period between the school closure and the re-opening as a "huge white elephant" (Pierre, 2009, p. 42), as it levied high monetary costs for the five bands to keep it running without any benefit to the community. After the land had been turned over to the five communities, many structural problems occurred, including severe flooding that happened due to poor plumbing (The Scrivener, 2004). Although the former government land had economic potential, the community did not have the resources, the capacity, or the emotional strength to uncover the possibilities that lay in the soil of the St. Eugene Mission, thus abandoning it for over twenty years.

The Project — Challenges

After years had passed since its closure, the Ktunaxa First Nations people were still grieving the losses they had experienced during the years of the school's operation. Due to lasting sorrow within the community, the initial idea to reopen the school as a tourist site received a lot of criticism and resistance (Pierre, 2009). In order to re-open the facility with a new purpose, the project had three requirements: to gather referendum from the five communities, to serve an economic purpose, and to have a secure starting equity. Therefore, in early planning stages,

the project faced many challenges as it lacked initial support and had minimal access to funding (Pierre, 2009).

Before starting the project, the St. Mary's band council needed full support and consent from the other bands in the Ktunaxa First Nations community. Bearing in mind the feelings of loss the victims of the Kootenay Indian Residential School experienced—a feeling that has been passed down through generations—it would seem only natural for survivors and their families to want nothing but for the building and anything associated with it to be destroyed (Personal Communication, 2012). Considering the heartbreak and disappointment they had gone through in the past, community members were reluctant to support the project in fear of being disappointed for a second time (Pierre, 2009). Convincing the community to transform their feelings of remorse into something more positive was a difficult task for Sophie Pierre and other activists—including Gordon—as many people felt that their losses were too overbearing to support the construction (Personal Communication, 2012). In addition to their feelings of resentment towards the old residential school property, many community members had a skeptical opinion about the project considering the reserve had yet to produce any economic success (Pierre, 2009). Sophie Pierre stated during her acceptance of the 2002 Cando Award, "there is little evidence of economic development on the reserve" (Cardinal & Hetu, 2003, p. 4). Considering these shared feelings of doubt, in combination with broken spirits, it was difficult to reach a consensus among community members.

However, despite the negative attitudes threatening business plans initially, project developers were able to slowly gather the support from the bands and community members. Gordon Sebastian talks about the unique emotional investment that community members had in the building and the land. It had a powerful essence, and despite their feelings of grief and resentment, people did not destroy it (Personal Communication, 2012). One community elder believed the project would help them in recovering and healing from their losses. Her words became a catalyst for the communities' support, as she stated, "if you think you lost so much in that building, it's not lost, you just need the courage to go back there and get it. You only

really lose something if you refuse to pick it up again” (Pierre, 2009, p. 42). It was here that the vision of the resort was born: to turn a negative into a positive (Personal Communication, 2012). The Ktunaxa First Nation bands came to a consensus; they were going to invest in this land in order to get back what they had lost. The five communities also agreed that if the school were to be re-opened, it had to serve an economic function that would benefit the Ktunaxa First Nations people (Cardinal et al, 2003). Transforming the former residential school into a tourist project would be the best economic and socially respectful decision and would create the most profit for the community.

Enticing funders and government to support the resort was the next barrier to its development. In order to start the development process, a forty million dollar initial investment was required. A similar doubt that was expressed amongst the community members was shared by funders, as securing funds for entrepreneurs on reserves is often a challenge, and especially in this particular case. First, due to stipulations in the Indian Act, there is often a high risk associated with investing in on-reserve business, as no guarantees exist for funders should recipients of funds default in their repayment. Second, the perceived feasibility of the resort was also a barrier to securing equity. Funders and government believed tourists would not be interested in staying in an abandoned residential school. It was difficult for funders like banks, hospitality institutions and government to see the potential of this economic proposition (Pierre, 2009). Nonetheless, the potential social aspect of this economic project—to be a facilitator of healing for the communities—became the main persuasion that enticed donors to become involved.

Eventually, the project received financing and was able to secure the equity it required in order to begin development. By creating partnerships with The Royal Bank of Canada, Aboriginal Business Canada, Human Resource Development Canada, Indian and Northern Affairs Canada (INAC), and other investors, the St. Eugene Mission was able to develop its forty million dollar resort (The Scrivener, 2004). Although the project had received approval, as it had an economically stimulating business plan, consensus from the five communities, and the forty thousand dollar equity, operating the busi-

ness once it opened was no cinch. Despite the excitement and the success of opening the facility, just months after the grand re-opening, the resort found itself in a state of economic despair and was on the verge of bankruptcy (Pierre, 2006). In order to secure the bank and government loans, the resort needed to seek additional support from an outside source and thus formed a partnership with Coast Hotels and Resorts (Personal Communication, 2012). The St. Eugene Mission found itself in a bind at this point, as they were not ready to expand as quickly as Coast, since they were supported so heavily by government and bank loans, which often take a long time to secure (Personal Communication, 2012). As Sophie Pierre stated, “even though we were in business ... we were beyond broke” (Pierre, 2004, p. 44), faced with the difficult decision to either file for bankruptcy or get investments quickly. After deciding, “failure was not an option” (Pierre, 2004, p. 44) the St. Eugene Mission partnered with Delta Hotels and other First Nations communities in order to stay in business. The partnerships were a success.

Creating Partnerships

By refusing to disappoint a previously broken community and with the support of respected community partners, the resort was able to remain open and abstain from bankruptcy. In 2004, the community owned resort signed a partner agreement with two other First Nation communities in Canada; the Salmon Cree and Mnjikaning (Pierre, 2009). Partnerships amongst First Nations entrepreneurs can be an integral element to a business’ survival, as there are strengths and opportunities associated with forming partnerships in business in general, and Aboriginal on-reserve business in particular (Wuttunee, 2004). There are many reasons why partnerships can benefit a community owned business, including providing access to alternative and larger markets, an increase in access to capital, and a distribution of risk.

Particularly for on-reserve business endeavours, the advantages associated with forming partnerships can act as a saviour to the business. Rural reserves are often located in remote areas and the location may hinder the access to suitable and profit stimulating markets. In addition, many on-reserve businesses lack the skills and

training needed to promote the business, a common barrier seen in the Aboriginal tourism industry specifically (Industry Canada, 2008). For example, Gordon Sebastian stated that upon opening, marketing strategies were poor and the lack of marketing knowledge put the project in a vulnerable position (Personal Communication, 2012).

Partnerships are also attractive to struggling entrepreneurs because of their risk sharing function, which helps to alleviate a lot of the stress associated with sole ownership. Solely owned businesses take full responsibility of their business activity, so considering the higher business risks associated with Aboriginal business endeavours particularly on reserve, forming partnerships is often seen as a positive alternative to bankruptcy. That being said, The St. Eugene Mission Resort was able to reap the benefits of a strong partnership, and upon becoming self sufficient, the Ktunaxa First has the option of buying out the other First Nations (Personal Communication, 2012).

There is a cost-benefit analysis that needs to be considered when partnerships are formed. Since its opening, the St. Eugene Mission has seen a decrease in the amount of Aboriginal employees (Personal Communication, 2012), and this can be attributed to conflicting perceptions of success among the partners. There are strengths and weaknesses associated with joining partnerships and although they may seem extremely attractive to a struggling business, they may not be as appealing to the community in which the business is seeking to serve. That being said, even though the project is able to generate revenue with the existence of a partnership, the overall benefit to the community needs to be considered (Wuttunee, 2004).

The Project Today

After its opening in 2003, the resort served as a cost to the community as opposed to a benefit. However, by debt sharing and entering a partnership, the resort itself has managed to succeed with a 125-room luxury facility, an 18-hole golf course, and an interactive heritage centres (St. Eugene, 2010). The tourism industry is notorious for its ability to provide business for other entrepreneurs, therefore it is no surprise that the resort has been successful in creating jobs for

people directly and indirectly affiliated to the project. To date, it is estimated that approximately 20 percent of employees are Aboriginal, but this number fluctuates with each year and each season (Personal Communication, 2012). Although it is nice to see people from the community working in the resort, it is more important to have “people working in this industry who take it to heart” (Personal Communication, 2012) and people should not be hired based on their ethnic background. Filling a quota is important, but having people who are properly trained in business in general and the hospitality industry in particular are integral to service provision. Of the 20 percent of Aboriginal employees, four of them are former residential school students, including Gordon Sebastian. In addition to his position as a security guard at the resort, Gordon also works as the resort’s tour guide, where he shares his experience at the school and its affect on the modern community. This aspect of the resort contributes to the authenticity of the tourist service, an aspect of Aboriginal tourism that tourists have demonstrated an attraction to.

Based on the clientele, The St. Eugene Mission can attest to the notion that Aboriginal tourism in Canada has become an internationally attractive industry. The history of the site has served as a marketing tool in itself, as tourists from all over the world—including Germany, Belgium, and The Netherlands—have demonstrated a keen interest in the project (Personal communication, 2012). People do not just travel across Canada and the world for the beautiful resort, but they are interested in becoming involved in the historical components that the resort has to offer. Gordon talks about the types of tourists he sees on a regular basis, most of them unfamiliar with the history of the land, including international tourists and Canadian students. “I am especially happy when I see young students taking an interest in the St. Eugene Mission” (Personal Communication, 2012), as more schools are integrating a more Aboriginal studies people into academic curriculums.

CONCLUSION

As Gordon stated, the building has a strong influence over the people of The Ktunaxa First Nations, and although it was established to

redress their losses, it will take years for the benefits to be recognized. Gordon suggests that although the resort is a good start, it will not address the feelings of loss right away. In order to see the impact of this healing initiative, “people have to forgive” and it will take the turn of seven generations for the consequences of residential schools to dissipate (Personal Communication, 2012). Many former Indian residential schools have been destroyed upon school closures due to the tragic memories that subsist.

During the planning phase of the St. Eugene Mission Resort, many preferred to have the old structure completely destroyed before assigning it a new function. However, restoring the building and the former residential school property contributes to the uniqueness of the St. Eugene Mission. By restoring the building, rather than rebuilding it, the reincarnation of the St. Eugene Mission sends a powerful message to the Ktunaxa First Nations people, and other communities. It is an important life lesson for anyone to understand—whether it be an individual, a family, or a community—that backtracking and erasing history is not always possible in life. In post tragic events, regardless of the severity and circumstances, demolishing the reminders of the tragedy is not always an option. That being said, if developers had decided to tear down the former school and rebuild from the ground up, the St. Eugene Mission would elicit a different feeling from community members, families, and individuals who have any connection to the site, a feeling that may not promote the same level of success that the site has to date. Reopening St. Eugene Mission was not just a means of profiting from a community’s misfortunes; rather it can be interpreted as a community’s coping mechanism to address their losses. Not only has the luxurious fabricated atmosphere of the resort promoted tourism, but the mystifying history that resonates in the building has also served as its own marketing tool. In addition to their curiosity regarding the old residential school, tourists are also intrigued by the context of the project as it now serves as a benefit to the community. “People are in ‘awe’ when they come. Not only because of the resort’s beauty but most of them cannot believe that the government could have done this to people” (Personal Communication, 2012) and are often surprised when they learn about this tragic history.

After investigating the project and understanding its functions, researchers and tourists can be persuaded to support the St. Eugene Mission. Rather than capitalizing on the misfortunes of the Ktunaxa First Nations, I have realized that the project made the most of an opportunity to educate tourists in an economically rewarding way. Initially I was curious as to why entrepreneurs did not just reopen the site as a museum or a tribute to the former students and survivors, but I soon realized that by making it a multifunctional project it became more tourist alluring and economically stimulating. In addition, opening the site with a stronger focus on its economic benefit rather than educational purpose, gave the community an opportunity for resurgence.

It is inspiring that the Ktunaxa people were able to heal as a community by simultaneously providing for their people. They were able to overcome the challenges and threats that stood in their way by refusing to acknowledge failure as a possibility. This project sets a positive example for other on-reserve businesses, as forming alliances through partnerships can be a positive alternative to debt or bankruptcy. It is important that when starting a business, entrepreneurs—Aboriginal or non-Aboriginal—understand the challenges and the opportunities associated with a particular industry. It is important to understand what often challenges businesses of a similar nature, and avoiding discouragement by employing alternatives that make business possible, like partnerships. The resort demonstrates that utilizing the appropriate business tools, successful on-reserve businesses are possible.

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INSPIRING ABORIGINAL YOUTH ACHIEVEMENT *One Path to Business School*

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Peter Pomart

(PUKATWAGON FIRST NATIONS) PROGRAM COORDINATOR,
ABORIGINAL BUSINESS EDUCATION PARTNERS, UNIVERSITY OF MANITOBA



Winnipeg's North End. The mere mention of this neighbourhood often triggers a flurry of associated imagery within one's mind. Gangs. Violence. Addiction. Poverty. These images are perhaps the most prominent and difficult to escape.

The ease with which one can escape these social problems varies—depending on who you ask. Non-residents can simply turn the page or change the TV station and they instantaneously disappear. Flip. Click. Gone.

For North End residents, however, it is not that simple. It is an uphill struggle to avoid joining a gang—they are pervasive throughout the downtown core and the North End. Addictions are rampant, and often drive break-ins, theft, and violence. Poverty precludes many opportunities—both education and employment.

In recent years, however, numerous development and renewal projects have begun to change the physical landscape of the North End—most notably on Selkirk Avenue. Thanks to these pro-

jects, Selkirk Avenue is more bustling now than it has been in years. Its vibrancy is perhaps a physical manifestation of a different kind of change that is also happening in the North End: a change that has been long overdue.

“This year [2012], we have the highest number of students graduating from this school,” exclaims a weary, but visibly pleased Leigh Brown on a humid day in June as she prepares for graduation ceremonies. “We have 40 graduates,” she adds with a smile.

Leigh Brown teaches at Winnipeg School Division’s Children of the Earth High School (COTE), nestled between the Rebchuk Bridge that ferries Winnipeggers into the North End and Selkirk Avenue. Children of the Earth high school is home to 230 students from grades nine through twelve—all of whom are Aboriginal youth from the inner-city.

“I think COTE is a very unique place. Although it is part of the public school system it does have a special mandate that makes it different from any other high school,” said Brown of her school.

“It is this mandate that makes a difference for the students who come here because they know they can be who they are in this school. They can learn about themselves, their people, and their history.”

Leigh’s path towards becoming an educator is best described as unique. “I came into this profession later on in life. It’s not as though I was green, and starting out—I had lived a whole other life before. I was working for a large, multi-national manufacturing company,” explained Brown.

Originally from Winnipeg, Brown’s corporate career took her to Toronto as part of the company’s centralization team. In that role, she was helped design new business processes, and subsequently travelled to the company’s various locations to train staff on those processes. Meanwhile, her company had acquired another company, and she had the opportunity to train the newly integrated staff that accompanied the acquisition.

At the end of her travels, Leigh returned to her former position in Accounts Payable and realized that all this travel precipitated a new outlook on life. Her extensive travel throughout North America caused Brown to catch a bug—not the travel bug, but rather the teaching bug.

“I just had an epiphany that I didn’t like what I was doing—I’d rather be a teacher and not pay bills all day,” said Brown of her transition back to her former role. She then quit her job, moved back to Winnipeg, and set out to obtain a degree in Education.

Leigh—who only learned about her Métis ancestry as an adult—graduated from Education eight years ago and was offered a position at COTE. She has been there ever since. Working at an inner-city school with an Aboriginal population presents challenges. “An inner-city population brings with it certain things that you need to work around. Issues such as poverty, family break-down, and transience have a pretty significant effect on the students,” explains Brown.

“Being surrounded by gangs, drugs, and violence was not without its struggles,” echoes former COTE student Lenny McKay. “I’ve lived to know what it’s like to go without electricity, food, and other things people often take for granted.”

Although Ms. Brown exclusively teaches COTE’s entire roster of grade twelve courses—with the exception of Math and Physical Education—she originally worked with Lenny (then in the eleventh grade) in 2008. Due to her extensive corporate experience, she was tasked with co-coaching the school’s teams for E-Spirit, which is a national business plan competition for Aboriginal youth developed by the Business

SPOTLIGHT

BDC’s E-Spirit Competition

In 2001, the Business Development Bank of Canada (BDC) developed E-Spirit, which is a national business plan competition specifically for Aboriginal youth.

Participants complete seven modules over a 16 week period with a facilitating teacher from their school. E-Spirit culminates in an all-expenses paid trip to the national finals, which is hosted by a host university on a rotating basis.

Since its inception, the national competition has worked with over 5,700 students from grades 10 through 12.

More information about BDC’s E-Spirit Competition available at <www.bdc.ca/en/espirt>.

Development Bank of Canada (BDC). He was a participant.

Participation in the competition requires each team to develop a business plans across seven modules over the 16-week period. Only those teams that complete each module, according to a fixed schedule, are invited to participate in the competition finals, which are hosted by a university in different cities each year.

Brown had previously co-coached COTE's E-Spirit teams, initially as an extracurricular activity for four years prior to working with Lenny. During those early years, Brown noticed that the teams she worked with had difficulty completing their projects due to family responsibilities (either taking care of younger siblings, or working part-time to help their families make ends meet).

In 2008, however, Paul Martin's *Martin Aboriginal Education Initiative* approached Children of the Earth and assisted in the creation of an elective credit course that enabled the teams to develop their business plans from concept through to completion—and receive a credit towards their graduation—without interfering with their family responsibilities.

Since that time, COTE teams have made progressively stronger placements in the competition finals. In 2010, one of their teams snared bronze—along with two special achievement awards. At the 2011 competition finals, COTE

captured Gold, and one special achievement award. COTE captured Gold, Silver, and Bronze—in addition to four special achievement awards at the 2012 competition finals.

Whether the recent string of strong placements at the national competition finals represent a new norm for COTE teams or not remains to be seen. However, winning is not Brown's primary concern, "Every year I tell the team 'Don't go in expecting to win.' Winning can't be what it's about. It's about trying hard, and doing their best," explains Brown. "I think most of what we do in this class is character building. When you give them a brief taste of success—even if it's classroom based—it just opens them up."

In addition to being inspired by their successes provided by the competition modules, Brown's students are inspired by her teaching philosophy. "At the end of the day it's all about developing relationships and to help students to understand that you not so much know where they're coming from, but that you respect where they're coming from."

"As part of that relationship, I treat each student differently based on their individual needs and where they're coming from. If somebody needs a little bit of extra time to do something, I'll give them that extra time. I try to set myself according to what the student needs. And it seems to make a difference," explained Leigh about her relationship with her students.

Her relationship-based approach to teaching has translated into better attendance and stronger effort, noting that, "they're more likely to show up every day. They'll do the work and do better."

It is not surprising that the most rewarding aspect of her job is graduation day: with the exception of the Entrepreneurship class: Ms. Brown spends her entire day with the school's grade twelve students.

"For many of our students, they are the first in their family to graduate high school. Among those who go on to university or college, they are the first in their family to attend. When they get acceptance letters, I like to think that I little bit of a part in that, and made a difference," said Brown.

Lenny McKay graduated in 2010 and is currently a third year student at the University of Manitoba's Asper School of Business. His leader-

SPOTLIGHT

Martin Aboriginal Education Initiative

Children of the Earth's Entrepreneurship class is a part of the Aboriginal Youth Entrepreneurship Project, under the Martin Aboriginal Education Initiative (MAEI).

Established in 2008, the Martin Initiative supports educational projects designed to provide Aboriginal Canadians with the opportunities they need to succeed.

MAEI has since developed curriculum materials for educators with no business background, and it has partnered with 17 schools across Canada.

More information about the Martin Aboriginal Education Initiative available at www.maei-ieam.ca.

ship potential, seeded by COTE's supportive environment, is taking root as his accolades accumulate.

In November 2010, Lenny received the Manitoba Aboriginal Youth Achievement Award under the category of Entrepreneurship for the successes he enjoyed at the E-Spirit competition. In July 2011, Lenny was nominated one of five national recipients of the G.E. Foundation Scholar-Leaders Program. This selection awarded Lenny a renewable \$4,000 per year scholarship (up to three consecutive years in total), in addition to an all expenses trip to Toronto, where he was matched with a senior mentor from the G.E. Foundation.

In March 2012, Lenny was selected to participate in the Aboriginal Business Students—Western Roundtable discussion, as organized by Cape Breton University's Purdy Crawford Chair in Aboriginal Business Studies, in Edmonton Alberta. He was subsequently hired by CBU to work as a student researcher for the summer of 2012.

"I persevered and proved that no matter what conditions someone grows up in, they can succeed against all odds," said Lenny of his journey from the North End to the Asper School of Business, where he also mentors younger students through Aboriginal Business Education Partners.

Through his determination, Lenny is on a path that will not only benefit his own future, but that of others, as well. "For too long, Aboriginal people have been lead to believe that they cannot be successful—that education is not something that is made for them to succeed at."

Lenny's journey has demonstrated that Aboriginal youth—despite the odds against which they are stacked—can succeed at post-secondary education. His journey has helped inspire younger students who have graduated two years after him.

"Of the twelve students in the business program, we have seven going on to university. One student won a first degree, full-ride scholarship. They are seeing that it *is* possible—that they can do what they want to do and they don't have to do what the media or stereotypes tell them to do."

Children of the Earth's mandate makes it a school very much different than any other school. With its focus on their student's future potential, and not their past—and a special focus on forming relationships—COTE is not only producing an increasing number of graduates, it is producing leaders. Through their experiences in Winnipeg's North End, these blossoming leaders increasingly want to give back to their community. They want to change not only their own destinies, but also that of their community.

Perhaps the most important change they will bring about is a change in perception about the North End. Instead of associating the North End with gangs, violence, addiction, and poverty, future generations will think of the North End as the place that gave birth to a whole generation of Aboriginal leaders that rightfully took their place in the halls of Manitoba's post-secondary institutions.

Editor's Introduction

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David Newhouse

This edition contains two articles that challenge what we've been doing. The first article, *Alternative Approaches to Hydro Compensation and Agreements with First Nations: Manitoba and Quebec* by John Loxley of the University of Manitoba compares a new approach to development in northern development and the Peace of the Brave approach in Quebec and the benefits that accrue to First Nations communities for each. The new Manitoba approach offers joint ownership of hydro projects, involvement in planning of the projects and participation in employment and business development opportunities arising from the projects. This pro-active approach is contrasted with the Peace of the Brave approach adopted in 2002. The Quebec approach continues and extends aspects of the James Bay agreement, and provides guaranteed annual payments to the Cree for the next 50 years. It does not provide for joint ownership of northern Quebec hydro dams.

The second article *Membertou always wanted to succeed* by Brown, Finny, Doucett, Tulik, Bernard and Yu-Ting of Cape Breton University demonstrates the power of vision coupled with a disciplined and determined leadership who have their eyes firmly fixed on a future that is very different from the past. The Membertou Model, grounded in Mik'maw values and solid business principles contains lessons that other First Nations communities might find useful in their economic development efforts. The Membertou approach demonstrates what can be accomplished using a comprehensive capacity building effort.

The third article *Factors Influencing the Economic and Social Prosperity of Aboriginal Peoples* by Sara Rose and Wade Rose at Queen's University and Carleton University, respectively reviews the relevant research literature on Aboriginal economic development to identify common factors that might positively effect economic and social development. Rose and Rose's review supports the experience of Membertou and the approach taken by Manitoba: vision, self-determination, institutional development, capacity building are identified as key factors to improvement.

What is clear from these papers is the dynamic nature of economic development and the need to continually challenge our understandings and practices: what worked in Quebec in the 1970s may not work in northern Manitoba in the 2010s. What is constant to success in Aboriginal economic development is vision, a leadership who is willing to act upon that vision and develop the community capacity (both human and institutional) to carry it out.

ALTERNATIVE APPROACHES TO HYDRO COMPENSATION AND AGREEMENTS WITH FIRST NATIONS *Manitoba and Quebec*

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John Loxley

DEPARTMENT OF ECONOMICS, UNIVERSITY OF MANITOBA

ABSTRACT

This paper outlines the workings of two quite different contemporary approaches to settlements and agreements with First Nations by hydro companies and governments involved in hydro dam construction. The first is the equity approach used by Manitoba Hydro in negotiations with the Nisichawayasikh Cree Nation (NCN) in which the First nation is effectively offered joint ownership of the dam and a share in future income streams and in employment and construction benefits. The second approach is that by the James Bay Cree of northern Quebec who eschew dam ownership, instead negotiating an annual share in revenues generated by hydro, forestry and mining. Both approaches constitute major improvements over disastrous earlier approaches which can be summarized as 'flood now and talk later', but they carry quite different economic, political and governmental terms as well as quite different potential benefits and risks. This paper examines the background behind each deal and the way in which they operate. It concludes by arguing that each deal was conditioned by circumstances and history. There is, however, clear merit in Aboriginal People seeking to secure maximum control over and benefit from all sources of economic development on their traditional lands.

