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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.

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## **EDITORS**

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Professor, Native Studies  
Director, Aboriginal Business Education Partners  
University of Manitoba  
Winnipeg, Manitoba

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Professor Emeritus  
Department of Management, Concordia University  
Montréal, Québec

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# The Artist



John Tenasco

John Tenasco is an Algonquin from the Kitigan-Zibi Anishinabeg reserve near Maniwaki, Quebec.

John is interested in a variety of media and styles of paintings (portraiture, Abstraction, Impressionism etc.) and in producing works with Aboriginal content in as many ways possible. He earned a D.E.C. at Heritage College and a B.F.A. at the University of Ottawa. John has been awarded the Jaqueline Fry Memorial Scholarship as well as the Suzanne Rivard-Lemoyne Prize.

The work of John Tenasco is situated between abstraction and realism, where myriad ideas are filtered through a personal perspective. Themes of impermanence and the instability of the image are but two that inform his artistic output. With a combination of gestural and controlled linear strokes, an intuitive process begins in a search for form and meaning. The process is either achieved systematically, or its foundations are obliterated — leaving only remnants of its origin. Tenasco's work contains numerous influences — not only from other artists, but also ideas from philosophy, poetry, and music.

For more information on John Tenasco, visit his website at <<http://www.tenasco.com>>.

# *The Artist Statement — Bridging the Gap: Unlocking Opportunities*



John Tenasco

The idea of the blank scroll comes to signify opportunity as it also may denote a shared future. The canoe comes in to act as a means to bridge the gap (as it were).



## Tribute to Dr. John Loxley

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### CANDO

CANDO and Indigenous people in Canada lost an important friend and ally when Dr. John Loxley passed away on July 28, 2020, in Winnipeg. He was in his 77th year and leaves behind his wife, Aurelie, as well as his children — Salim, Camille, Raina, and Matthew.

John was a very broad-based and progressive economist, serving as a senior advisor to governments in Africa, at the United Nations, and the Government of Manitoba. While he reached the upper levels of academia, being elected, for example, as a Fellow of the Royal Society of Canada, he was also grounded in the lives of communities, including work with Winnipeg’s inner city and social justice groups as well as with the All Chiefs Budget Committee in Manitoba to train community economic development officers. He was also a past member of Cando’s Education Committee.

John will always be remembered for his outstanding contribution to First Nation children through the First Nation Child and Family Caring Society. In particular, his work documented the net benefits that would be obtained if the funding formula for First Nation child welfare agencies were changed to promote the strengthening of families and communities rather than having financial incentives that encouraged agencies to take children into care. His research and testimony before the Canadian Human Rights Tribunal had a significant influence in the decisions reached by the panel, resulting in better services for thousands of children.



## Editor's Comments

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On behalf of our publisher, editorial board, and staff, we are excited to share the research and the stories of problems and solutions that are contributing to a strong Indigenous economy in Canada. Thank you to all our contributors.

In the *Lessons from Experience*, the achievements of a variety of Indigenous entrepreneurs are highlighted — from the Cando winners to those engaged in agriculture and sustainable energy. Supports include a chamber of commerce and a program for recapturing driver's licences. These themes continue in the rest of the volume, with contributions focused on important employment statistics, the need for support programs in Quebec, and the New Brunswick vision for healthy Indigenous communities.

Although the stories in this issue reflect the time before COVID, the lessons remain valuable, and the hope in these pages must not be forgotten. COVID-19 has struck the Canadian Indigenous economy hard. The future of the Indigenous economy in Canada will be based on how this storm is weathered and what support local Indigenous businesses will receive. So we urge you to support your local Indigenous businesses, and to stay safe.

In closing, I would like to note the passing of Dr. John Loxley, a colleague who dedicated his research life to Indigenous community health and wellness. I invite you to read about his contributions in the tribute before this introduction.

Dr. Wanda Wuttunee



# Introduction



Wanda Wuttunee

What wise practices are your neighbours following? Can you take some of the experiences in this section and make them your own in order to grow your success? Are there mentors in these readings to whom you want to reach out to learn more? There are lessons here that will surprise and inspire you.

In this section, Cando award winners recognized for their efforts in 2019 note that it is a team effort even when an individual is selected for recognition. Curve Lake Nation in Ontario are enjoying benefits from major projects under the guidance of their EDO. The Simpcw First Nation's Resource Group is demonstrating strong community development in a number of industries despite their smaller size. Finally, Frank Buckshot is an entrepreneur who points to the success of his family business through "hard work, discipline, determination, and communication. These core values have been more a way of life for me [than they have] been simple business principles."