INTRODUCTION

It has been estimated that over the next 10 to 15 years, investment in hydro electric projects in Canada will reach \$55 to \$70 billion as some 14,500 megawatts (MW) of capacity are added

to Canada's existing 71,000 MW (Braun, 2011). Most of the additional investment will be in Quebec, BC, Labrador and Manitoba.

In the past, hydro electric development has had a devastating impact on First Nations and other Aboriginal communities in Canada. This

John Loxley is a member of the Board of Directors of Manitoba Hydro but the paper is written in a personal capacity, does not represent the views of Manitoba Hydro and draws only on publicly available information. He joined the board long after the decision was taken to develop Wuskwatim and to involve the NCN in ownership. This paper was made possible by funding provided through the Community Research Alliance (CURA) program of SSHRC, through the Manitoba Research Alliance for Transforming Aboriginal and Inner-City Communities.

has led to community dislocation, destruction of natural economy and cultural heritage and to socio-economic deprivation and upheaval. All of this is well documented and relatively undisputed (see, e.g. Waldram, 1988). The result has been prolonged anger, disaffection and litigation by First Nations. Compensation has been forthcoming, but the process has been lengthy, acrimonious and costly to all parties. Thus, in Manitoba where the development approach of the 1960s and 1970s seemed to be 'flood first and negotiate later', compensation and mitigation costs have reached \$0.788 billion, with \$185 million being provided for future mitigation costs (Manitoba Hydro, 2010, p. 99) These payments were primarily through the Northern Flood Agreement (NFA), and millions more dollars have been absorbed in legal fees and the scarce time of First Nations negotiators and decision makers and senior government and Hydro executives.

More recently, the Government of Manitoba has fundamentally altered its approach and authorized Manitoba Hydro to negotiate agreements with First Nations directly affected by the building of new dams, three of which are either under construction or planned to be constructed in Northern Manitoba in the near future. The new arrangements provide for joint ownership and planning of the dams, a radical departure from past practice, as well as for hiring and training of First Nations workers, and procurement through First Nation, usually community, owned businesses. This paper examines the dimensions of this new approach. It also looks at criticisms of it by observers such as Kulchyski (2004; 2005), who advocate an alternative approach based on that of the Peace of the Brave (which replaced the James Bay Agreement) in Northern Quebec. This alternative approach is examined in detail. Some observations are then made on these two alternatives.

WHY THE SHIFT IN APPROACH?

A number of factors have combined in recent years to lead to a significant shift in Manitoba Hydro's approach to northern development.

The first of these is that the negotiations around the NFA helped politicize Aboriginal resistance to Hydro making it clear that future projects would require Aboriginal consent before they could proceed. The new reality is that

Aboriginal People are more organized and more militant than they were forty or fifty years ago. Ovide Mercredi, former National Chief of the Assembly of First Nations and former Chief of the Mispawistik Cree Nation in northern Manitoba (adjacent to the Grand Rapids Dam), puts it this way: 'We can stop development' (quoted in Braun, 2011).

Secondly, the presence of Aboriginal MLAs in the NDP government and cabinet and the importance of northern seats for the NDP probably also helped shift the approach to northern development.

Thirdly, Manitoba Hydro's increasing interest in exports to the United States, have forced it to accommodate powerful U.S. environmental and Aboriginal lobbies which insist on a changed approach. Their ability to obstruct State legislative approval for hydro purchases has given greater prominence to northern Manitoba Aboriginal concerns. For instance, the Potawatamin Band in Wisconsin has huge casino revenues and has thrown its support behind Manitoba First Nations insisting that their concerns be met before the State approves long-term hydro purchases.

Finally, it would be fair to admit that there have been significant attitudinal, even ideological, changes in the leadership of both Manitoba Hydro and the Provincial government over the past years. Prompted by these developments, there has generally been a sea change in how both Hydro and the Manitoba Government wish to proceed with Northern hydro development.

THE NATURE OF RECENT AGREEMENTS BETWEEN ABORIGINAL PEOPLES AND MANITOBA HYDRO

The Limestone Project, completed in 1992, marked a significant departure from past practice by providing training to Northern Aboriginal People and by providing business opportunities for them also. But more recent projects, Wuskwatim and Keeyask go well beyond that and create a completely new model for hydro development in the North. They offer part ownership of the hydro projects to local First Nations, involvement in planning the projects and employment and procurement opportunities. Thus, the Wuskwatim project of 200 megawatts, to be completed in 2012, will be a joint venture

of Manitoba Hydro with the Nisichawayasikh Cree Nation (NCN) whose members reside on four neighbouring reserves (<http://www.ncncree.com/ncn/nelsonhouse.html>). The NCN will be able to purchase up to one-third of the equity in the project through its wholly owned Taskinagahp Power Corporation, and has already had an impact on environmental planning around the project, scaling the project down from a planned 350 megawatts, which would have entailed significant flood damage (Owen, 2011; and Freylejer, 2009). Peak total employment was around 1,000 and 44% of people hired to work on the dam have been Aboriginal (Manitoba Hydro, 2010, p. 24).

Originally slated to cost around \$1.3 billion, the arrangement provides for 25% of the project or about \$342 million to be funded by equity. NCN could purchase one third of this or \$114 million. To date, \$81 million has been raised by NCN, largely through loans from Manitoba Hydro, \$33 million needs still to be raised. NCN has until July 2013 to maintain its option of one-third ownership (<http://www.ncncree.com/ncn/benefits.html>). As the cost of the project has now risen to \$1.6 billion (<http://www.hydro.mb.ca/projects/wuskwatim/overview.shtml>), there is a possibility that these equity figures might increase. But when the dam is fully operational, NCN expects it to earn \$40 million (Owen, 2011) a year and, if this is accurate, NCN's return to capital would be significant, even after paying interest on the loans.¹

In addition to the NCN agreement, Hydro also entered business agreements with five other First Nations, the Manitoba Métis Federation and the Manitoba Keewatinook Ininew Okimowin (MKO, a northern tribal council) to 'benefit other First nations not directly affected by this project' (Freylejer, 2009, p. 25).

Apart from Aboriginal employment and procurement preferences, training opportunities for skilled jobs are also offered through the \$60 million Hydro Northern Training Initiative (HNTI), which is funded by Hydro, the Province and the Federal government. This is, in turn, managed by the Wuskwatim and Keeyask Training Consortium Inc. (WKTC), whose northern Aboriginal partners are Nisichawayasikh Cree Nation, Tataskweyak Cree Nation, War Lake First Nation, Fox Lake Cree Nation and York Factory First Nation, MKO and the Manitoba Métis

Federation Inc. Aboriginal People trained under this program would have skills which would be transferable to non-hydro projects. But they would also qualify for employment on other large hydro projects which are planned for the future. And this is where the new approach by Manitoba Hydro and the Provincial government offers unprecedented employment and economic development opportunities for the next ten to fifteen years. The 695 megawatt Keeyask generating station is already under way and four Cree First Nations will have the option to buy 25 per cent of the project, scheduled to be completed after 2018. The even larger, 1,485 megawatt Conawapa station is in the planning stages, with five adjacent First Nations being involved. This would be completed sometime after 2022. These projects offer reasonably firm long-term economic development possibilities in which northern Aboriginal People will not only have a say but through which they stand to gain skills training, long-term jobs, unique opportunities to supply goods and a share in the long-term revenues of massive hydro projects. The contrast between the approach of Manitoba Hydro to northern development in the 1970s and the contemporary one could not be more striking.

THE NISICHAWAYASIKH CREE NATION EXAMPLE

Nelson House or the Nisichawayasikh Cree Nation demonstrates how community based economic development initiatives can be combined productively with both flood compensation funds and recent development agreements with Manitoba Hydro. The community used flood compensation to finance the NCN Development Corporation which in turn has set up a building supplies store, a construction company, a door and cabinet company, a window and frame company, a gas station, restaurant, radio and TV station, and a laundry. The construction company and laundry are joint ventures designed to supply Wuskwatim. NCN's unique Atoskiwin Training and Employment Centre of Excellence (ATEC), a 27,000 sq ft fully accredited, non-profit, community-based post-secondary training facility has also played an important role in training community members to work on the dam project, in heavy equipment and trades, but it also offers

training in a wide range of areas of importance to the community (finance, business, health care, life-skills etc) (Nisichawayasikh Cree Nation, 2010a). An unusual feature of these developments is the use by the community of franchises with other northern communities. Thus NCN sells franchises for the building supplies company, providing technical support, and it purchased a franchise from a Saskatchewan First nation for the windows/window frame company.

Other interesting aspects of the use of Hydro compensation by NCN was its purchase of the Mystery Lake Hotel in Thompson, 75 kilometres away, which now hires NCN members. NCN's construction company has also built houses in Thompson commercially. Its laundry partnership is located there and it has purchased land around the hotel which it plans to convert into an urban reserve (Nisichawayasikh Cree Nation, 2010b).

Annual earnings on the trust funds are allocated partly to the equity purchase of Wuskwatim (<http://www.trustoffice.ca/fundesdistributedtoday.aspx>)² but also to a variety of social purposes, including support to the elderly. They are used to finance a Country Food Program which promotes traditional ways of life by encouraging the harvesting of wildlife, fish, and berries and community gardens. The food is distributed to those in need. The community has a camp in which members are trained in how to process meats and hides in the traditional way, and in equipment maintenance and safety. The trusts also provide subsidies for hunters and trappers. Hydro funds have been used, therefore, for a blend of modern and traditional ways of life and for the retention and strengthening of Cree culture (Nisichawayasikh Cree Nation, 2010c).

Only a handful of northern communities will benefit from Hydro's new approach and not all of these are likely to have the ability to take full advantage of it as NCN appears to have done. But the accomplishments of NCN demonstrate that with financial support, there are numerous economic development projects that can offer community members opportunities for a fuller and better life.

THE CRITIQUE AND ALTERNATIVE

Not all are in agreement that the above approach to hydro expansion is in the best inter-

ests of Aboriginal Peoples. Hultin (2004) argues that at the community level there are still environmental concerns about the dams, their impact on traditional livelihoods and the likely debt burdens involved. Kulchyski (2004 and 2005) has expressed concerns about the nature of the consultation processes involved, the types of jobs Aboriginal People are likely to end up with and the risk to which communities might be exposed. He argues that ownership is risky and that dams undermine the potential for the building of a modern economy based on hunting. These are all concerns that must be taken seriously and given the awful history of Hydro development in the north, scepticism is both understandable and inevitable. What follows is an examination of Kulchyski's preferred alternative, the Peace of the Brave Treaty.

THE PEACE OF THE BRAVE TREATY

In November 1975, the governments of Canada and Quebec signed the James Bay and Northern Quebec Agreement with the Cree of the James Bay region and the Inuit of northern Quebec. Under this agreement, the Cree and Inuit of the region gave Quebec Hydro the right to develop the hydroelectric resources of Northern Quebec. They agreed to the extinguishment of their title to their traditional lands in exchange for (1) relatively small parcels of land in and around their reserves, (2) exclusive hunting rights over an area equal to 20% of the lands actually used traditionally, (3) more limited rights over the remaining area, (4) total compensation of \$250 million, (5) an income security program for hunters and trappers, and (6) economic development funds of \$15 million to be invested through a James Bay Native Development Corporation. Under this agreement Native People retain no rights to minerals on any of the lands in question. A whole series of institutions were created to administer the agreement, the most important of which, such as the environmental assessment process, having representation from the Federal and Provincial governments. Powers of municipal government were devolved to the Cree while in most areas of government the Cree now found themselves dealing with the Province rather than the Federal government (Loxley, 2010).

Over time, a great deal of friction arose between the Cree and Inuit signatories and the Quebec Government and Quebec Hydro, resulting in political mobilization and multiple law suits being launched by the Aboriginal People. In 1994, this mobilization led by Matthew Coon Come, together with pressure from New York State, a major client of Hydro Quebec, led to the indefinite suspension of the Great Whale project. The Parti Québécois government of Bernard Landry recognized that improvements had to be made to the James Bay Treaty and the 2002 Peace of the Brave was the outcome. Signed between the Cree of James Bay and the Quebec government, Clause 9.3 states 'The parties agree to take the required measures to bring an end to the pending litigation between them or in which they are involved to the maximum extent possible and so pave the way to a new era of cooperation.' (Quebec Government and Grand Council of the Cree, hereafter, Peace of the Brave or *Paix des Braves*, 2002). No fewer than 16 separate lawsuits are mentioned in the agreement (Clause 9.5, *ibid*). In return, this treaty guarantees land, supports traditional hunting and also promises jobs and supply contracts for Cree businesses in new hydro developments. It transfers new governmental responsibilities to the Cree, in trapping, tourism, arts and crafts, business development, training and the construction of community centres (Peace of the Brave, 2002). It significantly amends the James Bay Agreement, recasting important joint institutions and procedures. It does all this without joint ownership of dams and instead, it guarantees annual payments to the Cree from the Quebec Government of \$23 million in 2002–2003, \$46 million in 2003–2004 and thereafter, a minimum \$70 million for the balance of 50 years, indexed by the growth in the value of output from hydro, mining and forestry development. Under clause 7.21 of the agreement, the annual payments are to be used 'for the economic and community development of the James Bay Crees in accordance with the priorities and means which the James Bay Crees ... shall deem appropriate, including support for Cree traditional activities and the creation of a Heritage Fund for the benefit of the James Bay Cree Bands'.³ It is the indexing aspect of the annual payment that has been hailed as superior to the Manitoba Hydro approach. The exact nature of this compensation

formula, however, is not well known and much of what follows seeks to throw light on precisely how the formula works so that an informed assessment can be made of its qualities versus the alternatives.

CALCULATION OF PEACE OF THE BRAVE REVENUE FORMULA

The formula to calculate the indexed value of the annual payment to the Cree is as follows, with the minimum amount being \$70 million:

$$\$70x \left[\frac{\sum_{t=year}^{year+4} \{ (P_{hydro} + P_{mining} + P_{forestry}) \} / 5}{Base} \right]$$

$$\begin{aligned} \text{Base} &= \{ (\Sigma \text{Production}_{1999-2003}) - (\text{Minimum Production}) \\ &\quad - (\text{Maximum Production}) \} / 3 \end{aligned}$$

Where: Production represents the total value of output of hydroelectricity, mining and forestry in the Territory for the period of January 1, 1999 to December 31, 2003 (Peace of the Brave, 2002, pp. 30–33)

UNDERSTANDING THE FORMULA

There are, therefore, four elements to the formula. The first, and most important, is the value of output of hydro, forestry and mining in the James Bay Region. The second is the calculation of the base which, by excluding the highest and lowest years in terms of value of output, 'averages out' or 'normalizes' the five (effectively three) years of industrial activity. The third element is the average of the latest five years' industrial activity in these three sectors. The fourth element is the base amount of grant of \$70 million, below which the formula payments cannot fall. The formula then divides the actual five year average by the base average and multiplies the outcome by the \$70 million base year grant figure.

The value of production is arrived at by taking the average price of hydro, of both domestic and foreign sales for the whole of the province and multiplying it by the net output of the dams located in the James Bay region. Similar exercises are conducted for mining and forestry. Esti-

TABLE 1
Value of Hydro, Mining and Forestry Production, Quebec, 1999–2010

<i>Current Prices</i>	<i>Value of Hydro</i>	<i>Mining</i>	<i>Forestry</i>	<i>Total</i>
1999	9,606	3,657	4,470	17,733
2000	11,429	3,653	4,208	19,290
2001	11,251	3,603	4,060	18,914
2002	11,852	3,742	4,002	19,596
2003	10,197	3,563	3,737	17,497
2004	10,341	4,012	4,588	18,941
2005	10,888	3,914	4,202	19,004
2006	11,162	4,500	3,549	19,211
2007	2,326	5,540	2,781	20,647
2008	12,716	6,192	2,031	20,939
2009	12,333	5,628	1,511	19,472
2010	12,338	6,770	1,496	20,604

Note: Hydro data is from Hydro Quebec Annual Reports, Mining data is from Statistics Canada and Forestry data is from Quebec Statistics, 2010. Forestry output data was not available, hence the numbers here are for exports of wood products for 1999–2010 with the author's estimate for 2011. These data complications are not felt to be important as the purpose of the calculations is purely expository.

mates of the index amount would be made in December each year for the coming year, at which time adjustments would be made for the previous year if actual outcomes deviated from the prior year's estimate. Payments of the transfer would be made in four equal quarterly instalments and the Cree have the ability to have the data audited (Sections 718 and 715, p. 33 of the Peace of the Brave).

This formula ties the payment to the Cree to the growth in the value of resource production. It gives the Cree a fixed base amount of \$70 million which may or may not be related to the value of production, we do not know, but then indexes this amount by the growth in the value of output relative to a 1999–2003 base. Over time, the percentage growth in resource output will find reflection in the growth in the index and hence in payments to the Cree.

AN EXAMPLE OF HOW THE FORMULA WORKS USING QUEBEC DATA

We do not have access to data on how much is actually produced within the Cree boundaries, so

TABLE 2
Calculation of Base

1999	17,733
2000	19,290
2001	18,914
2002	19,596
2003	17,497
Total	93,030

we cannot reproduce actual calculations of payments to the Cree under the formula. But we do have access to data on the total value of output in the three sectors in Quebec as a whole and this is used to demonstrate how the formula is supposed to work. This is given below in Table 1 for the years 1999–2009, all in millions of Canadian dollars

If the agreement applied to the whole of Quebec, the base would be arrived at as shown in Table 2.

The total output for the five base years 1999–2003 is, therefore, 93,030. From this is deducted the highest and the lowest output, giv-

TABLE 3
Payments Under the Formula 2003–2011 (in \$m)

	<i>Total Output</i>	<i>5-Year Moving Average</i>	<i>5YMA/Base (18,646)</i>	<i>Index × \$70 m</i>	<i>Actual Payments</i>
	1	2	3	4	5
1999	17,733				
2000	19,290				
2001	18,914				
2002	19,596				
2003	17,497				23.0
2004	18,941	18,848	1.0108	70.8	46.0
2005	19,004	18,790	1.0077	70.5	70.0
2006	19,211	18,850	1.0109	70.8	70.0
2007	20,647	19,060	1.0222	71.6	70.0
2008	20,939	19,748	1.0591	74.1	70.0
2009	19,472	19,855	1.0648	74.5	73.2
2010	20,604	20,175	1.0820	75.7	77.0
2011	27,550	21,842	1.1714	96.1	82.0

ing $93,030 - 19,596 - 17,497 = 55,937$. Dividing this by 3 gives the base of 18,646, all numbers in millions of Canadian dollars.

The 5-year moving average of output is then calculated, as in column 2 of Table 3, and each year's average is divided by the base number, 18,646, giving the ratio in column 3 below. This ratio is then applied to the base grant amount of \$70 million in column 4, which is the amount the Cree would have received if output in the Cree region of Quebec (Nord-du-Quebec) had followed precisely that of the province as whole and had indexing commenced in 2004 rather than 2009. On these assumptions, the formula would have yielded close to \$70 million p.a. during 2004–2006, with increases after that due to increases in the value of output of hydro and mining, offset by reductions in the value of forestry output.

Because we do not have the requisite regional data we are unable to conduct the exercise on data on which the actual formula is calculated. But we do know what the Cree Nation has received for 2007, 2008 and 2009, and we have data for what the Quebec government paid or anticipates paying for the years 2010 and 2011. This is given in column 5 of Table 3.

The figures in the last row of Table 3 are calculated backward from the Province's budget

estimate of what the Cree would be paid in that year, which is \$82 million (Quebec Government, 2011). In order to highlight how the formula works, the implied index is calculated as actual payment over the minimum grant amount, ($82/70$), or 1.1714. Given the base amount of the index of 18,646, this suggests a 5-year moving average for 2007–2011 of 21,842. In turn, this means that total output in 2011 must have reached 27,550. This shows that the formula smooths out large annual changes in total output as, we have estimated that in 2011 total output had to have increased by 33.7% (from \$20,604 million to \$27,550 million), on the above assumptions, for payments to the Cree to increase by only 6.5% (from \$77 million to \$82 million). Such is the nature of moving averages and if output were to fall, the reverse would be the case: the grant would not fall proportionately and, in any case, reductions in the grant due to persistent falls in output would eventually come up against the lower limit to payouts of \$70 million p.a.

The above example is meant to be entirely explanatory, rather than an accurate representation of what actually took place in the Region, but there is one major qualification to it. This is that annual payments to the Cree are based not only on the moving average/index formula; they

also contain a correction factor for under or overpayment in previous years and this is ignored in the calculations of output for 2011 in the above example. The correction factors are not made public.

How big a share in the resource earnings of James Bay does this formula give the Cree and Inuit? It is hard to tell but, again, on certain assumptions we can make an estimate. Thus, total sales of Quebec Hydro over the past five years averaged around \$12.1 billion, with approximately a half of the coming from James Bay capacity. We are told that 90% of the formula is coming from Hydro (interview with David Heritage, Financial Advisor to the Cree Nation, September 8, 2011). If this is so, then the hydro earnings on which the formula is based were approximately \$6 billion p.a. and the hydro portion of the grant was 90% of an average over the five years of \$74.4 million, or about \$67 million p.a. This means that the formula yielded on average a little over 1% of hydro earnings in these years as 'rents' to the Aboriginal signatories to the agreement.

The Grand Council of the Cree were sceptical about the level of funding provided in the early years of indexing, and were in dispute with the Quebec Government and Hydro Quebec during these years, 'as to the confidentiality of information relating to the determination of the amounts payable to the Cree Nation pursuant to the indexation provisions of the Agreement' (Eenou-Eeyou Limited Partnership, Annual Report, 2008–2009, p. 38). They argued that 'The Government of Quebec has failed to provide the required information to permit an evaluation of the indexation formula despite having agreed to provide this information in the *Paix des Braves*. In accordance with the provisions of the Agreement, the Eenou-Eeyou Limited Partnership (through which funding flows) has requested an independent audit of the amounts payable to the Cree Nation (ibid).

For its part, Hydro Quebec has recently become reluctant to share forecasts of future average prices with the Cree fearing that this might give away sensitive commercial data which could be used to the detriment of the company. Instead, it appears it is releasing only the actual index, which is contrary to the terms of the Peace of the Brave. This is also despite Cree guarantees of confidentiality (interview with

David Heritage, Financial Advisor to the Cree Nation, September 8, 2011).

SOME OBSERVATIONS ON THE TWO APPROACHES

In comparing profit sharing with an indexed formula based on the value of output, there are some common risks. In the Manitoba model, drought, falling export prices or increased interest rates could each reduce profit available for distribution. In the Peace of the Brave, the risk of drought and falling export prices are still there, but not the interest rate risk. Given the very low long-term costs of borrowing for Manitoba Hydro, this risk is not important at the moment but it could be in the years to come. In Manitoba, agreement on joint ownership has brought direct environmental benefits through dam redesign. In Quebec, the agreements have been important in dam location and there is provision for the Cree to 'be directly involved and consulted in the technical description of the Eastmain1-A/Rupert Project throughout the stages of feasibility studies and permit processes' (Clause 4.14). The Peace of the Brave makes similar training and employment provisions to those obtained by the Nisichawayasikh Cree Nation, and in the former there is provision for fulfilling past (un-kept) promises of 150 permanent jobs in Hydro Quebec to be occupied by the Cree (Clause 4.19).

It is, however, in sheer scale and governance that the two approaches differ mainly. On the scale side, the Manitoba approach is project by project, negotiated mainly with Manitoba Hydro although under general guidance of the government, which is after all, the owner of Manitoba Hydro. Thus, Chief Jerry Primrose and Councillor Elvis Thomas of NCN have argued that the Peace of the Brave Treaty flooded an area almost 1,700 times larger than the likely Wuskwatim damage (less than 0.5 square kilometres) and therefore, called for a different approach, suggesting that NCN would not be able to negotiate the kind of deal open to the James Bay Cree (Primrose and Thomas, 2005). The James Bay area covers 177,000 square kilometres and there are already 8 stations with about a half of Quebec Hydro's total generating capacity. If the Manitoba approach can be suc-

cessfully applied to the Keeyask and Conawapa projects, then the scale would increase dramatically as these two dams are more than 10 times the size of Wuskwatim.⁴ The Conawapa dam alone, at 1485 MW, would be bigger than the last three dams to be built under the Peace of the Brave (1,368 for Eastman 1 and IIA and Sarcelle combined). The number of people living in the vicinity would be in excess of 10,000, fairly close to the Cree population of James Bay, which is around 12,000 (Bacher and Beaton, undated). But the Manitoba deals are negotiated sequentially and the contingencies are such that there remains uncertainty about timing and sequencing of dam construction. In contrast, the James Bay Treaty, as a precursor to the Peace of the Brave, was negotiated to allow the building of a stream of large dams, one after the other, whereas the Manitoba precursor, the Northern Flood Agreement seems to have been very much an after thought to prior dam building. So an across-the-board agreement like the Peace of the Brave was never really on the cards in Manitoba.

The James Bay Treaty was in effect, a land cessation treaty and paved the way for an entirely new relationship between the Cree, the Province and the federal government (ultimately, in The Canada-Cree New Relationship Agreement 2007). The Peace of the Brave and the James Bay Treaty are regional agreements that provide for new governmental structures and responsibilities for the Cree, abolishing reserves, for instance, and allow 'for joint jurisdiction between the Quebec government and Cree in the seven municipalities of the James Bay region' (Weinberg, 2007). As a result, monies well in excess of the annual formula payment are provided for funding new institutions for delivering services delivered elsewhere by the Province and the federal government on behalf of all Cree in the Region. It is the regional nature of the agreement which allows forestry and mining activities to be covered as well, although as we have seen, 90% of the annual transfer is said to come effectively from Hydro output.

While the Nisichawayasikh Cree Nation see their involvement in the Wuskwatim project as being consistent with exercising 'sovereignty that sustains a prosperous socio-economic future' (Primrose and Thomas, 2005, p. 7), there is no

pretence of changing treaty or constitutional obligations or rights.⁵

These are, therefore, two quite different models arising from quite different socio-political circumstances. They are equally valid for their circumstances. Indeed, Hydro Quebec is not averse to the Manitoba model as in the early 1990s it entered into a similar partnership arrangement with the Montagnais of Lac Saint-Jean on the Minashtuk project. In fact, it went beyond the Manitoba model by offering the band 51% of the ownership. Hydro-Ilnu, a company fully owned by the Band Council of the Montagnais of Lac Saint-Jean was responsible for all aspects of the generating station, from feasibility, design, negotiating and administering a turnkey construction contract and it now operates the facility. 'Minashtuk is the first project developed by Hydro-Ilnu, and also the first hydro scheme within the province of Quebec that was developed and led by an aboriginal community' (UNEP, 2007). Hydro Quebec entered into a 20 year, renewable, agreement to buy the energy supplied, this guarantee underlying the 75% debt financing of the project. The contract is renewable for another 20 years. This project is, however, a very tiny one consisting of a 9.9 MW run-of-the-river and does not provide a viable model for the size and number of dams being built in the James Bay Region.

Neither the Wuskwatim-type agreement nor the Peace of the Brave is a guarantee for lasting harmony between Aboriginal Peoples and hydro companies. Issues have arisen about Aboriginal employment on Wuskwatim by out of province contractors, while access to land by non-Cree people and the nature of the environmental assessment programs have become issues in Quebec (Dr. Matthew Coon Come in Eenou-Eeyou Limited Partnership, Annual Report, 2008-2009, p. 2, and Weinberg, 2007). Also, as we have seen, access to information regarding the formula has become problematical. Furthermore, community unanimity is unlikely whatever the form of agreement as, in that respect, Aboriginal democracy is like any other in the airing of different points of view. In that respect, the Peace of the Brave initially divided the Cree Nation to an unprecedented degree, with one of its principal advocates, Chief Ted Moses, being re-elected by barely 50% of the vote (Bacher and Beaton, undated), his opponent, Chief Matthew Mukash, (who was

Grand Chief in 2006) being an advocate of wind power instead of hydro dams (Weinberg, 2007). Diane Reid has argued that 'The Peace of the Braves created the first major difference of opinion in modern times in the history of the Cree Nation' and has called it 'an agreement signed exclusively by men blinded by money and power' (ibid). In contrast, when the agreement was signed in 2002, Grand Chief Moses stated that 'Quebec becomes a leader in the application of the principles recognized by the United Nations in regards of aboriginal development' (Weinberg, 2007) and Moses and Matthew Coon Come, current Grand Chief, see the Peace of the brave as 'a great accomplishment' and a model for other Aboriginal Peoples across the country in their dealings with federal and provincial governments' (Bacher and Beaton, undated).

It is, perhaps, advisable, to see the two different approaches to Aboriginal participation in hydro expansion as being conditioned by circumstances and history. A proper comparison of financial returns to each approach would require a detailed analysis of what the Nisichawayasihk Cree Nation obtains from the two levels of government to fund services now covered in Quebec by the Peace of the Brave. Unfortunately, that exercise goes beyond the boundaries of this paper. What can be said is that there is clearly merit in seeking agreements which recognize the rights of Aboriginal People to participate in the benefits accruing from economic developments on traditional lands, from mining and forestry as well as from hydro development, where ever these can be negotiated and that negotiating strategy is likely to vary depending on broader circumstances.

NOTES

1. If the \$40 million figure quoted is accurate, gross returns to NCN would then be around \$13.3 million. If NCN borrows \$115 million at 5.3% p.a (MH cost of borrowing plus commissions and provincial guarantee fee, see Manitoba Government, <<http://www.pub.gov.mb.ca/exhibits/mh-44.pdf>>, Feb 2011) making biannual payments for principal and interest on the loan over 25 years, net returns would still be \$13.3 million – \$8.38 million = \$4.92 million p.a. (although the source and terms of Aboriginal financing remain to be determined, and the \$40 million is highly debated, see Mennonite Central Committee, 2011).
2. The trust fund from which Wuskwatim equity payments are made is the Nisichawayasihk Trust which was created in March 1996 as part of Nelson House First Nation NFA Implementation Agreement between Nisichawayasihk Cree Nation, Government of Canada, the Province of Manitoba and Manitoba Hydro. Wuskwatim proceeds are paid into the Taskinigahp Trust. (<http://www.ncncree.com/ncn/ncntrust.html>)
3. At least 15% of the annual capital payment is to be paid into a Heritage Fund. This fund, the Wyapschinigun Fund 'is intended to be a means to support the community, cultural, educational, social welfare and economic development needs of the James Bay Crees and Cree Bands. It is also intended to assist the James Bay Crees and Cree Bands in achieving increased autonomy, in preserving the Cree way of life, Cree values and Cree traditions and in encouraging the emergence of Cree expertise in the fields of economic and community development, job creation and economic spin-offs'. (Eenou-Eeyou Limited Partnership, Annual Report, 2008–2009, p. 51).
4. This suggests that successful application of the Wuskwatim formula might produce net income flows of more than \$50 million p.a. while debt was being repaid and around \$140 million p.a. after the debt has been repaid, if the assumptions in footnote 1 are anywhere near reasonable.
5. Although it could be argued that any benefits flowing to the Cree of Northern Manitoba might, indirectly and unintentionally, encourage the federal government to reduce its financial commitments and especially so in times of federal fiscal restraint.

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“MEMBERTOU ALWAYS WANTED TO SUCCEED” *The Membertou Business Model*

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K. Brown, M. Finney, M. Doucette,
J.E. Tulk, N. Bernard, Y.I. Yuan
ABORIGINAL BUSINESS STUDIES, CAPE BRETON UNIVERSITY

Membertou First Nation, an urban reserve located within the city limits of Sydney, Nova Scotia, has experienced a transformation unmatched by other Canadian First Nations communities as a result of the establishment of a new governance structure and approach to economic development.¹ Studies of Indigenous entrepreneurship and cultural tourism in the Canadian context have highlighted this Mi'kmaw² community and credited the “Membertou Model” as the key to its success (see for example Kayseas, Hindle & Anderson, 2006; Brown, Pyke & Johnson, 2008; Johnstone, 2008; Kayseas, 2009). Following early research on the model by Thayer Scott (2004), authors have attempted to identify key components or “critical events” that moved the community away from the status quo (Johnstone, 2008, p. 142) and toward successful self-determined economic development. They variously and fragmentarily pointed to the nature of leadership, human capital development, the affirmation of treaty rights under Canadian law, ISO certification, the development of gaming, and the development of business partnerships. Drawing upon these early studies and newly conducted

qualitative research in Membertou, this paper will reflect on the forces driving two decades of transformation in the Mi'kmaw community of Membertou and describe the foundational principles that inform the Membertou Business Model.

COMMUNITY PROFILE AND HISTORY

Cape Breton Island, Nova Scotia is home to five Mi'kmaw communities which are collectively known as the Unama'ki³ district. The five reserves — Membertou, Eskasoni, Wagmatcook, We'kopaq/Waycobah, and Potlotek/Chapel Island — have a combined population of more than 7,600 and encompass approximately 7.2% of the island's total population (Mi'kmaq Resource Centre, 2011; Cape Breton Regional Municipality, 2011).

Membertou First Nation spans approximately 100.5 hectares of land, is home to a population of more than 1200, and is one of the few First Nation communities in Canada that are located within an urban setting (Unama'ki Economic Benefits Office, 2010, p. 22; Mary Beth

Interview with key informant, July 28, 2011. All interviews quoted in this paper were conducted by research assistant Natasha Bernard of Membertou and Isabella Yuan between June and September of 2011. Interview participants remain anonymous to protect confidentiality.

Doucette, personal communication, January 10, 2012). From the late 1870s until the late 1920s, the reserve was located on 2.3 harbour-front acres along Sydney's main artery road, Kings Road, and was known as the "Kings Road Reserve" (Membertou Band Council, 1983). In 1916, however, the Exchequer Court of Canada ruled their removal from the area, citing it in the interest of both the reserve and the local townspeople. Despite much objection, the reserve was relocated in 1926 to its present-day location within the city and was renamed "Membertou" in honour of the Mi'kmaw Grand Chief Membertou.⁴ This event was the first time in Canadian history that a First Nations community was legally forced to relocate (Kayseas et al., 2006, p. 4).

Membertou struggled to survive for the next 70 years in a state of desolation. The reserve's forced relocation found them on unfamiliar, unfertile land, and without harbour-front water and fishing access (York, 1990; Brown & Pyke, 2006). Despite its proximity to the city's urban centre, the reserve fought extreme levels of poverty such as inadequate housing conditions, high unemployment rates, and until the 1960s, restricted access to municipal services such as sewer and garbage collection (Membertou Band Council, 1983). The benign relationship between Membertou and the local non-Aboriginal community left the reserve in social isolation and suggestions of substantial business and community development simply unfathomable.

In the mid-1990s, however, Membertou began to experience an economic and socio-cultural renaissance. Since the mid-1990s, Membertou has successfully implemented a community based development plan that enables them to compete in the mainstream economy while improving the quality of life of their members (Cardinal, 2005; Cornell, Jorensen, Kalt & Splide, 2005; Thayer Scott, 2004). The reserve has journeyed from a state of financial hardship to becoming one of the most economically sound First Nation communities in Canada. Its economy has seen considerable change and, through the vision and hard work of Membertou's leaders and members, the community has pioneered a new way forward. This development approach has become known, far and wide, as the Membertou Business Model (Brown & Pyke, 2007).

THE MEMBERTOU MODEL

Bernd Christmas, former Chief Executive Officer and General Counsel for Membertou, explained the Membertou Model as "a 'First Nations progression model' (see Figure 1), based on using a business approach to government, management, and economic development to achieve social objectives" (quoted in Thayer Scott, 2004, p. 14). Conceived of in three stages—capacity building, preparation, and economic development—the model advocated the establishment of sound business practices and policies, and strategic planning, as the basis for the creation of new ventures and partnerships, and economic success.

The model is buttressed by four "value pillars ... conservation, sustainability, innovation, and success," an approach which affirms that the community's participation in the mainstream economy must be culturally sensitive and appropriate (Thayer Scott, 2004, p. 14). However, three additional operating values are central to the Membertou model and set the community apart from many other Aboriginal communities: "transparency, accountability, and legitimacy" (ibid).

From this framework, a new approach to First Nations governance and economic development emerged and evolved. The Membertou Model in its current form features seven foundational principles:

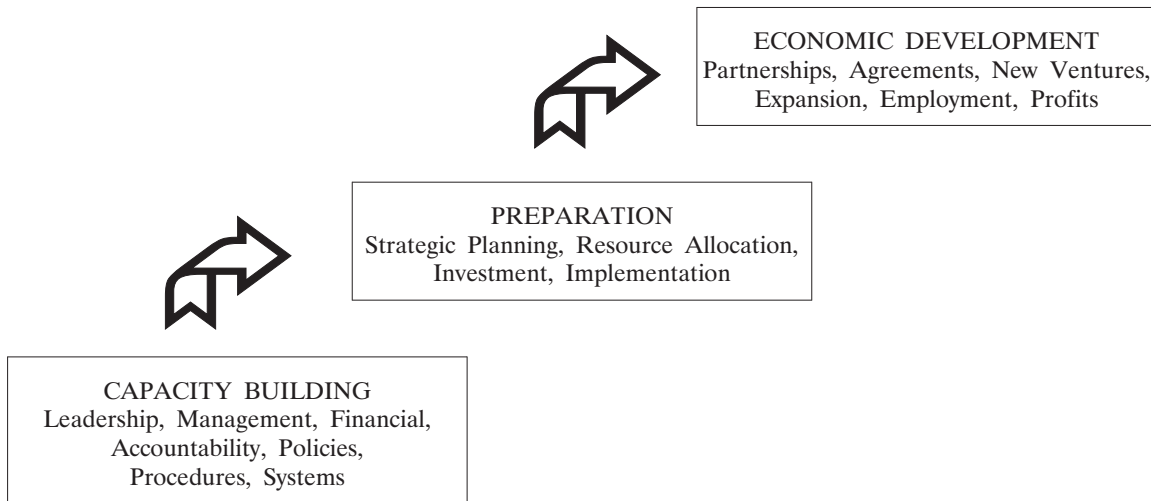
1. Visionary Leadership
2. Establishment of Operational Processes and Policies
3. Establishment of a Corporate Brand
4. Establishment of Corporate Partnerships and Joint Ventures
5. Development of Infrastructure
6. Commitment to Human Capacity Development
7. Grounding in Community Culture

Each foundational principle represents a particular orientation or set of actions that have led to the economic success of Membertou First Nation.

1. Visionary Leadership

"Membertou always wanted to succeed." This was the response of a key informant when asked about leadership in her community (interview, July 28, 2011). Visionary leadership could be

FIGURE 1
The “First Nations Progression Model”



Source: As diagrammed in the Auditor-General's presentation, March 31, 2003 (as cited in Thayer Scott 2004, 15)

seen as the most important factor undergirding the Membertou Model; without it, the other components may cease to function. It is unquestioned that the leadership of Chief Terrance Paul and his vision for the community were crucial to Membertou's success over the past twenty years. In his study, Johnstone pointed to Paul's leadership and his establishment of a "development team" as one of three "critical events" leading to self-determination (2008, p. 142). Similarly, Kayseas et al. noted that Membertou has benefitted greatly from "stable political leadership" focused on a "single vision supported by Chief and Council" (2006, pp. 11–12). It has been suggested that leadership may present a challenge in terms of succession planning (Thayer Scott, 2004); however, Membertou boasts a history of strong social and political leadership since the early twentieth century.

Owen Fitzgerald, Executive Director of the Unama'ki Economic Benefits Office, observed, "[P]eople from all over the area are coming to Membertou, which is something that just wasn't

the case a few years ago [...] This doesn't happen by accident. It takes people who are determined, smart, well-educated and who are great leaders, and that is what Membertou has" (as cited in Miller, 2006, p. 6). Historically, the community's social leaders have been passionate and strategic thinkers, dedicated to improving their community and doing so with integrity and determination. One community member explained that while each leader had his or her own strengths and contributed to the community in different ways, "they all shared the same values, Mi'kmaw values" (interview, July 21, 2011). Though it is not possible to provide comprehensive biographies herein for all social leaders who have impacted the community, several are worthy of note. Roy Gould made significant contributions to the Membertou community "as a journalist, publisher, host co-ordinator, facilitator, entrepreneur and elected official" (Roy Anslem Gould, 2004). Gould was instrumental in the development of the Native Friendship Centre in Halifax and was one of several original founders

of the Union of Nova Scotia Indians (NCNS, 2007). Chief Noel Doucette was a founding member of the Union of Nova Scotia Indians and played a pivotal role in guaranteeing the eventual closure of the Indian Residential School in Shubenacadie, Nova Scotia. Doucette also assisted the development of Nova Scotia's comprehensive Mi'kmaw Education Framework (NCNS, 2007). Wallace Bernard served as a Membertou Band Councillor and coached the legendary Membertou Thunderbirds fastball team to numerous championships in the 1970s and 1980s. He initiated the community's first youth hockey tournament, the title of which now bears his name: the Annual Wallace Bernard Memorial Hockey Tournament (Membertou First Nation, 2010). Sister Dorothy Moore is an acclaimed educator and activist for Mi'kmaw rights, known for her unremitting fight against racism in the Nova Scotia justice system, her dedication to the incorporation and augmentation of Mi'kmaw history in Nova Scotia curricula, and her early efforts in the development of a Mi'kmaw Studies program at Cape Breton University. She was invested into the Order of Nova Scotia in 2003 and the Order of Canada in 2005 (Governor General of Canada, 2005; Government of Nova Scotia, 2003).

Among these important community social leaders, the contributions of Donald Marshall Jr. warrant expanded consideration. The son of Membertou's Grand Chief Donald Marshall Sr., Donald Marshall Jr. championed Mi'kmaw rights during his wrongful murder conviction and following his exoneration of all charges, when it was determined that systemic racism had contributed to his wrongful imprisonment (CBC News, 2009). In 1993, after being charged for fishing and selling eels out of season and without a license, Marshall advocated the nation's 250-year-old treaty that outlined the allowance of Aboriginal people to access and utilize natural resources in the country. In 1999, it was ruled that Canadian Aboriginal people had a right to legally fish eels outside of federal government regulations. While many before him had tried and failed in winning similar court challenges, Marshall found success through his experience, perseverance, pride, legal guidance from one of Canada's top constitutional lawyers, and, most importantly, the financial and moral support of his community. His victory sparked dramatic

changes to the Nova Scotia judicial system, revolutionized the east coast fishing industry, and generated tens of millions of dollars, as a result, for impoverished First Nations reserves in the region. He became, to Aboriginals and non-Aboriginals alike, a hero known as one of the greatest contributors to the advancement of the Aboriginal community. Chief Lawrence Paul remarks, "It was instrumental. It was a benefit to the economy of the First Nations across Atlantic Canada, and I think right across Canada ... His name should go down in history as a sympathetic individual who had the rights of the Mi'kmaq people close to his heart" (CBC News, 2009, p. 15).

From this community also emerged political leaders equal in their efforts of change (Brown & Pyke, 2007). Ben Christmas, elected to the position of band chief at the age of 23, successfully led his people through the forced relocation of the Kings Road Reserve to its present day location and renamed the reserve in honour of the Mi'kmaw Grand Chief Membertou. In 1932, he founded the *MicMac News*, a newspaper with circulation of 5000 copies in the 1970s. It disseminated news relevant to the Mi'kmaw population through 125 venues in Cape Breton and Newfoundland (Doucette, 1972, p. 4). Chief Christmas was a renowned Mi'kmaw prayer and choir leader at religious events within the Membertou and neighbouring communities. The Mi'kmaq Association of Cultural Studies captured the essence of Chief Christmas, stating, "Chief Ben Christmas was said to be a man of great compassion, wisdom and courage, and he was always conscious of the Spiritual [sic] and other needs facing his people" (1996, p. 54).

In 1964, Donald Marshall Senior was honoured with the lifetime spiritual and leadership role of Grand Chief, successfully governing the people of Membertou for the next twenty-seven years. A kind-hearted and modest man, Grand Chief Marshall assumed a "grandfatherly" role for his people, and his peaceful way of leadership effectively and efficiently led the Membertou community through years of tumultuous political terrain and social upheaval, towards roads of future prosperity and promise (NCNS, 2007). In addition to his tireless work in overturning the wrongful conviction of his son, Donald Marshall Jr., one of Chief Marshall's greatest accomplishments was his declaration of Nova

Scotia's Treaty Day, a day which commemorates the eighteenth-century treaties signed between the British Crown and the Mi'kmaw Nation. This signing of the Declaration of Mi'kmaw Rights was the first meeting of the National Council of Mi'kmaw Chiefs in 213 years, and became a historical moment in Canadian history as Mi'kmaw people across the country came together "reunited into a strong nation" (NCNS, 2007). An inscription at the Grand Chief's resting place honours his impact on the Membertou community, stating, "Kji-saqmaw Marshall's presence was magnified a thousand fold through the efforts he pioneered in every facet of his work and office—a man who seemed to be everywhere; he had a zealous conviction of reaching out and providing a helping hand to those who needed it most" (Erskine Doucette, 2008, p. 40).

Terrance (Terry) Paul is the current (2012) Chief of Membertou and has held this position since 1984. Paul left economically depressed Membertou as a young adult and travelled to the United States in search of a promising future. While living in Boston, Massachusetts, Paul became aware of the development and economic ventures being pursued in American First Nation communities. It was this exposure that sparked his desire to make a difference in his hometown. His pursuit of this vision saw him through the ranks of Director of Finance with the Boston Indian Council, Sales and Advertising with the *MicMac News* in Membertou, Economic Development Officer and Band Manager for the Membertou Band Council, and, eventually, Band Chief of Membertou in 1984 (Membertou First Nation, 2010).

Over the past 28 years, Chief Paul's vision has led Membertou to become one of the most progressive, efficient, and sustainable native communities in the country. The economic success in Membertou is a testament to Paul's leadership—as is the confidence he has in his people, and they in him. Chief Paul's accomplishments include doubling the land base for the reserve and assisting Donald Marshall Jr. in his successful Supreme Court defence of the Mi'kmaw treaty rights to fish. In 2009, Chief Paul was inducted into the Cape Breton Business Hall of Fame for his efforts in developing the Cape Breton economy and local business community. In 2010, he was awarded an honorary Doctor of Laws, *honoris causa*, from Cape Breton Uni-

versity. It is Chief Paul's self-sufficient vision for Membertou that has "been at the core of the community's journey towards economic prosperity" (Brown & Pyke, 2006).

In 1995, Chief Paul and his Council initiated a recruitment campaign for a leader to assist in Paul's vision of change for the Membertou community. They embarked on a search for an individual whom they felt embodied the spirit and held the vision of a better Membertou in his heart. Chief Paul immediately identified and sought out Bernd Christmas, then a lawyer employed with the Bay Street law firm Lang Michener (Thayer Scott, 2004). Upon becoming the first Mi'kmaw lawyer in Canada in 1991, Bernd Christmas worked diligently to expand Aboriginal practices within the legal field. In 1995, at the request of Chief Terrence Paul, he abandoned his lucrative legal career and returned to Membertou as Chief Executive Officer where he faced a challenge of a \$1 million annual deficit, low community morale, and a severe unemployment rate (Brown & Pyke, 2007). Undeterred, Christmas forged ahead with a vision for Membertou's people. In little more than a decade, he successfully expanded all areas of economic growth by forging an innovative economic frontier, launching Membertou's Corporate Division and establishing education and skills-development programs for the community in preparation for these developments. Christmas was instrumental in the corporation's ISO certification (discussed below), the opening of the Membertou Trade and Convention Centre, and the negotiation of contracts and agreements with giants such as SNC-Lavalin and Sodexo Canada (MacDonald, 2006). More than 15 years later, Christmas' vision remains stronger than ever and its success within the Membertou community and surrounding area is remarkably clear.

Christmas' efforts have been acknowledged across the board. He has received the National Aboriginal Achievement Award, was appointed by then-Prime Minister Jean Chretien to the External Advisory Committee on Smart Regulation, sat as one of three Canadian commissioners to the International Commission for the Conservation of Tuna, became a member of the National Aboriginal Economic Development Board, sat on the executive committee for the Governor General's Conference on Leadership and Diversity, was recognized as one of Atlantic

Canada's Top 50 CEOs, and was appointed to the Board of Directors of CBC Radio Canada. However, no expressions of gratitude have been greater than those from the Membertou people and local community: "He helped people beyond the reserve communities," said Chief Paul. "He helped spark people's enthusiasm. If people work together and try hard, they can accomplish miracles. And that's what I feel we did while Bernd was here" (MacDonald, 2006, p. A2).