Agriculture has some unique challenges and awesome opportunities. Farm Credit Canada offers information for First Nations leaders and businesses on agriculture, food production, land management, taxes, financing, and other related topics. The land management section discusses important topics such as "buckshee leasing, certificates of possession, fee simple and Additions to Reserve".

Profiles of business leaders are offered in sustainable energy (Penner, Turman), community projects (Cumming), building the Indigenous workforce in Canada (Robinson), and a chamber of commerce that creatively supports its Indigenous and mainstream business members. Women in business have a lot to offer to those who follow (Russell).

Some Indigenous community members are prevented from working because they don't have a driver's licence. An exciting initiative to

address this issue was started in Misipawistik Cree Nation, Manitoba, for their high school youth and adult members to get them back on the road. Sipekne'katik First Nation, Nova Scotia picked up the idea and developed it further. The program goes beyond community members who don't yet have a licence to the wider community, reaching individuals who had a licence but lost it through fines, poverty, and the challenges of licensing and court procedures. A unique solution to a common problem, this provincial award winning program is captured in the Wien and Doucette article.

Elder care is a sensitive and important issue across Canada. The author paints a picture that pleads for change, as Inuit elders suffer in their golden years from a colonial approach to their care.

If you are looking for a checklist of ideas to improve your engagement with Indigenous employees, Tourand's article is a place to start.

This section offers a glimpse into the exciting successes enjoyed by individuals and communities across Canada's Indigenous peoples.

Ekosi.

## 2019 Economic Developer of the Year Award Winners

Sam Laskaris

CANDO CONTRIBUTOR

**Recognize! Celebrate! Honour!**



In 1995, the Cando Economic Developer of the Year Award was created to recognize and promote recent or long-standing Indigenous economic vision of sustainable economic self-sufficiency.

Throughout the years, it became apparent that there were businesses and individuals also deserving of recognition for their contributions to the advancement of Indigenous economic development. That is why today Cando grants Economic Development of the Year Awards in three separate categories:

- Individual EDO
- Community
- Indigenous Private Sector Business

development initiatives throughout Canada. All winners, past and present, share a desire to advance their communities as each pursues a

Three candidates exemplifying outstanding Indigenous economic development were awarded the ED of the Year at the Cando 26th Annual National Conference that was held on October 27–30, 2019, in Gatineau, Quebec. Two finalists in each of the categories were selected to present to an audience during a special plenary at the conference. After all finalists were given equal opportunity to present, the conference delegates voted via a secret ballot for the finalist who they believed was the most deserving of the top award in each category.

It is an honour to present to you the 2019 Economic Developer of the Year Award winners!



Katie Young-Haddlesey  
*ED of the Year Winner*  
— *Individual EDO Category*

Paul Donald, Simpcw Resources Group  
& Keith Matthew, Cando President &  
a member of Simpcw First Nation  
*ED of the Year Winner*  
— *Community Category*



Andrew & Frank Buckshot  
*ED of the Year Winner*  
— *Indigenous Private Sector Business Category*



## Cando Economic Developer of the Year Award Winner

### Individual Category

### Katie Young-Haddlesey

Curve Lake First Nation, Ontario

If you spend just a few moments chatting with Katie Young-Haddlesey chances are it won't be long before she starts praising co-workers or the importance of working well with other partners. That's even when it is Young-Haddlesey herself who is being singled out for recognition. Such was the case on October 30, 2019, when Young-Haddlesey was announced as the winner of the Economic Development Officer of the Year Award at the Cando Conference, which was staged in Gatineau, Quebec.

For the past three years Young-Haddlesey has been working as the EDO of the Curve Lake First Nation in Ontario. As expected, Young-Haddlesey was pleased to win the award. But she also quickly deflected praise towards her. "It's a true sense of accomplishment," she said. "Somebody told me that during my presentation I said 'We, we, we' too often. But I truly feel it is a team effort."

Young-Haddlesey came to the conference already knowing she was one of two finalists in her category vying for a national award. Byron Gourley, who works for the Metepenagiag Mi'kmaq Nation in New Brunswick, was the other finalist in the EDO of the Year category. All finalists were allotted 20 minutes to make a presentation during the fourth and final day of the conference, staged at the Hilton Lac-Leamy. Delegates who attended the 26th Cando Annual National Conference were then allowed to vote on those they felt made the best presentation. Winners were announced at a conference-closing dinner ceremony.

Young-Haddlesey admitted being in the national spotlight did bring out some unexpected nerves. "I'm not a person who gets nervous," she said. "But I was extremely nervous, especially in the morning (when I made my presentation)." Young-Haddlesey did on a couple of occasions mention this was also the friendliest competition she had ever been in. That is because she quickly bonded with Gourley, an individual she had not met prior to the conference. "It made it a fun experience," she said of her instant connection with Gourley.