2. Establishment of Operational Processes and Policies

Upon arrival in Membertou, Bernd Christmas and his newly formed leadership team determined that in order for Membertou to progress in any respect, it first needed to establish a sense of financial stability, while maintaining financial transparency and accountability to its partners, stakeholders, and community members. The Membertou Band Council operates under the authority of the Indian Act of Canada and is comprised of one band chief, administrative staff, and twelve band councillors (Johnstone, 2008) who are elected every two years by the community's registered membership. The council manages government funding, regulates policies, and coordinates the delivery of community initiatives and programs in education, social assistance, alcohol and gaming counselling, justice, recreation, and health services. With the arrival of Bernd Christmas came the adoption of a commercial organizational structure and the formation of a shareholder relationship between community members and the band government (Band on a run, 2004). Federal governments were considered not "governments," but "investors," and this structure reflected Membertou's new strategic focus, which Christmas summarized as "thinking like a business but operating within the context of a government, being true to who you really are and working for your constituents" (McBride, 2002, p. 100, as cited in Kayseas, Hindle & Anderson, 2006, p. 15). This new, forward-thinking decree required moderate sacrifice in Membertou's operational processes; however, it would be this decree that sparked a renewed sense of accomplishment and trust amongst its members, as well as the eventual elimination of the community's \$1 million deficit. Membertou now had one foot in the door with this new

sense of order, and it was determined that the next critical point of action would be to become ISO compliant.

The International Organization for Standardization (ISO) is a worldwide federation that works to ensure consistency and quality in companies around the world. Specifically, it promotes the development of standardization to facilitate the international exchange of goods and services, and the cooperation in scientific, technological and economic activities (Membertou Corporate Division, 2010). This process includes an external audit of management processes, including an examination of links between policy decision-making and implementation, human resource and communication practices, and evaluation activities (Scott, 2004). The value of this organizational certification is immeasurable. Those that have acquired ISO designations have seen increases in business prospects and, ultimately, higher rates of confidence from their clients (Membertou Corporate Division, 2010). Reflecting on the value of this designation for the community of Membertou, one interviewee explained, ISO certification "makes us a very credible and honourable company to do business with" (interview, July 21, 2011).

In 2001, Membertou became the first Aboriginal community in the world to achieve ISO certification. This represented to the world that they were committed to good business practices such as accountability, transparency, and customer service. The designation required an extensive organizational culture transformation. Miller argues that "It makes you focus on vision and to interconnect roles within the organization — to understand others' roles so that we can do our own job better" (as cited in Thayer Scott, 2004, p. 20). The designation also required an extensive transformation of the Band's relationship with its community members. The Band became acutely cognizant of the need to remain transparent with its band members, and initiated the annual delivery of its financial statements to every home in the community. The statements are clear and concise, compare the band's present financial situation with that of previous years, and include details on honorariums to chief and council. They have also been made available on Membertou's website. These are practices that will "contribute to good relations and encourage business ventures, partnerships

and investments” (Lawrence, 2000, p. 2). Membertou was the first band in Canada to follow such procedures and, while it has received mild scrutiny from some Aboriginal councils in other regions, the gesture has cultivated a sense of trust and has maintained open lines of communication between the band and its people. Dialogue is also maintained through a weekly, online community newsletter, featuring notices from administrative divisions, reports on corporate activities, notices from Chief and Council, and notices and requests from community members (Kayseas et al., 2006, pp. 13–14).

Chief Terry Paul notes, “It is transparency that is the key to not only gaining the trust from your community but also the trust and confidence from those government agencies and financial markets that we would eventually have to approach in our quest to develop our community. Once you have the community’s confidence the rest will fall into place” (cited in National Centre for First Nations Governance, n.d., p. 2). Membertou has indeed birthed a reputation as a highly respected and valuable business partner on the regional, national, and international forefront. Chief Paul further emphasizes this, exclaiming, “This is an extremely dynamic time in our history [...] I venture to say that the community of Membertou is an exciting place to be, to live and to work. With our ISO designation, we extend our hands and say to Canada and the world, Membertou is open for business, come and join us” (Membertou, 2004, p. 41, as cited in Kayseas, Hindle & Anderson, 2006, p. 16).

Indeed, ISO certification is seen to be an essential component of Membertou’s success. Thayer Scott views it as a turning point (2004, p. 12), while Johnstone refers to it as a “critical [event]” in Membertou’s development (2008, p. 142). As Kayseas et al. have observed, the result of this certification is that “the opportunities and choices the Band and its members currently can choose from are not available in many other Canadian Indigenous communities” (2006, p. 16). With a renewed sense of financial stability and improved management capacity, Membertou was prepared to play a greater role in the mainstream economy. In 2001, the same year that Membertou received the ISO designation, they opened Membertou Corporate Division and its corporate office in the provincial capital of Halifax.

3. Establishment of Corporate Brand

The small reserve of Membertou had no qualms about playing in the big leagues. Located in Purdy’s Wharf, the waterfront, provincial powerhouse of business wheeling and dealing, the Membertou Corporate Division’s Halifax office proudly planted itself next to some of the country’s (and world’s) most influential business leaders (Kayseas et al., 2006). Its gusto was radical and it raised the spotlight to a story of an impoverished community that overturned its destitution and stepped up to the plate as a reputable and valuable contender in the game. “I like a challenge,” said Bernd Christmas. “When I hear people say things like an Indian band can’t have an office in Purdy’s Wharf ... well, it makes me want to do it even more” (cited in Toughill, 2001, p. 1).



Membertou’s slogan, “Membertou, Welcoming the World,” signifies that Membertou is open for business, and ready and able to work with government and corporate partners. The Division’s logo has a modern, corporate air and holds special significance for the community. When the logo was first designed by Dozay Christmas in the late 1980s as an image to identify the council and community, it was more elaborate in presentation, including additional motifs such as the Mi’kmaq double-curve. The stylized bird, conceived of as a thunderbird (recalling the community’s baseball team, the Membertou Thunderbirds), represented the chief (head) and council (wings) when it had eight councillors.⁵ In 2006, during a rebranding effort, the community chose to breathe new life into this logo instead of starting new. The image was refreshed and simplified, and the stylized bird was reinterpreted as an eagle (Dozay Christmas, personal communication, January 13 & 16, 2012). The revisioning of this image as an eagle is telling: in First Nations culture the eagle is revered for being able to soar above all other birds and its use in Membertou’s logo suggests that they aspire to similar heights. The Division’s brand is

unique, stating that "we are Aboriginal, and we welcome the business world" (Brown & Pyke, 2006, p. 5).

Strategic partnerships with corporate Membertou have been of great advantage to those involved. Partners of Membertou have seen increased access to Nova Scotia natural resources claimed by Mi'kmaw people, stronger and more diverse contracts, and increased opportunities to work with and employ those of Aboriginal descent. Membertou's unprecedented profile has led to the formation of many lucrative partnerships in the industries of oil and gas, engineering, mining, GIS, IT, aerospace, business management, and consulting services (Membertou Corporate Division, 2010).

4. Corporate Partnerships and Joint Ventures

The establishment of corporate partnerships and joint ventures, as well as memorandums of understanding with businesses and institutions, falls into the third stage of the progression model (Thayer Scott, 2004; Kayseas et al., 2006). Such economic development becomes possible after sound practices and strategic planning are in place. Membertou has forged partnerships with exemplars in technology, conservation, and sustainable development, each producing employment opportunities and delivering sizable profits to the Membertou community (Toughill, 2004). For example, in July 2010, Membertou announced its business partnership with GrupoGuascor of the Basque Country of Spain, establishing Anaia Global Renewable Energies. GrupoGuascor is a global giant in renewable energy technologies, specifically solar, wind, and bio-energy equipment and applications. The company holds a unique business philosophy to provide energy to remote, rural, and Indigenous communities, and its networking with North American bodies has allowed for the company to market a full range of renewable market technologies and equipment designed specifically for small rural communities and remote areas of the continent (Membertou Corporate Division, 2010).

Over the years, Membertou has entered into a number of partnerships with companies such as Fujitsu Consulting (Canada) Ltd. to create an IT services company, Grant Thornton LLP to provide expert accounting advice to native organiza-

tions across the country focused on building internal financial capacity, and SNC-Lavalin to create logistical, project management, and environmental technology opportunities. These partners also sought business opportunities in the burgeoning offshore oil and gas industry in the Maritimes (Membertou Corporate Division, 2010; see also discussion in Thayer-Scott, 2004). A partnership between Clearwater Fine Foods and Membertou First Nation resulted in a split profit margin and the opportunity for Membertou to harvest, process, and market seafood products under the Membertou brand. This partnership created several dozen full-time positions and approximately 60 seasonal positions for Mi'kmaw people, allowing them to connect to their roots and engage once again in one of their traditional activities. While many of these partnerships are not currently active, they were valuable for helping Membertou establish contacts, attain expertise in specific markets, and gain experience in a variety of industries. For example, the partnership with Clearwater Fine Foods, which started out as an agreement to sell Membertou Crab, resulted in the establishment of Membertou-owned First Fishermen's Seafood.

In 2009, Membertou became the second community in Atlantic Canada to join the Circle of Governance Excellence in their partnership with the National Centre for First Nations Governance. The NCFNG "is a national, independent, First Nations-controlled organization dedicated to supporting First Nations as they work to implement their inherent right to self-governance" (National Centre for First Nations Governance, n.d., p. 1). This alliance solidified Membertou's vision and efforts to strengthen the rights of the Mi'kmaw people and allowed Membertou to facilitate nation-building workshops and develop strong relationships with other First Nations across the country.

Membertou is also one of five Mi'kmaw communities with representation on the steering committee for the Unama'ki Economic Benefits Office (UEBO), which has offices in Eskasoni, Wagmatcook, and Membertou. UEBO was established to facilitate collaborative economic development among Aboriginal communities in Cape Breton and increase Aboriginal involvement in major projects, such as the Sydney Tar Ponds Cleanup Project, which seeks to remediate the country's largest toxic waste site (Unama'ki Eco-

conomic Benefits Office, 2010, pp. 3ff; MacDonald, 2005). Similarly, Membertou has representation on the board of directors for the regional Ulnooweg Development Group, Inc, which provides loans and business services to Aboriginal entrepreneurs in Atlantic Canada. Ulnooweg's lending services provide financial support for businesses that may not be eligible for loans through other lending institutions (Membertou First Nation, 2010).

Membertou has also forged strategic alliances with various enterprises and organizations within the community such as Cape Breton University, Nova Scotia Community College, and Cape Breton Regional Police Service (Membertou Corporate Division, 2010). Membertou strives to maintain amicable relationships with the non-Aboriginal community in Cape Breton to work in tandem toward a mutual well-being. These successful partnerships have often lead to the production of goods and services, some shining through in the drastically improved quality of life of the Membertou people and others structurally evident within the reserve. Membertou is careful, however, to ensure that the partnerships they enter into will benefit their community and are in line with their worldview and value system. This point was emphasized by an interviewee who stated, "Just because somebody knocks on our door, it doesn't mean they are our partner" (interview, July 28, 2011). All partnerships are subject to careful review and due diligence to strengthen the community.

5. Development of Infrastructure

Since achieving ISO certification, Membertou has grown its operations to include successful gaming agreements, local and international business partnerships, public and private sector investment, and economic diversification of businesses. As a corporate entity, Membertou operates over 10 businesses, in almost as many industries, and has expanded to areas such as gaming, fishing, entertainment, retail, food and beverage, and insurance. The creation of new facilities and provision of improved services is critical to continued growth and development in the community. Job-creation and the creation of cultural and health and wellness facilities are critical to community members, particularly to ensure that

youth see a future for themselves in their community. Infrastructure, such as lending services and technological experience, provide the necessary support structures to facilitate local business creation and to attract business from outside the community. Combined, these facilities and services contribute to the vision of Membertou as an attractive place to live and to do business.

Facilities

The Membertou Trade and Convention Centre opened in 2004 and has become a crown-jewel business and entertainment centre for Cape Breton Island. The forty-seven thousand square foot, \$7.2 million meeting and convention facility is the largest in the province outside of Halifax and provides meeting, banquet, conference, trade-show, wedding, and concert services (Membertou First Nation, 2010). The centre and its operations created full-time and part-time jobs, and provides in-house services such as video-conferencing, smart-boards, wireless communications, audio-visual support, and extensive catering services. The Membertou Gaming Commission (MGC), established in 2002, employs over 50 people and houses 5 gaming pavilions and head offices. Profits earned from the MGC assist in the creation of new business and capital investments, while also providing annual dividends to all community members (Membertou First Nation, 2010). The Membertou Entertainment Centre (MEC) opened its doors in 2007 and is a 33,000 square foot building host to bingo games and VLT machines. MEC donates hundreds of thousands of dollars to a variety of local charities each year (Membertou Corporate Division, 2010). Membertou Market opened in 2001 as a food retailing and gas bar concept unique to the Sydney area. The facility offers a variety of products: grocery items, fresh fruit, and vegetables; gas, diesel, and propane; lottery and tobacco items; and eat-in or take-out fast-food, coffee, and deli services. The market has grown to greet several hundred people daily (Membertou First Nation, 2010).

In 2001, Membertou's chief and council recognized that while the community infrastructure and economy was experiencing tremendous growth, emphasis was needed on the celebration of its culture and heritage (Doucette, 2008). The Membertou Heritage Park was soon conceived.

The cultural heritage interpretive centre is surrounded by a two-hectare outdoor green space for exhibits and living heritage demonstrations (Doucette, 2008). Opened in June 2012, the Membertou Heritage Park will educate visitors and preserve the community's history through both static and dynamic experiences, including exhibits, pictures, photographs, video and audio recordings, scale models, artifacts, and programming in basket-making, canoe-making, leather work, bead work, drumming, and dancing. Additionally, the interpretive centre houses a gift shop, an Elders tea room, and theatre (Doucette, 2008). In the future, the four acres of surrounding property will be developed with demonstration areas, ponds, wigwams, interpretive walking trails, medicine gardens, and an amphitheatre for outdoor demonstrations, storytelling, and performances (Membertou Heritage Park, 2008).

The Heritage Park has already made a lasting impact on the community. Its development has fostered new relationships and old friendships, and has reaffirmed the importance of each member to the community. All aspects of the design and programming are reflective of the values of the community. It will provide the opportunity for interaction with Membertou's Elders and to learn from their teachings, heighten the importance of cultural and historical preservation, and offer the world a unique perspective of First Nations history (Doucette, 2008).

In June 2010 the community broke ground for the opening of the Membertou Business Centre, a 33,000 square-foot mall located on a road that links the Sydney harbour area, through Membertou, to the main 125 artery highway. The Business Centre anchors many of the community's joint-company partnerships and provides land and facilities for long-term lease. The "incubator mall" was designed for professional and commercial office space, but also contains smaller, incubator spaces for fledgling entrepreneurs and other small-business endeavours (Membertou Corporate Division, 2010).

The Hampton Inn and Suites by Hilton partnered with Membertou to construct a \$20 million dollar hotel adjacent to the reserve on land formerly owned by Membertou. The new facility, which opened in June 2012, features meeting space, executive suites, a swimming pool, a hot tub, kitchenettes, wireless Internet, and a

pedway connection to the Membertou Trade and Convention Centre. The hotel is expected to create approximately 50 permanent jobs (Membertou Corporate Division, 2010).

Most recently, in March 2011, Membertou announced its plan to construct a multi-million dollar sports and wellness arena in 2011–2012 (CBC News, 2011). While such a facility will undoubtedly play a role in job creation, it also demonstrates Membertou's ongoing commitment to the betterment of the community for its members.

Services

Membertou Insurance Broker provides insurance products and services to First Nation organizations and businesses (Membertou First Nation, 2010). Membertou Geomatics Solutions (MGS) offers geomatics services to turn data into visual representations (Membertou First Nation, 2010). First Fishermen's Seafood follows the traditional ways of fishing passed down from First Nation ancestors, respecting nature and the environment, while maintaining a modern approach to quality assurance and sustainability. The company utilizes a fleet of six vessels to harvest a variety of Atlantic Canadian ground fish, shell fish, and large Pelagic, including tuna and swordfish (Membertou First Nation, 2010). Membertou Data Center specializes in the hosting and management of complex IT environments that feature support personnel, cooling, power, connectivity, and physical security for clients. The Data Centre also manages hosting, assists in business continuity and disaster recovery, provides website and email hosting, and offers data, file, print, and technical support services (Membertou First Nation, 2010). In January 2011, A.P. Reid opened a new location in the Membertou Business Centre. This partnership is the first of its kind in Canada, with Membertou holding majority ownership in the company that retains the franchise agreement with A.P. Reid Insurance Stores. A.P. Reid Insurance offers auto, home, tenants, watercraft, travel, and customized commercial insurance services (Membertou Corporate Division, 2010). *Kiju* is the Mi'kmaw term for "one's mother," and *Kiju's Restaurant* offers a first-class dining experience influenced by many cultures such as Cape Breton, Mi'kmaw, Italian, Polish, American, and Mexican. Its décor reflects that of the

Mi'kmaw culture and its chef takes pride in creating cuisine with fresh, local ingredients (Membertou First Nation, 2010). Petroglyph's Gift Shop is located in the Membertou Trade and Convention Centre and offers authentic, locally made Cape Breton and Mi'kmaw art and crafts, from dream-catchers and jewelry, to hand-made sculptures and paintings (Membertou Corporate Division, 2010).

As the Membertou community continues to witness economic and social transformations year after year, the importance of its continuation through the further development of human capital has been moved to the forefront. It has encouraged the community to invest in capacity-building programs and initiatives, as well as the recruitment and retention of Aboriginal students to post-secondary education. Such education, noted one community member, not only ensures the community will have skilled works for the future, but also facilitates networking between future Mi'kmaw leaders and the future leaders of other Aboriginal and non-Aboriginal communities (interview, July 21, 2011).

6. Commitment to Human Capacity Development

The Government of Canada has observed the need for advanced education to develop the next generation of workers as flexible, innovative, and qualified: "to adjust successfully to growing global competition, Canada must take full advantage of a better educated population and a highly qualified workforce. As a result, post-secondary education appears to be vital to Canada's future growth" (Government of Canada, 1992, "Introduction"). This generation must be able to uphold a competitive global vision and meet its growing demands. Efforts to withstand an aging workforce and build the nation's prosperity have spurred a federal focus on post-secondary education, skills-development training systems, access to lifelong learning opportunities, and erasing barriers to persons of minority, including immigrants, women, persons with disabilities, and Aboriginals (The Council of the Federation, 2006).

The Aboriginal population in Canada is experiencing faster growth than many other segments of the population, increasing by "45% over the last 10 years" (Levin, 2009, p. 689). It

is also one of the youngest populations in Canada, with almost 50% under the age of 25 (Government of Canada, 2009). Consequently, this segment of the population has been identified as having the potential to "help meet Canada's long-term demand for workers" as a result of an aging workforce (*ibid*, p. 3). The number of Aboriginal students successfully completing a degree, certificate, or diploma, however, is lower than that of non-Aboriginal students and may impede the ability to meet this potential (*ibid*, p. 6). Ben Levin, Canada Research Chair in Education Leadership and Policy at the Ontario Institute for the Study of Education, University of Toronto, states that while the number of Aboriginal students enrolled in and graduating from programs has vastly improved over the past two decades, there is still much to be done to reach levels comparable to their non-Aboriginal counterparts (Levin, 2009, pp. 689–90).

The pursuit of post-secondary education holds many benefits for Aboriginal people and their communities: "Knowledge equals wealth. You learn to earn. The more individuals in First Nations that are retained in PSE, the more wealthy and self-sufficient the community will be. In a knowledge-based economy, knowledge is the commodity" (as cited in AAEDIRP, 2010, p. 72). Such education has become an increasingly important element of the Membertou Business Model. Indeed, Thayer Scott identified human capital development—specifically advanced education—as one of two key components of Membertou's success (2004, p. 23). Membertou continues to explore proactive education and career-related training programs for its secondary students and residents of all ages to ensure that they are equipped to pursue employment opportunities stemming from the community's business partnerships and initiatives.

Membertou has had a long-standing history of cooperative partnership with Cape Breton University (CBU). CBU is located in the Cape Breton Regional Municipality and boasts the "largest Mi'kmaq post-secondary student population in Eastern Canada," as well as the "highest number of Mi'kmaq graduates each year" (AAEDIRP, 2010, p. 26). As a result, and in consultation with the Mi'kmaq of Unama'ki, CBU has made significant enhancements to its Aboriginal services and programming. The university has established Unama'ki College, which

houses the Department of Indigenous Studies and the Mi'kmaw language lab; a Mi'kmaw Student Services Centre; and the Mi'kmaq Resource Centre, which houses documents available for use by students, educators, communities, and the general public (AAEDIRP, 2010). Chief Paul is also actively involved in the university's functions and sits as a member of the CBU Shannon School of Business Advisory Board where he joins other national leaders in developing the knowledge and abilities of the University's students. The existing MOU between Membertou and CBU has focused on issues ranging from environmental remediation to scholarship opportunities. This MOU was recently amended to support the newly established Purdy Crawford Chair in Aboriginal Business Studies. The Purdy Crawford Chair promotes awareness and ignites interest among Canada's Indigenous people in the study of business at the post-secondary level. The Chair also takes under its wing the enhancement of the university's Aboriginal business curriculum, as well as pure and applied research specific to Aboriginal communities (Cape Breton University, 2011). MOUs have also sprung between the Unama'ki Economic Benefits Office and the university's new Centre for Sustainability in Energy and the Environment (CSEE). This partnership pursues economic opportunities directly tied to research and development in energy and environmental sustainability, and seeks to engage local Mi'kmaq in these research and development efforts (Cape Breton University, 2011).

Membertou and the Nova Scotia Community College (NSCC) Marconi Campus established a business and education partnership in 2004 to address the under-served needs of Aboriginal people at the post-secondary level. The Marconi Campus provides customized training programs relevant to Membertou's employment opportunities and secondary education transition support programs (Nova Scotia Community College, 2009).

In addition to their commitment to post-secondary education, Membertou has revisited its approach to its elementary and secondary education system, and has implemented several community trades training programs and initiatives to promote the value and benefit of continuous learning within the community. A 2001 assessment of the community's secondary education

system unveiled an overwhelming desire from the Membertou people for their children to be taught in the reserve school. Voices from the study also identified areas for improvement and offered suggestions for enhancing the curriculum in the existing Membertou elementary and secondary school (LaPorte, 2001). Improvements to the "Membertou School" involved establishing a culturally sensitive, blended-language curriculum with a focus on Mi'kmaw oral, writing, and reading skills; integrating Elder and historian insight and wisdom into lessons; embarking on traditional cultural experiences; and discussing First Nations news, values, and spirituality (Doucette, 2008). The focus on language is significant: "If Mi'kmaq is the initial language, it encompasses all your values and then the Mi'kmaw people need not worry about the future" (interview, July 21, 2011).

Education about and promotion of Aboriginal entrepreneurship is another concept that has grown in popularity within the community. Aboriginal economic development and its principle of encouraged entrepreneurship has resulted in substantial research activity, academic value, and a growing number of self-sufficient and self-governed communities. The benefits of its community practice and presence in Aboriginal education have been strikingly evident throughout Membertou's early, yet assiduous stages of growth.

Entrepreneurship as one of the fastest-growing trends in higher education and its lessons offer students valuable curricular, instructional, and experiential learning opportunities. Its focus on opportunity has distinguished itself from other academic disciplines, and has improved and prepared students and their communities for succession in the 21st century. The entrepreneur has increasingly become the ignition of community economic growth through small businesses and innovative means—means powered by the education of, and access to, equity capital, labour, and skills (ibid). "Entrepreneurship itself is the genesis of business activity. More importantly, it forms the basis of an economy and by some standards, is the economy of a nation" (Anderson, 2002, p. 48).

This blossoming relationship between entrepreneurship education and successful strategic economic development has been found in Membertou First Nation (Johnstone, 2008;

Kayseas et al., 2006). The offerings of entrepreneurial skills-training and educational programs have spurred community members to establish sustainable business operations. In doing so, these entrepreneurs have enhanced socioeconomic circumstances and have minimized gaps between the reserve and the local non-Aboriginal community (Thayer Scott, 2004).

Membertou has partnered with various organizations to foster the development of entrepreneurship within its members. One of its partners has been the YMCA of Cape Breton, where their joint venture, the Membertou Entrepreneur Centre, provides customized business training and individual support to First Nations people interested in pursuing entrepreneurial endeavours (Steel, 2010). In 2005, as the Centre opened its doors to the community, Chief Paul prided himself in saying, "Membertou has pursued an aggressive strategy towards economic sustainability and we have now identified a growing need in our community for entrepreneur training and business support. The Entrepreneur Centre opens up the opportunity for our community members to actively pursue small business development and in turn contribute to the Cape Breton economy" (Unama'ki Economic Benefits Office, n.d.). The fruits of Membertou's entrepreneurial labours can also be found in the growing number of new Aboriginal and non-Aboriginal businesses occupying space within the Membertou Business Centre. Those driving this entrepreneurial change have been given the skills, encouragement, and opportunity by the community to "successfully identify opportunities in the needs and wants of individuals ... and [convert] these opportunities into viable ventures" (Anderson, 2002, p. 50). While capitalizing on education and opportunity, these entrepreneurs have ultimately seen success due to their consideration of cultural influences that, in the end, maintain this economic energy and vibrancy within the community.

7. Grounding in Community Culture

Some of the most successful Aboriginal communities are the most culturally conservative (Cornell & Kalt, 1990). Developing Aboriginal communities must carefully choose strategies that fit their community-specific needs and preferences (Cornell & Kalt, 1992). The careful con-

sideration of cultural and historical factors has fostered community trust, support, and productivity, and has spun all areas of Aboriginal economic growth: "By neglecting to recognize and consciously include these cultural aspects into the design, business strategies, and operations, there is a risk of failure to meet the community needs and to lose the support of the community" (Anderson & Parker, 2009, p. 107).

The balance between economic growth and maintaining community-supported and culturally appropriate operations is often difficult to achieve (Rhodes, 1997); yet, it is one to which Membertou has been consciously attuned. Membertou implements various cultural programs and initiatives that connect and advance the community such as a weekly newsletter, cultural programming in Membertou Elementary School, and the Membertou Youth Centre. The preservation and celebration of culture and its importance in Membertou's development agenda has allowed the community to preserve its heritage and connectivity while also growing operations and the community's economy (Doucette, 2008). This combination has re-energized Membertou Elders, and has even prompted many to take active roles in navigating the community's development strategy. The Membertou Heritage Park is one of such collaborative initiatives, and complements many additional endeavours in the fields of education, health, justice, and cultural tourism.

Perhaps the best example of Membertou's grounding of business practice in community culture, however, comes from its early attempts to develop gaming facilities. The Chief and council held a referendum in the community to determine whether Membertou should pursue gaming opportunities. Perhaps surprisingly, the community did not support the proposal. Kayseas et al. explain, "The reason for the negative vote involved band members fearing that only a small majority would benefit from gaming. Other Nova Scotia bands have allowed gaming in their communities but individuals reap the profits and pay the band fees" (2006, p. 19). According to community values, such development should benefit the entire community. In response, the Chief and council revised their vision so that community members would receive dividends from the development of gaming and when the second referendum was held, the proposal was approved

by an overwhelming majority. Reflecting on this experience, one interviewee expounded on the relationship between development and culture, saying, "Our development will not be successful unless it is based on our values; meaning, it belongs to the community, the community benefits from it, and it is not about profiting individuals. To me, that makes all the difference in the world" (interview, July 28, 2011).

CONCLUSIONS

Membertou has a longstanding history of achievements resulting from the contributions of social leaders in the community. Upon this foundation, Membertou's business model has created an environment that attracts business; employs good governance, leadership, and vision; produces stable governments; and values transparency and accountability. "It is an ideal example of what it takes to transform a community from one that inhibits development and progress, to one that is an exemplar of good governance and progress, a place where entrepreneurs flourish" (Membertou First Nation, 2004, p. 23). Chief Paul reflects on the community's reformation and accomplishments and affirms that "the attitude now is that people realize government funding is not the way to go ... it's better to control your destiny than let others control it for you" (p. 10).

In addition to the challenges typical of economically independent communities, Membertou has had to overcome development challenges unique to Aboriginal communities. Membertou has either eliminated or decreased issues with band governance, racism, unemployment, out-migration, and access to capital and resources (Brown & Pyke, 2007). As Indian Affairs Minister Robert Nault stated, "Membertou is leading the way for other First Nations across the country ... Membertou is a leader among First Nations, among all nations" (in Kelly, 2002, p. 8). Since adopting this development model and engaging its foundational principles, Membertou has witnessed recent economic success:

- Over the past ten years, Membertou's budget has grown from \$4 million to a current \$76 million. Membertou Corporate Division currently sits with an asset base of approximately \$45 million and contributes more than \$250 million to the Canadian economy.
- Membertou completely eliminated its deficit of \$1 million.
- Since the mid-1990s, Membertou's employee base has grown from 37 to over 600. The reserve employs both Aboriginals and non-Aboriginals.
- The community's employment rate has increased to nearly 80 per cent.
- Membertou currently generates 75% of its revenue through its own community businesses, business investments, and partnerships.
- The Marshall decision altered federal legislation and dramatically changed race relations across the country. The ruling resulted in the establishment of an Aboriginal fishery which significantly increased Aboriginal participation throughout the country and led to Membertou participation in the industry.
- Numerous internal departments and businesses have been created due to the community's growth, including Membertou Market, Membertou Advanced Solutions, Membertou Mapping Service, Membertou Quality Management, and Membertou Trade and Convention Centre.
- In 2003, Membertou was awarded Economic Developer of the Year by Cando.
- The efforts of the Unama'ki Economic Benefits Office have provided an increased awareness of Membertou and the Mi'kmaw Nation in academic and business circles not just in Canada, but around the world. Its partnership approach has allowed the Office to recognize and sufficiently fill industry needs. In 2010, the Office was recognized for its contribution to economic development at the Atlantic Canada Aboriginal Entrepreneur Awards Show and the national Council for the Advancement of Native Development Officers (Cando) Conference.

While this list of accomplishments is impressive in the context of business, it is important to be cognizant of the fact that Membertou has never lost sight of its social responsibilities, as evidenced by its ongoing support of education and cultural initiatives.

The choice to embrace corporate structure and the decisions that have been made in Membertou have sometimes been criticized; however, because of the regulatory situation created by AANDC and the Indian Act, there is a need to be creative to enable development. While there isn't always consensus regarding the best approach for addressing discrete challenges faced by the community, overall the model is collaborative and encompasses the non-economic aspects of community development. Business decisions have been and are always made with an eye to what is best for the community as a whole over the long-term.

LOOKING FORWARD

The Membertou Business Model has enabled this Aboriginal community to transform from one of poverty and dependence, to one of good governance and national and international business acclaim. Present and future development opportunities resulting from its strong strategic vision continue to build momentum for the Corporation's financial independence and the community's self-determination. Membertou has staked its place in opportunity and welcomes the world to join in — its business, and its people, promise to deliver.

As many First Nation communities across Canada face similar challenges to those of Membertou, there has been interest in the feasibility of employing the Membertou Model elsewhere. Further research is required to determine how "universal" the principles of the Membertou Model might be. The first step might be to compare the Membertou Model to those used in other successful First Nation communities across Canada and determine which principles are common. There is no question that Membertou's success with this model is tied to a particular history and geographic location; however, the concepts applied in the model can be utilized by other First Nations to further the goals of their communities.

NOTES

1. This article has benefited from feedback provided by the Membertou Chief and Council, who reviewed a draft in January 2012.

2. In the Smith-Francis orthography, adopted by the Grand Council in 1982, Mi'kmaq is the plural noun and the name of the language spoken by this First Nation, while Mi'kmaw is the singular noun and the adjectival form (see <http://mrc.cbu.ca/miscellany.html#1>). Several other orthographies remain in use throughout Mi'kmaw territory, including Metallic, Pacifique, and Rand.
3. Unama'ki means "land of fog."
4. Grand Chief Membertou was the first Mi'kmaw to be baptized as a Catholic in 1610 by missionaries.
5. The original design can still be seen on a wall in the Membertou Wellness Centre.

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FACTORS INFLUENCING THE ECONOMIC AND SOCIAL PROSPERITY OF ABORIGINAL PEOPLES

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Sara M. Rose

GRADUATE STUDENT, ECONOMICS DEPARTMENT, QUEEN'S UNIVERSITY

Wade R. Rose

SPROTT SCHOOL OF BUSINESS, CARLETON UNIVERSITY

ABSTRACT

Numerous historical and current factors have combined to influence the economic and social prosperity of Aboriginal peoples. This paper reviews the contrary governmental and Aboriginal perspectives of the history of the last few hundred years and provides an overview of the current situation in Aboriginal communities in North America. This is followed by a discussion of economic and social development factors taken from qualitative and quantitative studies found in the literature. Conclusions and suggestions for future research are provided.

INTRODUCTION

... the assumption [is] that Indians were probably just “primitive versions” of us, a people who needed only to “catch up” to escape the poverty and despair which afflicts far too many of their communities. That assumption is both false and dangerous. ... They are not just different versions of us. They began their journey to today not where we did, with the Mediterranean world-view classically enunciated by Plato and Aristotle. They began it in Asia, then brought that Asian world-view to the reality of a harsh, nomadic existence on this land mass many thousands of years before Plato was born. They developed, refined and sustained it over those centuries, and it sustained them. The paths they followed were completely different from ours as we

passed through the rise and fall of Greece and Rome, the Christian Middle Ages, the Renaissance, the development of a wage and money economy, secularization, and the growth of major cities. ... even the industrial revolution took place without their knowledge or direct involvement. ... we should not be surprised that we have difficulties communicating with each other. The wonder is that there has been any successful communication at all (Ross, 1992 p. xxii).

Since the arrival of Europeans in the Americas in the late fifteenth century, the story of the Indigenous people of this continent has been dramatically altered. The effects are the result of violent clashes which occurred between Indigenous peoples and the European newcomers, as

well as the long-term, overt and insidious domination of one culture over another (Wilkins, 1993). The outcome for the majority of Aboriginal communities in North America has been sustained poverty and underdevelopment (Anders, 1981; Cornell & Gil-Swedberg, 1995; Wilkins, 1993). The economic and social components of underdevelopment experienced by these communities are linked, in that without the funding supplied by economic prosperity, the programs required to meet social needs lack the resources to be effective. This link has been recognized by numerous scholars (Anderson, Dana & Dana, 2006; Richmond, Elliott, Matthews & Elliott, 2005; Vinje, 1996; Wood, 1999).

Many Aboriginal communities are located in remote areas where the provision of basic services such as clean drinking water, education and health care represent an ongoing struggle (Quinonez & Lavoie, 2009). Health and education have been shown to have a significant relationship both with each other and poverty (Todaro & Smith, 2009). Health improves education as healthier people are more successful in school and better able to use their education productively, while education provides the literacy and numeracy that health programs require, and both together increase economic productivity while their lack reinforces poverty. Often, Aboriginal communities also face the challenges brought about by chronic unemployment, and alcohol and drug abuse. However, some Aboriginal communities have found ways to meet these challenges and have provided a higher overall standard of living for the members of their communities (Cornell & Gil-Swedberg, 1995; Cornell & Kalt, 2000; O'Hara, 1995; Watson & Rowe, 1976; Wood, 1999). While each Aboriginal band is unique from a socio-historic perspective (Wilkins, 1993), a question arises as to the existence of common factors which may positively impact the economic and social development of these communities.

This paper will present the results of a literature review of relevant research whose aim is to uncover potential factors which may influence the economic and social prosperity of Aboriginal peoples. As a backdrop to the review, the contrary governmental and Aboriginal perspectives of the history of the last few hundred years will be discussed, and an overview of the current situation in Aboriginal communities in North

America will be provided. This will be followed by a discussion of economic and social development factors taken from qualitative and quantitative studies found in the literature. Conclusions and suggestions for future research will be provided.

TWO DIFFERENT HISTORICAL PERSPECTIVES

From a governmental perspective, for more than a hundred years, the governments of the United States and Canada have had, and continue to have, numerous support programs in place to provide social and economic program administration and funding for Aboriginal peoples (Saku, 2002; Vinje, 1996). Services include health care, education, public sector jobs on reserves, funding for social programs, funding for business enterprises, consultation services and the provision of infrastructure. The U.S. Bureau of Indian Affairs and the Canadian Department of Indian and Northern Affairs are government institutions which are funded to provide services and programs aimed at enhancing the welfare of Indigenous peoples. Numerous pieces of legislation and court decisions in the United States and Canada since the 1970s have recognized, to varying degrees, the right to self-determination and lands of Aboriginal peoples and have supported the formation of Aboriginal governmental institutions on reserves (Cornell & Gil-Swedberg, 1995; Saku, 2002). One example is the 1973 Calder decision by the Supreme Court of Canada which recognized that Indigenous peoples have a level of ownership of their traditional lands (Anderson et al., 2006). Coincidentally, this timing aligns with similar recognition and a loosening of federal control over Indigenous peoples in Australia (Eversole, 2003).

Canada has also been working to settle claims with various First Nations through the vehicle of Comprehensive Lands Claims Agreements (CLCAs). CLCAs take an approach that includes extensive involvement of Aboriginal peoples, provides settlements including large monetary and lands remedies, and includes self-government provisions. This trend started in the 1980s when the federal government shifted from a focus on industrial sector development for Aboriginal peoples (e.g. lumber), to a focus

on Aboriginal community development. The concept includes Aboriginal involvement and decision making, as well as the integration of economic, social and political institutional development. There is also an effort to align development efforts more closely with Aboriginal culture. Further, CLCAs have the flexibility to cluster groups of small communities together to reach a viable critical mass for economic development in the negotiations (Saku, 2002). This has proved positive in the Yukon where many of the First Nations are small communities with populations in the hundreds (Dacks, 2004).

From a non-First Nations perspective, it would seem that the federal governments in North America have put considerable effort and resources into improving the quality of life for Aboriginal peoples. However, the situation looks quite different from the perspective of the people who are continuing to live with the fall-out from the European colonization of North America. When the first Europeans arrived, native communities and cultures had been in place for thousands of years. They had their own versions of laws, ethics, health care, religion, trade and political institutions (Ross, 1992). Over the period of a few hundred years, most Indigenous bands were decimated from the onslaught of European diseases, conquest, removal from traditional lands and a systematic attack on Aboriginal religion and culture (Anders, 1981; Pelletier (Wawashkesh), 1972a; Richmond et al., 2005).

From a First Nations perspective, the pioneers arrived in North America ill-equipped to survive the harsh environment, and it was the native peoples who initially supported them and taught them how to survive (Pelletier (Wawashkesh), 1972a). The Indigenous peoples allowed the pioneers to live on the land but, to their surprise, the Europeans spread across the continent and took ownership of all the land they could acquire. The Aboriginals believe that 'God' wanted people to look after the land, but the Europeans wanted to own it (Dirthrower, 1972c) and use it for the production of goods (Dirthrower, 1972b). Over time, the Indigenous peoples were forced into smaller and/or less desirable tracts of land where poverty was inevitable, as were the social ills which often accompany poverty. At some point, non-native society began to try to help Aboriginal peoples but, because they lacked an understanding of Aborigi-

nal society and culture, the solutions often made the situations worse (Poole, 1972a). Many Aboriginal people believe that the ethical and cultural differences between First Nations and non-First Nations are of a fundamental nature (Pelletier (Wawashkesh), 1972b; Poole, 1972b) which has led to the inevitable negative impact of the 'White' solutions that have been imposed upon Aboriginal communities (Deverteuil & Wilson, 2010). First Nations can look back to a past where they were sovereign, self-sufficient nations; however, their present is one of dependency upon, and external control by, non-Aboriginal governments (Dirthrower, 1972a). The question of what the future holds is as yet unanswered.

THE CURRENT SITUATION

Although there is a range of economic and social development situations in Aboriginal communities, the majority share problems of poverty, health, unemployment and low education levels (Kuo, 1976; Ponting & Henderson, 2005; Zhou et al., 2012). There is a wide range of types of employment present in Aboriginal communities which can be grouped into traditional hunting, fishing and trapping economies (Whiteman & Cooper, 2000), natural resource exploitation (Caine & Krogman, 2010; McGregor, 2009), and those which are based upon manufacturing, tourism and other mainstream industries (Kutzner & Wright, 2010; Stabler, 1989). These economic poles also reflect two perspectives on Aboriginal economic development that have been discussed since the 1970s (Deprez, 1971). The 'romantic' perspective posits that Indigenous peoples cannot be pushed into modern life because they do not share the same materialistic focus as mainstream society. The 'imperialistic' perspective suggests that Aboriginals must pursue mainstream employment if they want economic prosperity. Since mainstream jobs are not plentiful on reserves, Aboriginals must either leave the reserves or develop industrial employment opportunities on-site (Wood, 1999). These two philosophies have led to a wide array of economic development programs ranging from aquaculture (Richmond et al., 2005) to casinos (Galbraith & Stiles, 2003; O'Hara, 1995). While some economic development efforts have provided employment and funding for social programs, others have failed to positively impact the pov-

erty and underdevelopment that plagues many of these communities.

The Royal Commission on Aboriginal Peoples (RCAP) (Canada, 1996) utilized 1991 census data as a baseline for its projections. As of 1991, general unemployment in Canada was 10.2%, while Aboriginal unemployment was 24.6%. Forty-two percent of on-reserve residents received welfare payments compared to 8% across the Canadian population. Forty-nine percent of off-reserve and 65% of on-reserve Aboriginal people lived in substandard housing. For the year 1996, the RCAP estimated the cost to the Canadian economy due to the socioeconomic conditions of Aboriginal people to be approximately \$7.5 billion, projecting a rise to \$11 billion by 2016 (Anderson et al., 2006). In the United States, the numbers are similar. For example, in 1998, the Pine Ridge Sioux had 50% unemployment with 47% of the population of the reserve on welfare. Ninety-five percent of all income on the reserve came from the U.S. government, including 80% of all jobs on the reserve being government jobs (Cornell & Kalt, 2000).

However, there are reserves that have been quite successful in developing on-reserve economies and providing employment. In Canada, success stories include the Osoyoos Indian Band and the Lac La Ronge First Nation (Anderson et al., 2006). The Osoyoos Indian Band Development Corporation has created successful companies involving construction, sand and gravel, a winery, golf courses and tourism. It is also worth noting that this has been accomplished in a way which protects the environment despite being in a very sensitive ecological area. Their 1994 revenue was \$1.3 million which grew to \$12 million by 2002. A 2003 profit of \$1 million was recorded, with 60% of the profit going to community social programs. During the period 1986 to 2001, unemployment fell from 26.9% to 9.3%. Similarly, the Lac La Ronge First Nation increased revenue from \$5 million in 1986 to \$23.4 million in 2001. They employ 500 people, two thirds of whom are Aboriginal, and have created 410 jobs. However, their 1986 unemployment rate of 32% had been reduced by only 2% as of 2001, so there is much work left to be accomplished.

Success stories are also found in the United States. Despite the fact that the Mississippi

Choctaw live in a resource poor area and previously had dismal poverty and unemployment rates, they have become the second largest employer in Mississippi (Cornell & Kalt, 2000). All band members who want a job are employed, and their industries also import labour of 6000 non-Aboriginals. Their enterprises include plastics, electronics, auto subassembly manufacturing, greeting card production, a construction company, a golf course and a casino. They have also opened an auto subassembly manufacturing plant in Mexico. In 1999, the operations employed 12,000 people with \$170 million in annual wages. Welfare is only 3%, which is much lower than the U.S. average, and a portion of the profits from operations are invested in community social programs. Similarly, the Fort Totten Indian Reservation opened a defence related camouflage netting manufacturing plant which employed 200 on-reserve people and was profitable within four months (Watson & Rowe, 1976).

In 1988, the U.S. government passed the Indian Gaming Regulatory Act to provide a source of on-reserve funding to stimulate greater entrepreneurial efforts by Aboriginals in the private sector (Galbraith & Stiles, 2003). The 1980s were a difficult time on U.S. Aboriginal reserves as the federal government dramatically cut native program, education and training spending. While the U.S. federal government had previously provided 75–100% of funding for economic development initiatives, this dropped to 25%. Unfortunately, natural resources prices, which often fuelled on-reserve industry, also dropped during this timeframe. By 1990, the conditions for Aboriginal peoples on U.S. reserves were often worse than they had been in 1970, including higher rates of poverty and unemployment. The 1988 Indian Gaming Regulatory Act was a welcome alternative for many native communities (Vinje, 1996). As of 1996, there were approximately 200 native owned casinos in the United States generating in excess of a billion dollars annually. This has grown such that in 2008, there were over 400 native owned casinos in 28 U.S. states with a total revenue of \$26.7 billion (Ackerman & Bunch, 2012). The on-reserve establishments have provided jobs, as well as funds for additional business development and the support of various social development projects such as housing, education and medical

care. However, the risks associated with gambling addictions and an over-reliance on this form of revenue generation are also present. It should also be noted that numerous state governments have lobbied the federal government to restrict the growth of native controlled gambling establishments or have tried to create internal state barriers. In 1992, the White Mountain Apache requested a gaming licence from the government of Arizona (O'Hara, 1995). After six months of minimal progress in negotiations, the tribe sued the Governor and the state of Arizona. In 1993, the courts approved the gaming request of this tribe and two others. The White Mountain Apache casino opened in December 1994, was extremely successful, and grew quickly. Revenues from the gaming venture have been reinvested to create additional tourist attractions on the reserve including a Recreational Vehicle park, cultural museums and a restored fort. Casinos owned by Aboriginal bands are also present in Canada, but in both countries, the long-term entrepreneurial spin-offs are inconsistent (Galbraith & Stiles, 2003).

While economic successes can generate optimism, they can also uncover a level of inexperience that can leave the bands open to unscrupulous individuals who can be attracted to the settlements provided by governments. For example, in 2007, the Canadian federal government provided \$15 million as compensation to four Alberta Aboriginal communities for issues related to a nearby air weapons range (Petten, 2007). While \$7.5 million was to go to infrastructure, the remaining \$7.5 million would be invested. One of the community mayors told the press, based on his observations of another band's experience, that he anticipated the fund would grow to a sum that would require a 24% compounded annual rate of return over a ten year period. Obviously, this is unrealistic and represents the kind of thinking that can move an organization toward high-risk projects.

In Canada, the topic of Aboriginal economic and social development is often in the media and is discussed at the federal and provincial government levels on an ongoing basis. The federal government's efforts have focused on a number of different philosophies over the past several decades, resulting in few positive outcomes (Saku, 2002). In line with an imperialistic perspective (Deprez, 1971), the 1966 Hawthorn

report promoted the migration of Aboriginals out of their communities and into urban centres. The government provided skills-training but the program was not successful as it disrupted the Aboriginal lifestyle, family support structure and language. The importance of extended-family proximity for Aboriginal people is still not fully recognized by government managers (Ross, 1992). This finding underlines the importance of recognizing Indigenous culture and knowledge for the purposes of development and empowerment (Briggs & Sharp, 2004). In the 1970s, the federal government shifted focus to funding on-reserve projects. However, the infrastructure was not present to support the projects and many communities were so remote and small that economic development was difficult to achieve with this approach.

In the 1980s, the government changed its strategy to support particular sectors such as forestry, arts and tourism (Saku, 2002). While this was more successful than previous approaches, it was viewed as having too much governmental control over financial and program related issues. The next approach was a focus on human development including promoting completion of secondary school. Studies suggest that increasing the secondary school completion rate could increase the share of income of the bottom 60% of the population (Bourguignon & Morrisson, 1990), as well as raise the productivity of workers and facilitate managerial capacity and skill acquisition (Ranis, Stewart & Ramirez, 2000). Further, the literacy, numeracy and discipline gained from secondary school would be helpful for even 'unskilled' workers (Wood, 1994; Owens & Wood, 1995). All these effects suggest positive changes; however, while this approach was successful in increasing graduation rates, it promoted movement to urban centres and assimilation into external cultures which was viewed negatively by many Aboriginal groups.

Throughout the 1980s, community development was also pursued, including increased Aboriginal involvement and the integration of economic, social and political institutional development (Saku, 2002). This effort was more closely aligned with Aboriginal culture and community decision making. This approach has been mimicked by the CLCAs as they provide funds which can be used for programs and investments, both local and external. For example, the

Inuvialuit Development Corporation used its \$150 million cash settlement and ongoing oil and gas royalties to acquire and invest in companies across Canada, as well as investing locally (Lamman & Hallman, 1990). Ongoing revenue streams such as these can lead to skills development, employment and funding for social development. Modern treaties such as CLCAs include recognition of lands claims, financial compensation and self-government issues (Saku, 2002).

Slowey (2001) brings another perspective to the use of CLCAs. She states that the self-government provisions of CLCAs are heavily influenced by globalization, whereby governments are handing-off the economic and social development issues of Aboriginal communities to industry. By promoting First Nations' partnering with corporations, they are effectively transferring First Nations dependency from the federal government to corporations. The author feels that the initial costs associated with final settlements are viewed as long-term savings opportunities by governments in terms of both direct funding and administrative costs. Although the financial settlements are often in excess of \$100 million, it is notable that Aboriginal communities will be unable to provide services over the long-term that are commensurate with those previously provided by the federal government. Despite the size of the settlements, there is a deficit in terms of funding, infrastructure and skills (Dacks, 2004). Further, the large settlements can create power structures in communities and, in some cases, facilitate corruption (Anderson et al., 2006; Cornell & Kalt, 2000). Corruption has historically been shown to negatively affect development (Gould & Amaro-Reyes, 1983; United Nations, 1989; Klitgaard, 1991; Shleifer & Vishny, 1993). One such negative effect, which is relevant for development in Aboriginal settlements, is that higher levels of corruption lead to lower levels of private investment (Mauro, 1993).

One of the most fundamental issues with respect to Aboriginal peoples in Canada is the particular vision of self-government that is being followed in this evolving process (Murphy, 2008; Ponting & Henderson, 2005). The Canadian government's vision of Aboriginal self-government sees First Nations' powers being derived from the government. Ponting and Henderson posit that this means the right to self-government is contingent rather than inherent. Contingencies

include required levels of accountability and transparency, and an acknowledgement that federal legislation supersedes First Nations policies in areas such as criminal law and the Charter and Constitution of Canada. A second vision sees Aboriginal self-government as an inherent right of First Nations. This view is held by various Aboriginal leaders and was acknowledged by the 1996 RCAP (Canada). This vision sees First Nations dealing with the government of Canada on a nation-to-nation basis; however, it also views Canada as having an ongoing responsibility to provide a level of funding to these self-governed First Nations. What is not clear is how a First Nation government representing a few hundred or a few thousand people would have the financial, administrative and other skills necessary to deal with a modern national government on a level basis. This issue has surfaced in the aftermath of the Yukon final land claims agreement where 9 of the 14 First Nations have signed self-government agreements (Dacks, 2004). Because of staff capacity limitations, few program responsibilities have been transferred. In addition, the federal government wants to use historical funding as a guideline for program related financial transfers, but First Nations want an amount that allows the pursuit of all reasonable program goals. Given that the 14 different First Nations in the Yukon have populations ranging from 100 to 1100, with a total of less than 7000, the cost of setting up separate bureaucratic infrastructures for each First Nation would far exceed the current costs which leverage the savings inherent in centralizing the oversight of services.

In the above paragraphs, a very brief overview has been provided of the plethora of cultural, political and historical issues which surround the economic and social development of Aboriginal peoples. Examples from the United States and Canada have demonstrated the wide variety of programs, industries and initiatives which have been attempted on reserves to provide employment and funding for social programs and new enterprises. While poverty, unemployment and economic underdevelopment plague most reserves, there are Aboriginal bands who have demonstrated that increased levels of economic and social development are possible. The discussion below focuses on factors which have been related to increased Aboriginal com-

munity economic and social development in a number of qualitative and quantitative studies.

FACTORS AFFECTING THE ECONOMIC AND SOCIAL DEVELOPMENT OF ABORIGINAL PEOPLES

With the increase in political and economic self-determination of Aboriginal peoples in the United States and Canada since the 1970s (Cornell & Kalt, 2000; Dacks, 2004; Saku, 2002), there has been a wide range of economic initiatives implemented on reserves throughout North America, with a corresponding range of results. While bands with significant ownership of land and natural resources such as the Crow of Montana live in extreme poverty, resource poor bands such as the Mississippi Choctaw have become among the largest employers in their state (Cornell & Kalt, 2000). Similar diversity in outcomes can be seen in the Canadian context, even among bands who have received large settlements through CLCAs (Anderson et al., 2006; Saku, 2002). Aboriginal economies have also chosen different ways to develop, some with inherent resource endowments and some not, such as large publicly owned businesses, traditional harvesting and small entrepreneurial businesses (Newhouse, 1999).

With over 500 Aboriginal groups in the United States (Wilkins, 1993) and 614 Aboriginal communities in Canada (INAC, 2008), the mixed results should be expected. Each of these communities is unique in terms of its culture, history of interaction with governments, capital and lands availability, geographic proximity to larger centers, educational levels and skill-sets present in the community, political and bureaucratic infrastructure, physical infrastructure and many other parameters which may impact its ability to prosper. While the research is not extensive, a number of interesting qualitative and quantitative studies have been carried out in Canada and the United States to identify factors which may impact these diverse communities' ability to increase economic and social development. While each of the identified factors would require customization to allow application in a particular community, they cumulatively represent potential guidelines to be considered when a community is planning its economic and social development.

In a multi-year study across 15 different Aboriginal bands in the United States, the Harvard Project on American Indian Economic Development (Cornell & Kalt, 1990) tried to identify key variables which separated economically developed bands from those with ongoing severe problems of poverty and underdevelopment. The study involved fieldwork by researchers, research assistants and master's students, and produced approximately 225 separate studies. The key findings have to do with the presence of effective self-governance institutions in the bands who have achieved greater economic success (Cornell & Kalt, 2000). The more successful bands have effective governance systems in place which include checks and balances against corruption and the abuse of power. Some bands have parliamentary style systems whereby a leader is not individually elected by a specific power-base. Others have developed independent and strong judicial systems or ethics boards which are not controlled by band councils. This ensures that grievances against those in power are heard by an independent body. Other bands have systems in place whereby grievances and claims are sent to an outside third-party for arbitration. Finally, Cornell and Kalt note that some bands use detailed constitutional documents which clearly delineate and allocate power so that chiefs and councils are limited in the power they can wield toward self-serving behaviours. The authors use the Crow as an example of a band who have no checks and balances or separation of powers in place, and believe that the extreme poverty experienced by the community is a result of the corruption allowed by their political situation. This is not a reflection on Aboriginal peoples. Despite the multi-layered laws and governance frameworks present in mainstream society's government and business organizations, political and business scandals are ever-present. It should come as no surprise that checks and balances on power and the allocation of capital are critical components of effective economic and social development in Aboriginal communities (Owers & Weber, 1997; Wilkins, 1993).

Cornell and Gil-Swedberg (1995) note the importance to institutional legitimacy of each community's governance institutions aligning with its historically specific informal institutions. With these culturally specific institutions in place, the

band can assert control over its own affairs. For example, in a 16-year longitudinal study of the Navajo, Ruffing (1976) found that the communal residence group nature of the Navajo necessitated a strategy which featured residence groups as decision making units. Economic development approaches that did not align with this philosophy were not successful for this band. Cornell and Gil-Swedberg also note that greater outside economic and political control and interference leads to a level of dependency that prevents the development of internal and effective governance institutions. Even when outside interference and control is well-intentioned and carried out in a participatory context, the results are often suboptimal due to issues of program initiative ownership and control, especially when a culture of dependency is present (Eversole, 2003). This leads to Cornell and Gil-Swedberg's conclusion that self-governance and the creation of effective institutions which feature checks and balances, and separation of powers, are critical elements in the evolution of sustained economic and social development. This leads to a positive, self-reinforcing cycle as economic development is also viewed as key to self-government (Newhouse, 1999).

Not surprisingly, increasing educational levels is an oft-quoted factor toward increasing economic prosperity, as it raises productivity and skills acquisition, and the development of integral institutions such as effective governance (Ranis et. al., 2000); however, this premise is not universally accepted, nor are study results consistent across different Aboriginal peoples. Cornell and Kalt (2000) note that although the Crow had a 52% high school graduation rate in 1990, their unemployment rate was 60%. They compare these numbers to the White Mountain Apache who had only a 34% high school graduation rate but an 11% unemployment rate. This band's businesses include saw mills, a ski resort, a casino, and hunting and fishing businesses. Cornell and Gil-Swedberg (1995) state that high school graduation rates did not explain any significant portion of the differences in economic situation between the White Mountain, San Carlos and Mascelero Apache bands, which range from extreme poverty to good economic development. However, it should be noted that these bands had significant differences in the stability of their political institutions to a level

whereby educational impacts may have been undetectable.

In a 1976 quantitative study of educational impact on individual earning in the Mackenzie District of Northern Canada, Kuo (1976) found that educational impacts were specific to the group being studied. Attendance in elementary and secondary school had a significant impact on earnings for First Nations people. Non-Aboriginals in the region had to attend high school to have a significant effect, while Métis had an effect if they attained grade four. Inuit people received no significant effect on earnings from grade school education; however, university and vocational school did produce an effect for these people. While this study is older, it does highlight the differences in levels of education which might be expected by employers in the more remote areas of the country. However, given the increasing level of technology involved in many jobs and businesses over the past three decades, it is possible that education level may play a much greater role today relative to both individual earnings and the ability of a community to initiate and sustain integral economic development. Further, a U.S. study (Smith, 1977) from the same era which looked at the ability of job creation projects to actually create jobs on reserves had different findings relative to education. It found that a more educated populous was a key success factor in the ability of projects to create jobs on reserves.

It is proposed that the link between education and government project related job creation may be extrapolated to job creation by bands who manage their own economic development. In a study that examined 30 years of economic development by U.S. Aboriginal bands using census data (Vinje, 1996), the author found that education as an independent variable regressed against poverty levels, explained approximately 50% of the variation in poverty levels on the 23 reserves examined. When the presence of on-reserve manufacturing employment opportunity is added as an additional independent variable, 82% of poverty variation is explained. Based on these results, one could posit that the combination of education and employment opportunity can have a powerful effect upon the economic and social conditions of Aboriginal peoples. This argument can also be made relative to training for operations level employees.

In a case study of the start-up of an assembly plant at the Fort Totten reserve in North Dakota (Watson & Rowe, 1976), the authors found that the implementation of a structured individual assessment and training program directly led to the success of the facility and the 200 on-reserve jobs created.

A case study of the Mississippi Choctaw band's (Wood, 1999) economic and social development aptly illustrates the key roles played by governance institution development and job skills training as discussed above. It also highlights the importance of planning and the use of outside professionals where additional expertise is needed. The use of outside expertise was also identified as an important factor in successful land and resource management at Lax Kw'alaams (Matthews & Young, 2005). Further, Wood's article discusses the importance of leveraging inherent advantages such as legislation related to minority status. It could be argued that ownership of the land upon which operations are sited can also be leveraged as land generally represents significant ongoing costs for any business.

In 1969, the Chata Development Company, led by a separate board of directors, was formed as a construction company and as an entity charged with enhancing the economic development and on-reserve employment opportunities for the Mississippi Choctaw band (Wood, 1999). It created an industrial park in 1971 and sought businesses that would be willing to site operations on the reserve. The first company to open on the site was an auto parts manufacturing plant which, as of 1999, employed 900 people. Based on the success of this plant, the Chata Development Company later opened a second plant in Mexico to focus on global markets. In 1981, a greeting card company started in the park which employed 150 people by 1990. A number of other companies also moved into the site due to the success of the auto parts plant and business advantages related to minority status legislative provisions. As of 1999, the band employed over 12,000 people, had an unemployment rate lower than the state average, and had an annual payroll of approximately \$170 million (Cornell & Kalt, 2000).

In addition to its development arm, the band created a separate Center for Strategic Planning in 1971 to be responsible for development plan-

ning (Wood, 1999). The Centre used a strategic planning process to develop a 5-year high level plan and then utilized an outside consulting company to develop a detailed operational plan which focused on manufacturing, agricultural and recreational business opportunities. The band also created a Manpower Program to train people with needed skills to ensure that band members were able to take advantage of the opportunities materializing from the various businesses in the industrial park. The band extensively and continually used external consultants to help prepare plans and also hired economic development professionals from the outside.

In addition to the governance institutions created and the focus on skills training, the use of outside professionals and the dedication to objective planning allowed the reserve economy to grow. It may be worthy of note that the band chose and hired the outside consulting resources themselves, as opposed to the resources being chosen and hired by the government. The growth of the reserve economy allowed band members to enjoy the payroll income and social program funding which resulted. Wood (1999) also credits minority status with helping attract businesses to the industrial park as some U.S. businesses have quotas relative to working with minority suppliers and partners. Similar requirements are often present in Canada for businesses engaged in the provision of services to government departments and agencies. In addition, Aboriginal Business Canada (ABC/INAC, 2008), a program of the Department of Indian and Northern Affairs, provides financial and business information support to new and existing, majority-owned Aboriginal enterprises. Leveraging this financial support, and the financial advantage brought about by the absence of land-related expenditures, may be factors in aiding economic and social development in other Aboriginal communities.

Since the 1970s, the governments of the United States and Canada have taken various actions which have resulted in an increasing ability of Aboriginal peoples to chart their own courses toward higher levels of economic and social development (Cornell & Kalt, 2000; Dacks, 2004; Saku, 2002). A diverse array of business initiatives have been implemented on reserves across North America with a range of outcomes from increased prosperity to little measurable effect. This is not surprising given the unique

nature of the over 1100 Aboriginal bands in Canada and the United States. Qualitative and quantitative studies have been carried out to gain an understanding of the factors which may influence the relative success of the development initiatives; however, considering the large number of communities involved and the distinctive circumstances under which each is operating, a tremendous amount of work still needs to be done. Based upon the research currently available, a number of factors have been identified which may aid communities in their ongoing efforts to enhance economic development. First, Aboriginal communities must have the freedom to determine their own approaches. While government financial support is critical, governments must refrain from interference and control over the political and economic development initiatives undertaken. Aboriginal bands should develop effective governance institutions which feature checks and balances and separation of powers relative to political authority, capital allocation and grievance procedures. To have legitimacy, these institutions must align with the particular culture and traditions of the particular band. Education and skills training must be available and exploited to allow Aboriginal peoples to take advantage of available employment and business opportunities. Effective planning processes should be utilized to take appropriate advantage of internal and external conditions and opportunities, and external expertise should be used where required skills are not available internally. Finally, inherent business advantages such as minority status, Aboriginal business support, and available capital resources such as land should be leveraged to maximum effect toward the attraction of economic opportunity. While all these factors must be customized to the particular band and circumstances involved, their consideration relative to the economic and social development of Aboriginal communities should increase the probability of successful outcomes.

CONCLUSIONS AND FUTURE RESEARCH

The story of the Aboriginal peoples in Canada and the United States is one of exploitation, misunderstanding, poverty and the presence of extreme social problems. However, some bands

in both countries have taken steps to better the lives of community members through successful economic and social development. While the available research is not sufficient to conclusively inform new efforts in terms of factors which positively impact results, available qualitative and quantitative studies do provide tentative guidelines which may help Aboriginal communities in this regard. Key factors among these results are self-determination of bands, effective governance institutions aligned with band culture including checks and balances and separation of powers, education and training, strategic planning, the use of outside expertise where appropriate, and the leveraging of inherent advantages such as minority status and government business initiative support. Each of these factors and its supporting research is discussed in the section above.

Although the available research does not provide the data to specify the relationships between these factors, some linkages are implied. Perhaps the foundation upon which all the factors reside is effective governance institutions which work in concert with the unique culture of the particular band. If frameworks are not in place which provide checks and balances against corruption, no amount of economic prosperity will reach all the people in particular communities in an equitable way. Separation of powers, especially in terms of political authority, capital allocation and grievance procedures, can make it very difficult for individuals to take significant actions solely for their own ends. If these institutions are in place, effective self-determination of bands can proceed and lead to breaking the cycle of dependency on external levels of government. While all the expertise necessary for effective strategic and operational planning, and economic development are unlikely to be resident in these small communities, it can be hired, as has been done successfully by various bands (Wood, 1999). These resources can also be reproduced internally over time through effective education and training. If developed plans and actions effectively leverage land ownership, minority status and government business initiative support, significant positive results are possible. However, it should not be forgotten that each of these communities represents a unique set of challenges based upon its available resources, location, current social issues and history. There is no generic solution that fits all cases.

A theoretical model is not yet available which would allow researchers to better understand the tacit and explicit aspects of this phenomenon, or Aboriginal communities to better implement economic and social development initiatives. The study of this phenomenon is extremely complex and requires methodologies which accommodate the depth of analysis necessary to provide meaningful results. A qualitative approach allows an open ended form of inquiry which permits the researcher the freedom to explore unforeseen avenues, even during the data gathering phase (Bradbury & Lichtenstein, 2000; Lee, Mitchell & Sablynski, 1999). It is suggested that a qualitative approach used over a number of in-depth case studies may provide the insight necessary to develop theory around the complexity of economic and social development in Aboriginal communities. The resulting theoretical contribution would be valuable to both researchers and the Aboriginal bands who continue to struggle with these complex issues.

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Editor's Introduction

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Robert J. Oppenheimer

In the article “Aboriginal Employment: Improved in 2011, but still has a ways to go”, Oppenheimer discusses the employment picture in Canada for Aboriginals and non-Aboriginals in 2011 as compared to 2010. Employment rates by age, gender, education level, industry, province and territory are presented. By examining employment patterns it is possible to obtain an overview of this important aspect of the State of the Aboriginal Economy. As indicated by the title of the article, employment rates have improved in 2011, but Aboriginal employment remains considerably below those of non-Aboriginals. The article shows that a large part of this gap may be explained by the lower levels of education obtained by Aboriginals.

Colbourne, in his article, “Ch’nook Indigenous business education initiative”, reports the employment levels in British Columbia. Similar to the conclusion reached in Oppenheimer’s article, he notes the gap in educational levels obtained by Aboriginals compared with non-Aboriginals in British Columbia. He then identifies the critical need for further education, particularly in business for Aboriginal youth. The article discusses how Ch’nook addresses this need and the opportunities it provides. The development of Ch’nook is described and it may serve as a possible model for others to adopt. Contact information is provided for those seeking to learn more about Ch’nook as well as how to create such an initiative.

ABORIGINAL EMPLOYMENT

Improved in 2011, but still has a ways to go

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Robert J. Oppenheimer

JOHN MOLSON SCHOOL OF BUSINESS, CONCORDIA UNIVERSITY

ABSTRACT

Employment is an important indicator of economic development. The Aboriginal employment rate in Canada increased to 55.8 in 2011, from 53.7 in 2010. This was an increase of 19,700 jobs. It increased more for Aboriginal men than for women in 2011. The strong relationship between higher levels of education and employment highlights a clear path for improving employment rates. Ontario experienced the greatest increase in employment with 8,800 new Aboriginal jobs in 2011, with employment growing in every province except Prince Edward Island, where it was flat. It was basically stable in the three territories. The sectors experiencing the greatest increases in employment were in retail trade and in manufacturing.

INTRODUCTION

The State of the Aboriginal Economy may be evaluated, in part, by the level of employment. Data on employment is provided by Statistics Canada for Aboriginals living off reserves. Unfortunately, it is not available for those living on reserves. In this paper the data from Statistics Canada is used to examine employment from a number of perspectives. The overall employment picture improved in 2011, compared to 2010; however, in this article we are able to see considerable differences when we look at the patterns based upon age, gender, educational level, province and territory and industrial sector. The purpose of this is to provide a clearer picture of employment within Canada.

AN OVERVIEW

The employment rate for Aboriginals in Canada, living off reserves, has improved by 3.9 percent;

from a rate of 53.7 in 2010 to 55.8 in 2011. This increase compares favourably with the increase for non-Aboriginals. Their overall employment rates were 62.0 in 2011 and 61.8 in 2010, an increase of .3 percent. Historically, non-Aboriginal employment rates have been higher and the narrowing of this gap may be seen as encouraging, even though there is still a long way to go.

To better understand the numbers that will be discussed it is helpful to know the basis for the terms used by Statistics Canada and referred to in this paper. The employment rate is the percent of the population that is employed. The total Aboriginal population in Canada's ten provinces (living off reserves) over the age of 15 was 670,500 in 2011 and the number of those employed in 2011 was 374,500. The number employed, 374,500, divided by the population, 670,500, is the employment rate, 55.8.

The unemployment rate is not the opposite of the employment rate. This is because to be

TABLE 1
Labour Force Estimates for Canada
 2010 and 2011 annual averages, in thousands (except the rates)

	<i>Non-Aboriginal</i>		<i>Aboriginal</i>		<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>% Change in 2011</i>	
Population	26997.5	27316.6	660.6	670.5	1.2	1.5
Labour force	18110.3	18268.7	413.8	430.1	0.9	3.9
Employment	16684.5	16931.9	354.8	374.5	1.5	5.6
Full-time employment	13452.0	13696.2	283.8	297.6	1.8	4.9
Part-time employment	3232.5	3235.7	71.0	76.9	0.1	8.3
Unemployment	1425.8	1336.8	59.0	55.7	-6.2	-5.6
Not in labour force	8887.2	9047.9	246.8	240.4	1.8	-2.6
Unemployment rate	7.9	7.3	14.3	12.9	-7.6	-9.8
Participation rate	67.1	66.9	62.6	64.1	-0.3	2.4
Employment rate	61.8	62.0	53.7	55.8	0.3	3.9

Note: Data based on 10 provinces, 15 years and older, and living-off reserve.

Source: Statistics Canada, Labour Force Survey.

considered unemployed one needs to be in the labour force and those who are not looking for a job are not considered to be in the labour force. The labour force of 430,100 in 2011 consists of those who are employed (374,500) and those who are unemployed and looking for work (55,700). To calculate the unemployment rate, 12.9, the number of unemployed, 55,700, is divided by the labour force, 430,100. This is an improvement from the 2010 unemployment rate of 14.3. However, when contrasted with the unemployment rates for non-Aboriginals of 7.3 in 2011 and 7.9 in 2010, it says that a lot more needs to be done.

The participation rate of 64.1 is the labour force (430,100) divided by the population (670,500). The Aboriginal labour force increased by 16,300 in 2011 (430,100) over that in 2010 (413,800) while the population increased by 9,900 (670,500 in 2011 and 660,600 in 2010). This resulted in the participation rate increasing to 64.1 in 2011 from 62.6 in 2010. This is generally considered positive as a greater percent of the population was seeking to be employed. The 2011 gap in the participation rate between Aboriginals (64.1) and non-Aboriginals (66.9) is not that wide and maybe seen as positive.

EMPLOYMENT RATES BY AGE AND GENDER

The growth in employment came from both men and women in all Aboriginal age groups, except women over 55. However, this group remains the only age and gender category in which the employment rate is higher for Aboriginals than for non-Aboriginals. Further, the gap between the employment rate for Aboriginal and non-Aboriginals narrowed for each gender and age category in 2011 compared to 2010, except for women over 55. Meaningful increases in employment rates occurred for men in the 15 to 24 age group (45.3 in 2010 to 48.4 in 2011, a 6.8% increase). The increase for men above 55 was huge (30.4 in 2010 to 37.7 in 2011, a 24.0% increase). Employment rates are still considerably higher for the corresponding non-Aboriginal age and gender categories; nonetheless, the improvements are encouraging.

UNEMPLOYMENT RATES BY AGE AND GENDER

Examining the unemployment rates by age and gender provides a basis for better understanding specific areas of concern. The unemployment

TABLE 2
Labour Force Estimates for Canada
Employment Rates

	<i>Percent Employed</i>				<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	<i>Non-Aboriginal</i>		<i>Aboriginal</i>			
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>		
<i>Both sexes</i>						
15 years and over	61.8	62.0	53.7	55.8	0.3	3.9
15–24 years	55.3	55.8	45.0	47.3	0.9	5.1
25–54 years	80.9	81.3	65.8	67.8	0.5	3.0
55 years and over	33.7	34.1	30.3	33.3	1.2	9.9
<i>Men</i>						
15 years and over	65.6	66.0	56.0	59.1	0.6	5.5
15–24 years	53.7	54.7	45.3	48.4	1.9	6.8
25–54 years	84.3	85.1	69.8	71.7	0.9	2.7
55 years and over	39.5	39.7	30.4	37.7	0.5	24.0
<i>Women</i>						
15 years and over	58.1	58.0	51.6	52.8	–0.2	2.3
15–24 years	57.0	56.9	44.7	46.3	–0.2	3.6
25–54 years	77.4	77.6	62.1	64.2	0.3	3.4
55 years and over	28.6	29.1	30.3	29.3	1.7	–3.3

Source: Statistics Canada, Labour Force Survey.

rates for, those 15 to 24, are significantly higher than for others and is considerably worse for Aboriginals (21.1 in 2010 and 19.2 in 2011), when compared with non-Aboriginals (14.6 in 2010 and 14.0 in 2011). The unemployment rates for women are lower than for men. Aboriginal women, aged 15 to 24, had unemployment rates of 18.3 in 2010 and 16.1 in 2011. This improvement may be compared with the lack of change for non-Aboriginal women in the 15 to 24 age group, which remained at 12.2 in 2010 and 2011.

The age and gender group with the highest unemployment rate is men between 15 and 24. Aboriginal men in this group had unemployment rates of 23.8 in 2010 and 22.2 in 2011. Non-Aboriginal men had unemployment rates of 16.9 in 2010 and 15.6 for 2011. Although these rates show an improvement, they once again highlight the need to take further action to address this unacceptably high level of youth unemployment.

On a more positive note, the unemployment rates dropped for both men and women in

each of the age groups for Aboriginals and non-Aboriginals, except for non-Aboriginal women over 55 when 2011 is compared to 2010.

EMPLOYMENT AND EDUCATION

When educational levels are examined, the 6.2 difference in employment rates between Aboriginal and non-Aboriginals may be better understood (55.8 and 62.0 respectively, in 2011). Rates of employment are related to educational levels. In almost all cases, the higher the level of education, the higher is the employment rate. The one exception, which applies to both Aboriginal and non-Aboriginals, is for those who receive some post-secondary education, but do not obtain a post-secondary certificate, such as a trade certificate or college diploma. The difference in employment rates for this group is 5.6 and it is the largest gap in the employment rates between Aboriginal and non-Aboriginals, when examining education levels (54.9 and 60.5 respectively, in 2011). The next largest difference is

TABLE 3
Labour Force Estimates for Canada
Unemployment Rates

	<i>Percent Unemployed</i>				<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	<i>Non-Aboriginal</i>		<i>Aboriginal</i>			
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>		
<i>Both sexes</i>						
15 years and over	7.9	7.3	14.3	12.9	-7.6	-9.8
15-24 years	14.6	14.0	21.1	19.2	-4.1	-9.0
25-54 years	6.8	6.1	12.3	11.0	-10.3	-10.6
55 years and over	6.3	6.3	12.4	11.4	0.0	-8.1
<i>Men</i>						
15 years and over	8.6	66.0	15.8	14.7	-10.5	-7.0
15-24 years	16.9	54.7	23.8	22.2	-7.7	-6.7
25-54 years	7.2	85.1	13.3	12.5	-13.9	-6.0
55 years and over	7.0	39.7	14.9	12.7	-5.7	-14.8
<i>Women</i>						
15 years and over	7.1	58.0	12.7	11.0	-2.8	-13.4
15-24 years	12.2	56.9	18.3	16.1	0.0	-12.0
25-54 years	6.3	77.6	11.3	9.5	-6.3	-15.9
55 years and over	5.4	29.1	9.9	9.8	7.4	-1.0

Source: Statistics Canada, Labour Force Survey.

4.4, with Aboriginals having a higher employment rate. This is for those with a University Degree, a Bachelor and higher, where the employment rate was 78.9 for Aboriginals and 74.5 for non-Aboriginals in 2011.

The reason the difference in employment rates is 6.2, when the largest gap by educational level is 5.6, is that a much larger percent of Aboriginals, 31.8%, have less than a high school education, than do non-Aboriginals, 19.2%. The employment rate for those with less than high school is 33.3 for Aboriginals and 33.6 for non-Aboriginals. This compares to the employment rates for those who have graduated high school or higher, which in 2011 was 66.4 for Aboriginals and 68.7 for non-Aboriginals. This is a difference of only 2.3 (68.7 - 66.4) versus the overall difference of 6.2 (62.0 - 55.8). A reasonable conclusion is that further action should be taken to ensure that more students complete high school and pursue and obtain higher levels of education.

EMPLOYMENT BY PROVINCE AND TERRITORY

Ontario is the province with the highest number of Aboriginals living off reserves. It had the highest increase in Aboriginal employment growing from 81,300 in 2010 to 90,100 in 2011. This 8,800 increase in employment accounted for 44.7 percent of the 19,700 increase in Aboriginal employment from 2010 to 2011. The next largest increases were in Manitoba and Saskatchewan both seeing an increase of 2,600 in employment for Aboriginals. Quebec followed with an increase of 2,300 and Alberta and British Columbia had increases of 1,000. Despite having an increase in employment of 1000, Alberta experienced a decline in its employment rate. This is because its population grew at an even faster rate.

The largest increase in the rate of employment for Aboriginals occurred in Newfoundland and Labrador, with an increased rate of 6.5,

TABLE 4
Labour Force Estimates for Canada by Highest Level of Educational Attainment
2010 and 2011 annual averages — Population in thousands

	<i>Non-Aboriginal</i>		<i>Aboriginal</i>		<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	2010	2011	2010	2011	% Change in 2011	
<i>Total, all education levels</i>						
Employment rate	61.8	62	53.7	55.8	0.3	3.9
Population	26997.5	27316.6	660.6	670.5	1.2	1.5
Percent of total population	100.0	100.0	100.0	100.0	0.0	0.0
<i>Less than high school</i>						
Employment rate	33.7	33.6	32.2	33.3	-0.3	3.4
Population	5363.2	5236.3	219.5	213.3	-2.4	-2.8
Percent of total population	19.9	19.2	33.2	31.8	-3.5	-4.2
<i>0-8 years</i>						
Employment rate	19.8	19.7	17.5	15.9	-0.5	-9.1
Population	1763.9	1715.2	46.1	46.6	-2.8	1.1
Percent of total population	6.5	6.3	7.0	7.0	-3.1	0.0
<i>9 to 10 years</i>						
Employment rate	35.7	35.8	31.5	34.2	0.3	8.6
Population	2219.6	2161.7	103	103.5	-2.6	0.5
Percent of total population	8.2	7.9	15.6	15.4	-3.7	-1.3
<i>11 to 13 years non-graduate</i>						
Employment rate	48.1	47.4	42.8	44.7	-1.5	4.4
Population	1379.7	1359.3	70.4	63.1	-1.5	-10.4
Percent of total population	5.1	5.0	10.7	9.4	-2.0	-12.1
<i>High school graduate</i>						
Employment rate	61.7	61.7	59.9	62.7	0.0	4.7
Population	5321	5412.3	126.1	132.6	1.7	5.2
Percent of total population	19.7	19.8	19.1	19.8	0.5	3.7
<i>Some post-secondary</i>						
Employment rate	60.8	60.5	58.4	54.9	-0.5	-6.0
Population	2222.6	2166.3	69.9	71	-2.5	1.6
Percent of total population	8.2	7.9	10.6	10.6	-3.7	0.0
<i>Post-secondary certificate</i>						
Employment rate	70.9	71.0	66.2	69.1	0.1	4.4
Population	8350.7	8541.3	195.2	200.4	2.3	2.7
Percent of total population	30.9	31.3	29.5	29.9	1.3	1.4
<i>University Degree Bachelor and above</i>						
Employment rate	75.3	74.8	77.0	80.3	-0.7	4.3
Population	5739.9	5960.4	49.9	53.3	3.8	6.8
Percent of total population	21.3	21.8	7.6	7.9	2.3	3.9
<i>High school and above</i>						
Employment rate	68.8	68.7	64.4	66.4	-0.1	3.1
Population	21634.3	22080.3	441.1	457.2	2.1	3.6
Percent of total population	80.1	80.8	66.8	68.2	0.9	2.1
Employment	14877.6	15173.4	284.1	303.5	2.0	6.8

Source: Statistics Canada, Labour Force Survey.

improving from 46.6 in 2010 to 53.1 in 2011. This was an increase in employment of 1,400, from a base of 9,000 in 2010. In percentage terms this was an increase of 15.6 percent. The next highest percent increase in employment was the 9.6 experience by Ontario. All provinces experienced an increase in Aboriginal employment in 2011, except Prince Edward Island, which remained the same. The employment in the territories was stable. Nunavut gained 100 jobs, Yukon was flat and the Northwest Territories lost 300 jobs.

EMPLOYMENT BY INDUSTRY

When considering employment by industry it is necessary to examine the number of people employed and not the rates of employment as there is no set population per industry and therefore, no rates of employment. Statistics Canada provides data for the goods producing sector in which 24.1 percent of employed Aboriginals worked in 2011 and the services producing sectors, where 75.9 percent worked. The two largest areas of employment for Aboriginals within the goods producing sector are in con-

TABLE 5
 Labour Force Estimates for Canada, by Province and Territory
 2010 and 2011 annual averages — Aboriginals living off-reserves
 Population in thousands

	<i>Non-Aboriginal</i>		<i>Aboriginal</i>		<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>		
<i>Canada (Ten Provinces)</i>						
Employment rate	61.8	62	53.7	55.8	0.3	3.9
Population	26997.5	27316.6	660.6	670.5	1.2	1.5
Employed	16684.5	16931.9	354.8	374.5	1.5	5.6
<i>Newfoundland and Labrador</i>						
Employment rate	51.8	52.8	46.6	53.1	1.9	13.9
Population	408.9	409.1	19.2	19.9	0.0	3.6
Employed	211.8	216.1	9.0	10.4	2.0	15.4
<i>Prince Edward Island</i>						
Employment rate	60.4	60.5	49.7	48.3	0.2	-2.8
Population	116.1	118.3	0.9	0.9	1.9	0.0
Employed	70.1	71.5	0.5	0.5	2.0	0.0
<i>Nova Scotia</i>						
Employment rate	58.3	58.2	56.5	58.0	-0.2	2.7
Population	762.9	764.7	14.1	14.4	0.2	2.1
Employed	444.9	444.9	8.0	8.4	0.0	4.9
<i>New Brunswick</i>						
Employment rate	57.8	56.9	49.2	52.6	-1.6	6.9
Population	607.8	610.3	9.0	9.1	0.4	1.0
Employed	351.5	347.2	4.4	4.8	-1.2	9.1
<i>Four Atlantic Provinces</i>						
Employment rate	56.9	56.8	50.7	54.4	-0.2	7.2
Population	1895.7	1902.4	43.2	44.3	0.4	2.5
Employed	1078.3	1079.7	21.9	24.1	0.1	9.9

Continued...

TABLE 5 (continued)

	<i>Non-Aboriginal</i>		<i>Aboriginal</i>		<i>Non-Aboriginal</i>	<i>Aboriginal</i>
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>% Change in 2011</i>	
<i>Quebec</i>						
Employment rate	60.3	60.2	45.0	48.7	-0.2	8.2
Population	6449.5	6515.1	60.8	60.8	1.0	0.0
Employed	3884.1	3921.7	27.4	29.7	1.0	8.4
<i>Ontario</i>						
Employment rate	61.4	61.7	49.9	54.7	0.5	9.6
Population	10627.4	10761.4	162.8	164.7	1.3	1.2
Employed	6530.3	6642.0	81.3	90.1	1.7	10.8
<i>Manitoba</i>						
Employment rate	66.6	66.2	58.5	58.9	-0.6	0.7
Population	848.4	858.6	92.6	94.7	1.2	2.3
Employed	564.9	568.7	36.6	39.2	0.7	7.1
<i>Saskatchewan</i>						
Employment rate	67.2	66.5	53.6	56.2	-1.0	4.9
Population	722.5	730.2	68.4	69.8	1.1	2.0
Employed	485.6	485.9	36.6	39.2	0.1	7.1
<i>Alberta</i>						
Employment rate	68.4	70.0	60.9	60.2	2.4	-1.1
Population	2839.9	2882.6	120.9	124.0	1.5	2.6
Employed	1942.9	2018.7	73.6	74.6	3.9	1.4
<i>British Columbia</i>						
Employment rate	60.8	60.4	53.6	54.3	-0.7	1.3
Population	3617.2	3666.3	111.9	112.4	1.4	0.4
Employed	2198.5	2215.3	60.0	61.0	0.8	1.7
<i>Yukon</i>						
Employment rate	72.9	76.6	46.2	51.1	5.1	10.6
Population	20.7	21.8	5.2	4.7	5.3	-9.6
Employed	15.1	16.7	2.4	2.4	10.6	0.0
<i>Northwest</i>						
Employment rate	83.1	84.1	50.6	54.1	1.2	6.9
Population	16.0	17.6	16.2	14.6	9.9	-9.9
Employed	13.3	14.8	8.2	7.9	11.3	-3.7
<i>Nunavut</i>						
	<i>Non-Inuit</i>		<i>Inuit</i>			
Employment rate	89.5	89.2	46	46.2	-0.3	0.4
Population	4.6	4.7	16.3	16.4	2.2	0.6
Employed	4.2	4.2	7.5	7.6	0.0	1.3
<i>Yukon, Northwest, Nunavut</i>						
	<i>Non-First Peoples</i>		<i>First Peoples</i>			
Employment rate	78.9	81.0	48.0	50.1	2.6	4.4
Population	41.31	44.1	37.7	35.7	6.8	-5.3
Employed	32.6	35.7	18.1	17.9	9.5	-1.1

Source: Statistics Canada, Labour Force Survey.

TABLE 6
Employment for Canada by industry
2010 and 2011 annual averages, in thousands

	<i>Non-Aboriginal</i>		<i>Aboriginal</i>		<i>Non-Aboriginal</i>		<i>Aboriginal</i>	
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>% Change in 2011</i>		<i>% Employed in 2011</i>	
TOTAL EMPLOYED	16684.5	16931.9	354.8	374.5	1.5	5.6	100.0	100.0
Goods-producing sector	3657.2	3713.7	82.6	90.3	1.5	9.3	21.9	24.1
• Agriculture	296.9	300.8	3.4	4.4	1.3	29.4	1.8	1.2
• Forestry, fishing, mining, oil and gas	312.0	319.0	17.6	18.5	2.2	5.1	1.9	4.9
• Utilities	144.8	135.6	3.6	4.2	-6.4	16.7	0.8	1.1
• Construction	1183.1	1225.6	34.7	36.4	3.6	4.9	7.2	9.7
• Manufacturing	1720.5	1732.7	23.2	26.8	0.7	15.5	10.2	7.2
Services-producing sector	13027.4	13218.2	272.1	284.1	1.5	4.4	78.1	75.9
• Educational services	1196.8	1197.5	21.7	22.0	0.1	1.4	7.1	5.9
• Health care and social assistance	1983.4	2043.6	46.6	48.1	3.0	3.2	12.1	12.8
• Public administration	925.9	942.3	31.1	29.5	1.8	-5.1	5.6	7.9
• Wholesale trade	618.7	623.8	9.8	8.7	0.8	-11.2	3.7	2.3
• Retail trade	2007.3	1988.8	41.0	48.6	-0.9	18.5	11.7	13.0
• Transportation and warehousing	786.6	823.9	18.9	19.3	4.7	2.1	4.9	5.2
• Finance, insurance, real estate and leasing	1080.2	1070.2	15.3	13.4	-0.9	-12.4	6.3	3.6
• Professional, scientific and technical services	1255.3	1297.0	11.2	12.3	3.3	9.8	7.7	3.3
• Management of companies and other support services	655.8	660.5	16.5	16.8	0.7	1.8	3.9	4.5
• Information, culture and recreation	752.2	769.2	13.6	15.6	2.3	14.7	4.5	4.2
• Accommodation and food services	1028.1	1060.7	30.4	32.2	3.2	5.9	6.3	8.6
• Other services	737.3	740.7	16.1	17.6	0.5	9.3	4.4	4.7

Source: Statistics Canada, Labour Force Survey.

struction and manufacturing. These accounted for 9.7% and 7.2%, respectively, of employed Aboriginals in 2011. Manufacturing experienced the largest increase in employment in the goods producing sector. Employment rose by 3,600, from 23,200 in 2010 to 26,800 in 2011, which was a 15.5% increase. In agriculture, Aboriginal employment increased by 1,000 in 2011. It grew from 3,400 in 2010 to 4,400 in 2011. This was a 29.4% increase, the largest percentage increase of any of the sectors.

In the service-producing sector the largest increase in numbers and percentages in Aboriginal employment in 2011 occurred in the retail trade. Employment rose by 7,600, from 41,000 in 2010 to 48,600 in 2011, which was an increase of 18.5%. The next largest increases in employment were 2,000 for information, culture and recreation, 1,800, for accommodation and food services, 1,500 in health and social services as well as in a category called other services and then 1,100 for professional, scientific and technical

services. Three areas experienced decreases in Aboriginal employment in 2011. The declines were 1,900 in finance, insurance, real estate and leasing, 1,600 in public administration and 1,100 in wholesale trade.

Employment has improved throughout the goods producing sectors and in most of the service producing sectors. When comparing the percent of increases, Aboriginal employment has improved more than for non-Aboriginals in thirteen of the seventeen sectors. The four that did not were the three in which decreases occurred and in the transportation and warehousing sector.

CONCLUSION

The employment rate for Aboriginal men and women in Canada increased in 2011 and the unemployment rates decreased. Both these rates improved more for Aboriginals than for non-Aboriginals. Yet both the employment and unemployment rates are considerably worse for Aboriginals. When we analyzed employment by educational level we determined that the gap is significantly smaller. This is partly explained by the fact that a significantly higher percent of Aboriginals have not completed high school,

compared to non-Aboriginals. There is a clear relationship between employment and educational level, with those who have completed higher levels of formal education having higher rates of employment. If actions were taken that ensured that more Aboriginals graduated from high school or above, the employment rate would increase.

Aboriginal employment increased in every province except the smallest, Prince Edward Island, where it remained the same. Ontario experienced the largest increase in Aboriginal employment in 2011. The number of Aboriginals employed in Alberta increased, as elsewhere, but the population increased at a faster rate, causing Alberta to experience a decrease in the employment rate. The increase in Aboriginal employment occurred in fourteen of the seventeen industrial sectors analyzed by Statistics Canada.

The employment picture has improved in Canada in 2011. The rates of employment are higher and the rates of unemployment are lower. However, there is still a long way to go.

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CH'NOOK INDIGENOUS BUSINESS EDUCATION INITIATIVE

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Rick Colbourne

SAUNDER SCHOOL OF BUSINESS, UNIVERSITY OF BRITISH COLUMBIA

ABSTRACT

This article focuses on the need for business education that is relevant to Aboriginal youth and senior leaders. It describes Ch'nook, an organization that provides support for post-secondary Aboriginal business education across three generations of participants. First, senior Aboriginal leaders and entrepreneurs who need business training (Aboriginal Management Certificate Program); second, post-secondary students enrolled in British Columbia (and soon Canada) by providing them with scholarships, bursaries, mentoring and internship opportunities (Indigenous Business Education Network/Ch'nook Scholars); and, third, it promotes business as a viable career option for Aboriginal high school students (Ch'nook Cousins). Ch'nook's efforts led to the signing of the British Columbia Indigenous Business Education Accord with the province's twenty-five colleges and universities and it has a cooperative agreement with four British Columbia universities. Ch'nook supports Aboriginal students in part by supplementing their studies with a strong Aboriginal perspective and context, which is often missing from their home institution's business programs. Working with community, business, and academic partners, Ch'nook promotes business as a viable career choice for Aboriginal participants and supports them in graduating from management and business education studies.

THE NEED FOR BUSINESS EDUCATION

Dr. Jo-Ann Archibald, Associate Dean for Indigenous Education at the University of British Columbia and former Ch'nook Advisory Board member reminds us that our elders taught us to consider the future of our children and grandchildren as a guide for our day-to-day activities. Grand Chief Ed John, Hereditary Chief, Tl'azt'en Nation and Ch'nook Advisory Board Chair underlines this sentiment pointing out that it is very clear to the First Nations Leadership Council that focusing on economic development by itself does not pave the road to self-reliance.

He stresses that when economic development is combined with strong business education we have the equation that equals Aboriginal success.

Aboriginal community leaders stress that economic self-sufficiency means successful Aboriginal businesses run by Aboriginal managers; however, the facts are that Aboriginal communities in Canada are typically marginalized, have very low employment participation rates, have limited economic infrastructure and that the recent downturn in global economies further marginalized these communities (Kunkel & Schorcht et al., 2011). In 2010, while the average unemployment rate for British Columbia's youth was 13.4 per cent, Aboriginal youth faced higher

incidences of unemployment at 21.4 per cent. While the unemployment rate gap widened between 2008 and 2010 (BC Stats, 2011), recent statistics indicate that an improvement from 8 per cent to 5 per cent in 2011. The Aboriginal youth unemployment rate in British Columbia was 18.8 per cent compared to 13.8 per cent of non-Aboriginal youth in 2011 (Statistics Canada, 2012).

The participation rate is defined as the labour force (those employed and those seeking employment) divided by the population. In 2008, the Aboriginal participation rate was 4.6 percentage points below the non-Aboriginal participation rate; however, in 2010 this difference has increased to over 10 percentage points (BC Stats, 2011). Generally, the higher the participation rate, the greater potential earnings for the population.

While it is widely recognized that education plays an important role in labour force success, in 2010, over 20 per cent of the prime working-age (25–54) Aboriginal population in the province did not have a high school credential compared with 7.6 per cent of the non-Aboriginal population. There are still considerable differences in educational attainment between Aboriginal youth and non-Aboriginal youth. In 2010, over 50 per cent of non-Aboriginal youth (15 to 24) were attending school, while only 43.0 per cent of Aboriginal youth were attending classes. Consequently, 51 per cent of Aboriginal youth have not attained a high school diploma, compared with 33 per cent of non-Aboriginal youth.

The gap between the non-Aboriginal and Aboriginal population with a post-secondary credential continued to increase between 2007 and 2010 from 1.0 percentage point in 2007 to 14.0 per cent in 2010 (BC Stats, 2011). This trend is exacerbated by shortfalls in federal funding levels for post-secondary Aboriginal students that have been capped since 1996 at an increase of 2 per cent per year (First Nations Education Council, 2009).

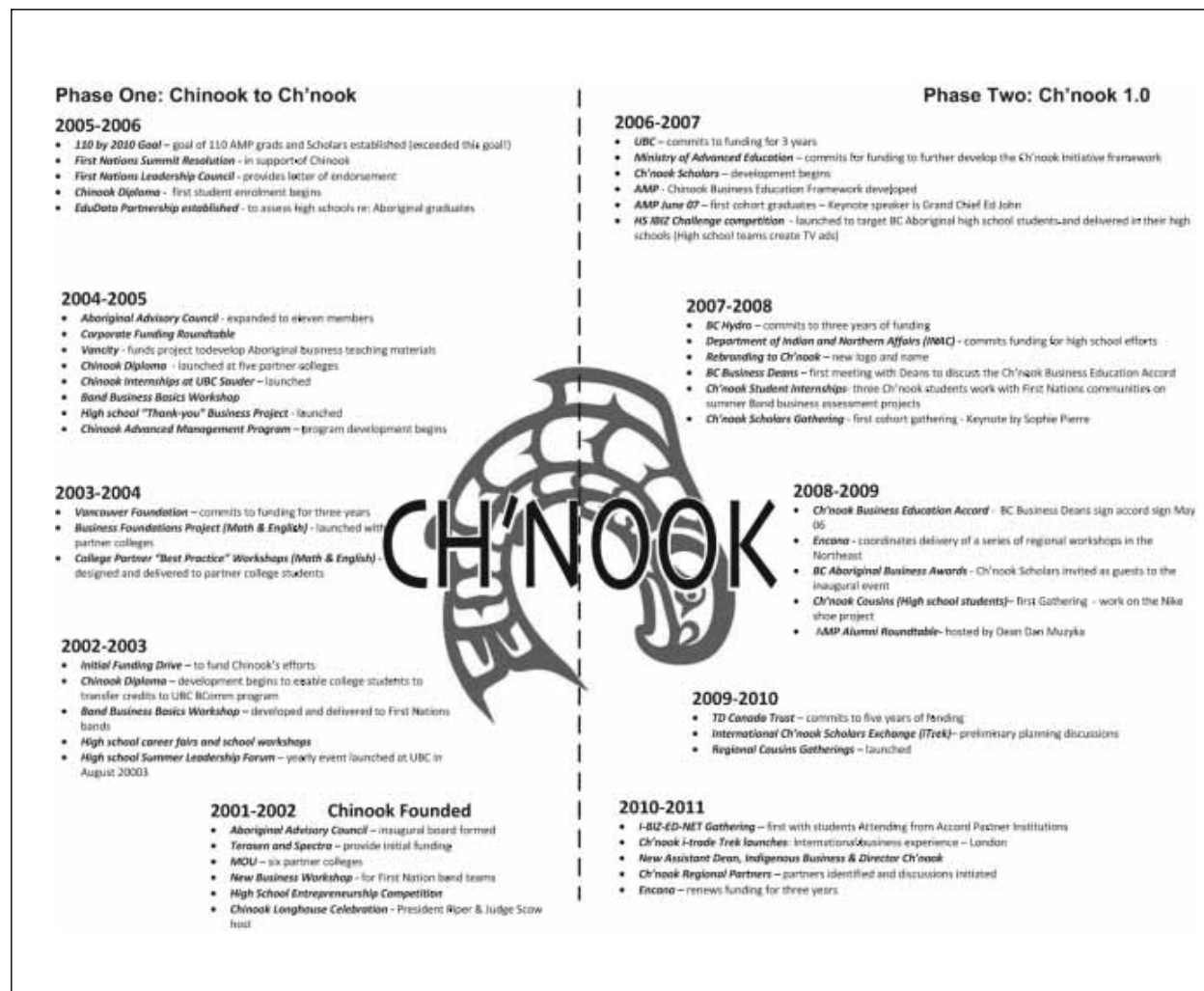
These statistics and trends lead to one very clear implication — that we must provide educational opportunities that build the skills needed to participate in all aspects of tomorrow's world. Ch'nook is focused on one very critical part of this skill building: in developing Aboriginal business, leadership and management skills needed

to achieve entrepreneurial success and economic independence. Recognizing that Aboriginal youth who complete high school are twice as likely to be employed and that those who earn university degrees triple their earning potential (Atleo, 2010), Ch'nook focuses on promoting, increasing and supporting successful Aboriginal engagement in business education studies. In this way, it builds the capacity and skills that enable Aboriginal communities to participate in regional economic development opportunities and supports creating a sustainable and self-sufficient economic future for Aboriginal communities across British Columbia and Canada.

HISTORY

Ch'nook was initiated when the late Maurice Young, past President of Finning, and John McArthur, Dean emeritus of the Harvard Business School, provided the initial resources and encouragement for the Sauder School of Business at the University of British Columbia to focus more attention on Aboriginal business education in British Columbia. An initial plan was developed by Dr. Jo-ann Archibald, then the Director of the First Nations House of Learning, and Dr. John Claxton, Professor Emeritus at the Sauder School of Business, which drew on the success of the long standing UBC Native Teacher Education Program (NITEP).

In 2002, FortisBC (then Terasen Gas) stepped forward as the first multi-year funding partner, followed by the Vancouver Foundation. Early efforts at Ch'nook focused on exploring different avenues for promoting Aboriginal engagement in business education studies, which involved the formation of the Ch'nook Aboriginal Advisory Council. It created partnerships with five business programs in British Columbia plus the development of events and workshops with high schools and communities. Increased funding and new sources of support from Encana, BC Hydro, the Sauder School of Business and the University of British Columbia led to the launch of the Advanced Management Program (AMP) in November 2006. In the spring of 2007, funding from the BC Ministry of Advanced Education provided the funds needed to design, develop and launch Ch'nook Scholars Program focused on supporting and bringing together Aboriginal post-secondary business education stu-



dents studying at institutions across British Columbia. During the same period, funding from Aboriginal and Northern Development Canada (then Indian and Northern Affairs Canada) facilitated further work with high schools and led to the development of Ch'nook's Cousins initiative which raises awareness of the opportunities for career and community related to enrolling in business education studies in universities and colleges. In June 2009, TD Bank Financial Group contributed core funding to Ch'nook's British Columbia efforts and, as a lead supporter, enabled the expansion and strengthening of all of Ch'nook's initiatives.

Ch'nook bridges relations between Aboriginal communities, organizations, universities, colleges and a range of industry sectors through

creating a common understanding of business principles and a common language for dialogue that enables Aboriginal communities and senior Aboriginal leaders to become equal and informed partners. Therefore choosing a name and logo was considered a very important undertaking—both name and logo needed to represent Ch'nook's mission, goals and objectives. The name Ch'nook was chosen as a reminder of the Chinook jargon that was used as a language of trade—a language that bridged other languages and cultural differences and made trade and cooperation possible. Ch'nook's name is strongly representative of its mission to promote increased Aboriginal engagement in business, management and entrepreneurship studies and contribute to creating a sustainable and self-suffi-

cient economic future for Aboriginal communities across Canada. Working with community, business, and academic partners, Ch'nook promotes business as a viable career choice for Aboriginal students and supports them in graduating from management and business education studies. It does this while supplementing their studies with a strong Aboriginal perspective and context usually missing from their home institution business programs.

CH'NOOK'S LOGO



The logo represents Ch'nook's mandate as a modern, professional Aboriginal learning organization. It represents Ch'nook's vision of encouraging openness and sharing and the value for giving back to the community that are so important in Aboriginal culture. It is intended to represent the passing of knowledge from generation to generation or from the elders to youth; from educational institution to student; interaction of past students with future students; the passing of skills and confidence; a circle of giving back to the community; a continuous exchange of ideas; a progression to towards future success; unity and harmony in business partnerships; and, the never ending cycle of Ch'nook's dedication and energy to provide the best opportunities for education. Ch'nook's name and logo symbolize its values of encouraging, enabling and enhancing the skills and capabilities of Aboriginal business students, community leaders and practitioners through facilitating knowledge sharing, individual achievement and contribution back to the community.

CH'NOOK'S CORE ACTIVITIES: THE THREE PILLARS

Ch'nook's has unique experience, which it has gained over ten years of working closely with Aboriginal communities, post-secondary business

students, high school students, band managers, council members and entrepreneurs. This practical experience has had an impact on its vision and values leading to the development of a wide range of business education learning opportunities organized around three central pillars of engagement.

The first pillar, custom workshops and the Advanced Management Certificate Program (AMP), addresses the learning needs of senior Aboriginal leaders and community entrepreneurs already engaged in business or responsible for financial decision-making in their communities. This program is taught by senior University faculty, senior Aboriginal leaders and knowledge experts. It integrates Aboriginal context, values and perspectives into the business skills required for success in managing existing businesses, in developing new and successful ones or for serving on band council.

The second pillar, Ch'nook Scholars, focuses on supporting post-secondary Aboriginal business education students enrolled in post-secondary institutions in British Columbia through providing them with scholarships, bursaries, mentoring and internship opportunities. Ch'nook hosts two Gatherings a year for Scholars during which students meet Aboriginal and non-Aboriginal business leaders and attend workshops designed to provide an Aboriginal context and perspective that extends and complements business studies in their home institutions.

The third pillar, Ch'nook Cousins, works with Aboriginal high school students to open up the possibility of studying at a college or university after they graduate from high school. Working in conjunction with Ch'nook's Regional Partners, Aboriginal high school students attend workshops in local colleges or universities, develop personal insights into what it might be like to attend a university or college and learn more about business education studies. Ch'nook Scholars co-facilitate Cousins workshops and mentor high school students in their regions. In this way, Ch'nook creates proactive linkages and opportunities for dialogue and collaboration between Aboriginal leaders, business professionals, University/College faculty, corporate leaders, students and Canada's Aboriginal communities. It focuses on designing and delivering innovative business education initiatives that address different learning needs across three generations of

Senior Aboriginal Leaders Advanced Management Program (AMP)	Post- Secondary Students Ch'nook Scholars	High School Students Cousins
Senior Aboriginal Leaders Advanced Management Certificate Program (AMP)	<ul style="list-style-type: none"> • a part-time program designed for Aboriginal participants with at least five years of work experience and a strong interest in business • integrates Aboriginal values with the business skills required for success in managing existing businesses, in developing new and successful ones or serving on band council • more than 150 hours of content covering Aboriginal Values and Business Leadership, Aboriginal Entrepreneurship, Human Resource Management, Marketing, Business Strategy, Operations, Financial Management and Accounting • courses are taught by senior University faculty, senior Aboriginal leaders and industry sector knowledge experts 	
Post-Secondary Students Ch'nook Scholars	<ul style="list-style-type: none"> • engages Aboriginal business and management students studying at all post-secondary institutions in British Columbia and Canada • approximately 40 top full-time Aboriginal students are recognized each year as Ch'nook Scholars and receive much-needed access to scholarships, mentoring opportunities and priority selection for key Ch'nook activities including two Gatherings a year • aims to educate and inspire Aboriginal students' business education experiences through mentoring, internships, gatherings, career and professional development and academic and financial support 	
High School Students Ch'nook Cousins	<ul style="list-style-type: none"> • motivates and informs Aboriginal high school students in grades 11 and 12 • promotes the benefits of pursuing careers in business, entrepreneurship and management • facilitates direct connections with post-secondary institutions, Aboriginal post-secondary business students (Ch'nook Scholars) and corporate partners to help inform their educational and career choices 	

Aboriginal business education participants. Most recently, colleges and universities across Canada have taken note of Ch'nook's success and have approached Ch'nook to collaborate with them to introduce this model for increasing Aboriginal engagement in business education studies in their province.

SUCSESSES

Ch'nook's success is measured across a number of dimensions. What follows is a brief description of the success of each of Ch'nook's four programs: Advanced Management Certificate; Scholars; iTrek; and Cousins. Graduates of the Advanced Management Certificate program

(AMP) have gone on to launch and manage successful community and private businesses and have assumed leadership roles in their nations as Chiefs, council members or as economic development officers. Some graduates leveraged the AMP to consolidate business knowledge gained from practical experience in order to further their studies in undergraduate business, MBAs or other programs.

Ch'nook's Scholars initiative provides an important safety net for Aboriginal students studying in post-secondary institutions across the province. Not only do students benefit from scholarships and bursaries, they join a supportive network of Aboriginal business education students from around the province. Ch'nook Scholars bond during province-wide Gatherings focused on providing an Aboriginal context and perspective to their business studies. They also benefit from access to Scholar and alumni support during their studies, thereby enhancing achievement and increasing completion and graduation rates. Interaction with Aboriginal and non-Aboriginal business leaders as well as participation in Ch'nook's iTrek (international Indigenous business learning) mean that Ch'nook Scholars are business leaders of tomorrow — they gain a strong understanding of what it means to participate in business in their communities and at the regional, national and international levels. Finally, participation in mentorship and internship opportunities has created enhanced employment opportunities for Ch'nook Scholars within their regions and the province.

Ch'nook's Cousins initiative focuses on promoting post-secondary participation in business education to high school students through practical workshops usually based in our Regional Partner institutions. Success in this context involves engaging as many high school students as possible in lively workshops that enable them to experience being in a post-secondary institution and interacting with faculty while learning more about the benefits of studying business. The success in Ch'nook's Cousins initiative is evident in that for the first time, students who participated in its Cousins program are progressing into Ch'nook's Scholars and in some cases their parents are enrolling in the Advanced Management Certificate program.

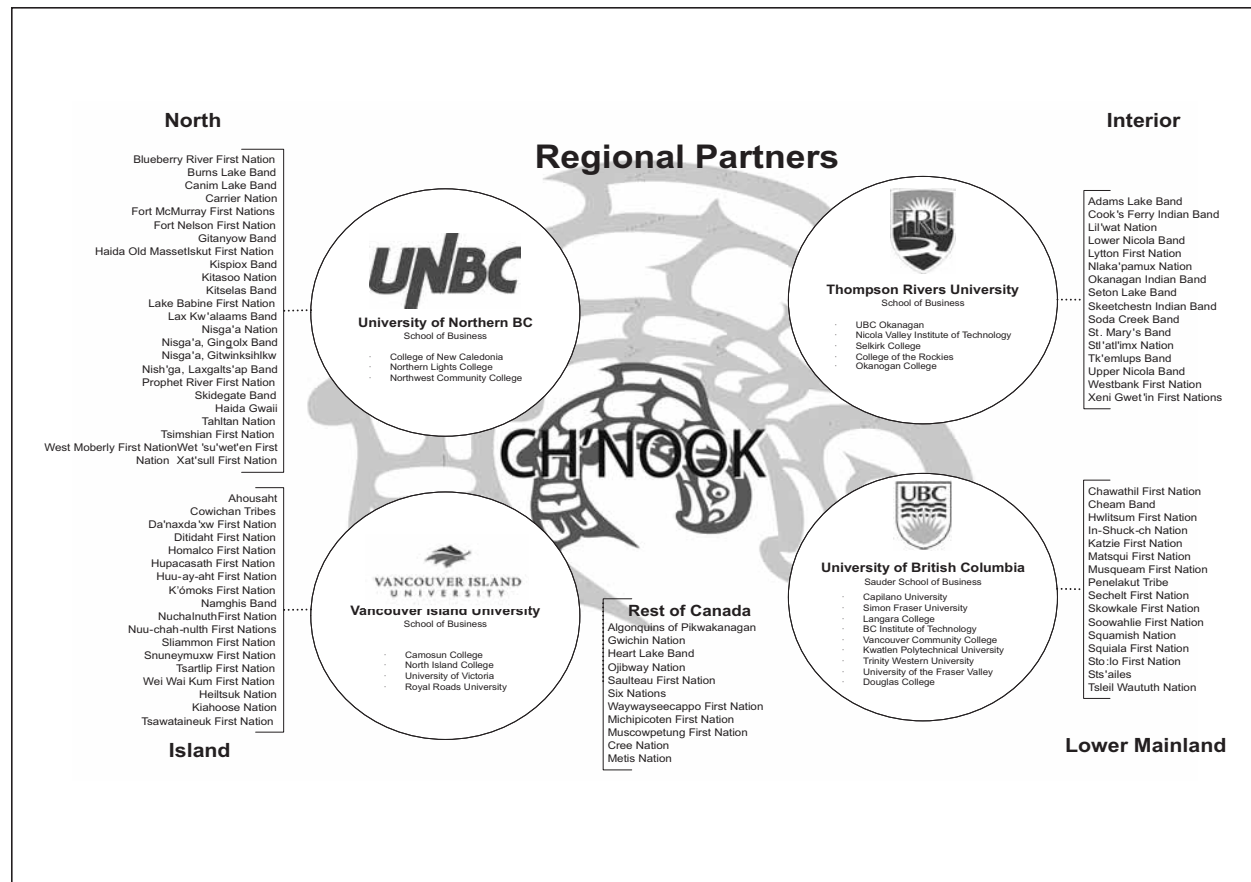
Three key success factors enable Ch'nook's efforts in British Columbia and its current efforts

at building a national initiative across Canada: institutional neutrality, the Ch'nook Aboriginal Business Education Accord and its network of Regional Partners. First, a central dimension of Ch'nook's success is that, while it is housed in the Sauder School of Business at the University of British Columbia, it remains institutionally neutral. This enables Ch'nook to focus on contributing to cross-institutional efforts at recruiting Aboriginal business students through its Cousins and Scholars events and activities. Once Aboriginal business students are studying business and management in home institutions, Ch'nook's Scholars initiative works closely with these institutions to complement and supplement students' business education studies by providing an Aboriginal context and perspective during two annual provincial-wide Gatherings. Most importantly, Ch'nook works to promote successful graduation and post-graduation experience through the provision of scholarships and bursaries and mentorship and intern opportunities with Aboriginal and non-Aboriginal companies and organizations.

Second, Ch'nook initiated and led efforts to encourage business and management programs in British Columbia's twenty-five universities and colleges to sign the Ch'nook Business Education Accord. Signed in August 2009, the Accord represents an important milestone that marks cross-institutional agreement on the need to focus on and cooperate in province-wide efforts to increase Aboriginal participation in business education. It encourages institutional commitment at the senior management level to increasing Aboriginal engagement and bridges internal linkages between business schools and Aboriginal student relations that will increase communication and effectiveness in their institutions.

Third, in British Columbia, Ch'nook has identified and signed agreements with four business schools to increase cooperation as Regional Partners designed to enhance and amplify Ch'nook's initiatives at the regional level. These four schools are the University of British Columbia, University of Northern BC, Thompson Rivers University and Vancouver Island University.

Working closely with its Regional Partners, Ch'nook ensures that its extensive provincial footprint is amplified by strong local presence that is relevant and responsive to British Colum-



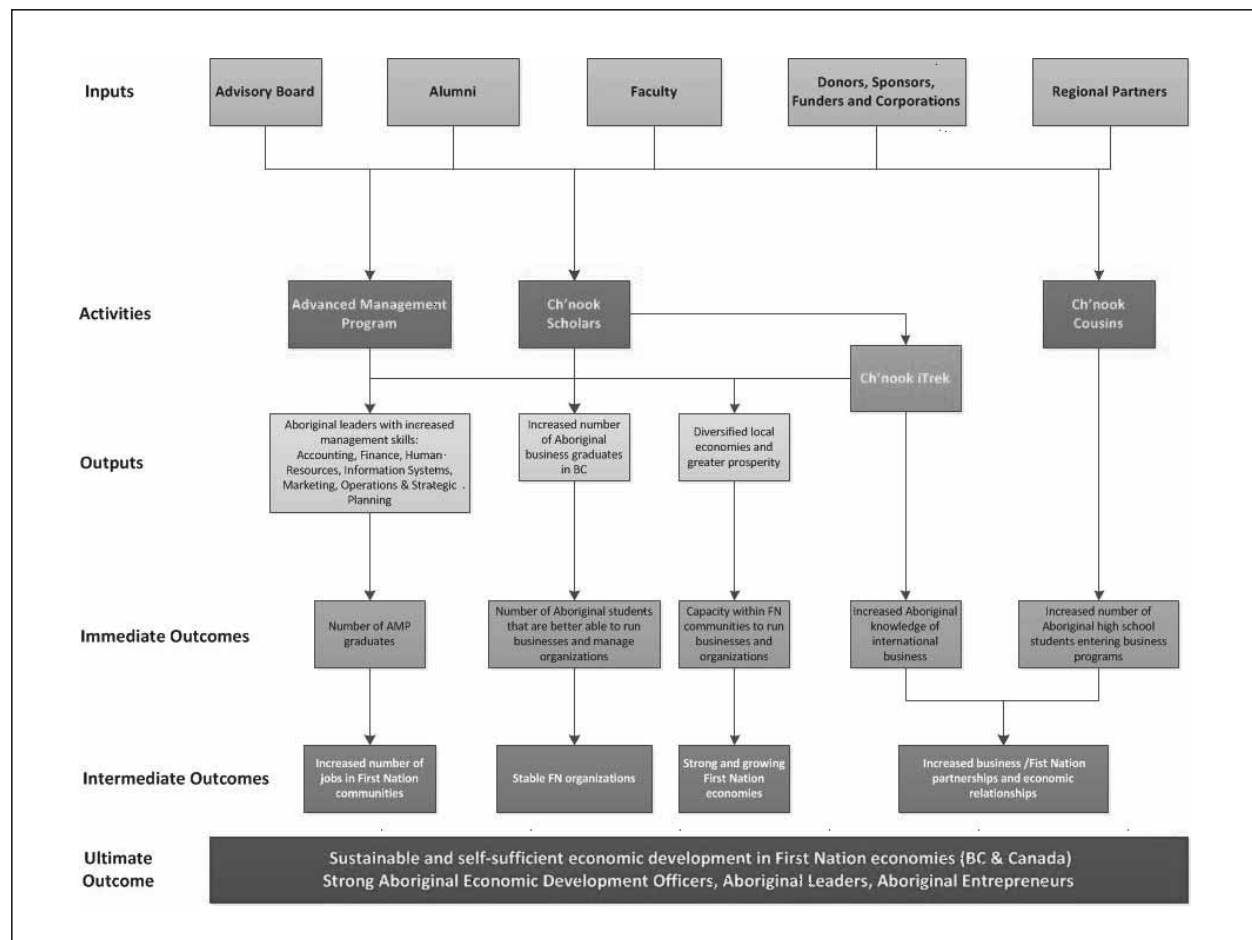
bia's Aboriginal communities. Ch'nook is in discussions with potential Regional Partner institutions across Canada to build out Ch'nook as a national initiative bridging Aboriginal business education students, entrepreneurs and senior business and community leaders from across Canada.

Ch'nook's success is grounded in consultation and collaboration with its Advisory Board, alumni, faculty, donors, sponsor corporations and regional partners who provide support, advice and input that guide the initiatives values, vision and mission to increase Aboriginal engagement in business education studies.

Ch'nook's mandate of promoting business as a viable career choice for Aboriginal students and supporting them in achieving post-secondary degrees in management and business is crucial to creating a sustainable and self-sufficient economic future for Aboriginal communities in British Columbia and across Canada.

SEEKING TO COLLABORATE

Ch'nook is a pioneer and leader in facilitating Aboriginal engagement in business education studies that foster strong working partnerships between Aboriginal communities, organizations, post-secondary institutions and Canadian corporations and it actively seeks to engage communities, institutions or corporations in dialogue through a range of channels. Ch'nook recognizes that collaboration and consultation are important processes that can benefit Aboriginal communities across Canada. Ch'nook's Scholars and Cousins initiatives as well as Aboriginal business resources can be accessed on its website (www.chnook.org). Participation in open forums for knowledge exchange and opportunity sharing are hosted in Ch'nook's Indigenous Business LinkedIn group site and its Twitter feed (@ChnookNet). Finally, Ch'nook maintains a strong regional presence through promoting a range of events and workshops in conjunction



with its Regional Partners (University of British Columbia, University of Northern British Columbia, Vancouver Island University and Thompson Rivers University).

Ch'nook is an active network of institutions, skilled and motivated Aboriginal and non-Aboriginal business and academic professionals and alumni who share a vision for supporting and encouraging Aboriginal business education students to become the next generation of community leaders. Proud Aboriginal leaders with the business, leadership and management skills needed to be full and equal participants in regional economic development opportunities that build sustainable and self-sufficient economic futures for their communities and generations to come.

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Journal of Aboriginal Economic Development

Call for Papers Volume 9, Issue 1

Published jointly by the Council for the Advancement of Native Development Officers (Cando) and Captus Press, the *Journal of Aboriginal Economic Development* (JAED) is a peer-reviewed journal for practitioners and scholars working and researching in areas relevant to Aboriginal economic development. Published yearly, the Journal is a unique resource for anyone interested in Aboriginal community economic development. Its intent is to explore ideas and build knowledge in the field of Aboriginal economic development theory and practice. The journal prefers a broad interpretation of research and knowledge and encourages a wide variety of contributions in this area.

The next issue of JAED (Volume 8, Issue 2) is a special issue dedicated to on-reserve property rights and development and management, in response to a current national debate on collective and communal property rights versus the increasing call for privatization, and will be published in fall 2013 in preparation for the Cando 20th Annual National Conference & AGM. Volume 9, Issue 1 of JAED will be published in fall 2014 in preparation for the Cando 21st Annual National Conference & AGM. Papers should relate to one of the following areas:

- Aboriginal Community Economic and Enterprise Development
- Aboriginal Small Business and Entrepreneurship
- The Analysis of the Aboriginal Economy
- Sharing and/or Evaluating Current Aboriginal Economic Activity
- Aboriginal Corporate Responsibility, Social Auditing, and the Triple Bottom Line
- Economic Partnerships and Government Relationships
- The Relationship between Indigenous Knowledge and Economic Development
- Indigenous Land Management and Economic Development
- Aboriginal Organizations and Management
- International Aboriginal Trade and the Global Economy
- Aboriginal Community Development: The Role of Elders, Women and Youth
- Change: Traditional and Modern Aboriginal Economies
- An Historical Analysis of Aboriginal Economic Development in Canada
- The Role of Research in Aboriginal Community, Economic, and Business Development
- Community Wellness and Making Poverty History

Please send three copies of your manuscript. Contributions may vary in length, depending on the section they are written for. We are looking for submissions in the range of 15–20 pages, or about 4,000 words for research papers, about 1,000 words for book reviews, about 1,000 to 4,000 words for the state of the Aboriginal economy section, and about 2,000 to 3,000 words for the experience section. Manuscripts submitted should be single spaced with 1.5 inch margins all around and page numbers at the bottom middle. The title page should indicate the section for which you are submitting. All identifying information should be restricted to this one page. Review for publication will take approximately 8–12 weeks from time of receipt. Academic papers will be subject to the usual double-blind peer-review process.

SUBMISSIONS MAY BE FORWARDED TO

Warren Weir — Editor
c/o Svitlana Konoval
Council for the Advancement of Native Development Officers
9635 — 45th Avenue
Edmonton, AB T6E 5Z8
E-mail: skonoval@edo.ca
Phone: 1-800-463-9300
Fax: (780) 429-7487

Submissions by e-mail are welcomed, in fact preferred. Please send the paper as an attachment to the e-mail address above. **The deadline for receipt of submissions for Volume 9, Issue 1 is January 31, 2014.** If your paper is not included in this issue due to space or deadlines, or needs extra work, it will be considered for publication in Volume 9, Issue 2. Should you require further information please contact Svitlana Konoval, Cando Executive & Administrative Services Coordinator at 1-800-463-9300 or skonoval@edo.ca. Research submissions should conform, where practical, to the Publication Manual of the American Psychological Association (APA, 6th edition); however, the Journal is flexible in its format and encourages creativity and innovation.

Submission of a manuscript implies commitment to publish in the Journal. Submission to JAED also implies that the manuscript has not been published elsewhere, nor is it under consideration by another journal. Authors who are in doubt about what constitutes prior publication should consult the editor.

The Journal features academic articles, examples from economic practitioners, book reviews and the state of the Aboriginal economy.

Learning from Experience from practitioners, academics, consultants and executives include interpreted case studies, evaluation and commentary on popular and current approaches and tools of Aboriginal economic development, advocacy of particular approaches and solutions, successful or failed efforts, and the identification of important economic development problems that are in need of solutions.

Lessons from Research from academics features scholarly inquiry, debate and commentary on how we frame, perceive, interpret, research and contribute to the field of Aboriginal economic development.

The State of the Aboriginal Economy will feature current views on the evolving state of the Aboriginal economy and responses to changes in the global economy, corporate activity, government policy—for example the Federal Framework on Aboriginal Economic Development, or the social economy.

Reviews of Current Books and Literature features recent literature exploring aspects of economic development relevant to Aboriginal peoples and community development.

We believe such submissions will be particularly valuable, and it is our objective to publish as many as possible, if not in this issue then in subsequent issues of the JAED and/or in Cando *N-Side News*. We want to know what people are doing, what is working, what is not working, and why.

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*Inspiring Excellence in Aboriginal
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Local: (519) 445.2020
Toll-Free: 1.800.445.2077
Fax: (519) 445.0322

gotoace.ca
helpline@gotoace.ca