Before becoming Curve Lake's EDO, Young-Haddlesey had done some work for the First Nation through her private consulting company, Affinity Strategic Communications. Her resume also includes a 13-year stint working for the group now known as the Peterborough & the Kawartha Economic Development. Young-Haddlesey had also worked a couple of years for the company responsible for business development at the Peterborough Municipal Airport.

As for her work with the Curve Lake First Nation, one of Young-Haddlesey's most notable projects has been overseeing the creation of a new 20,000-square foot commercial centre. Construction on this facility is expected to begin next spring. The current business centre on the First Nation will also be upgraded in order to attract new tenants. "Our First Nation is recognizing the importance to move forward," Young-Haddlesey said. "Part of that is building relationships. The last three years I've been working towards that."

Young-Haddlesey also believes her cultural knowledge has proven to be a vital part of her success.

"I work every day to better understand the history and culture in our community," she said. "I believe that we can only do our jobs well if we can understand the events of the past

that have brought each of our community members to where they are now. We can only help if we approach each case from a place of understanding.”

Young-Haddlesey’s EDO of the Year award signified the first time in her work career that she was singled out. “I’ve won marketing awards with a team,” she said. “But I’ve never won an individual award before.” As is her nature, Young-Haddlesey also credited others. “I’m very proud of my staff,” she said. “We have a really good team. I don’t pretend that I can do anything without those people at the table with me.”

## Cando Economic Developer of the Year Award Winner

### Community Category

### Simpcw Resources Group

Simpcw First Nation, British Columbia

The Simpcw First Nation is proof that even a relatively small First Nation can achieve great things. “We’re just a little band that could,” said Paul Donald, a director of the Simpcw Resources Group (SRG), the business arm of the First Nation based in British Columbia.

Primarily because of SRG efforts, the Simpcw First Nation was selected as the Community of the Year at this year’s Cando Conference. Simpcw was one of two communities that had been previously named as a finalist for the Cando award. The Kingsclear First Nation in New Brunswick was the other finalist.

“This is a community award,” Donald said, moments after it was announced Simpcw had won its category. “There are so many people that mark the success of our community.” And it’s not just those leading the First Nation. “This award is because of the chief and council, the (SRG) board of directors and also all of our crews that work,” he said.

The SRG was established in 2011, originally operating out of a basement office on the First Nation. When it first began SRG had three employees, who focused on forestry management and logging opportunities. Fast forward to the present, and SRG has its own office space and about 100 employees working in a number of industries. Services SRG offers include those in environmental, archaeological, pipeline maintenance, site rehabilitation, road building and maintenance and security. “We’ve outgrown that already and are looking to go elsewhere,” Jason Dorey, SRG’s senior operations manager, said of the business’s current office space. SRG has also turned into a business that can provide stable jobs for many of the Simpcw First Nation members. “It’s gone from being seasonal work in construction to a year-round career for people,” Dorey said. The Simpcw First Nation currently has about 700 members. Less than half live on the First Nation, in the community of Chu Chua.

Donald is hoping SRG’s efforts will help bring more of its members home to live on the First Nation. “I think what we’re doing is ensuring long-term prosperity,” he said. Recent financial figures indicate SRG is on track to achieve that. During the 2018–19 fiscal year, it registered \$4.5 million in profits from the slightly more than \$18.6 million in revenue it brought in. These figures were significantly higher than just one year earlier. During the 2017–18 year, SRG had about \$13.4 million in revenue and made a profit of \$2.35 million.

“We just want to keep building our business,” Donald said. “We’re not done. We’ve got big aspirations and we want to keep working on our strategic plan.” Donald added SRG officials have succeeded in part because their cultural knowledge hinders them from doing things that would harm the First Nation. When the business was being formed, planning ses-

sions included developing guiding principles. “We want to make money,” he said. “But the preservation of our Simpcw culture and heritage is one of our guiding principles.”

For Donald this year marked the ninth time he has attended the Cando Conference. “It’s always very informative,” he said. “I always learn a lot.” He was especially impressed with a panel focusing on international trade. “Maybe we’re not thinking big enough,” he said of his own First Nation’s plans. But obviously big enough at this point to be recognized as Cando’s top community for 2019.

## Cando Economic Developer of the Year Award Winner

### Indigenous Private Sector Business Category

#### Buck’s Auto Parts

Kitigan Zibi Anishinabeg First Nation, Quebec

Frank Buckshot is proof a lot of hard work can take one a long way. Though he has just a Grade 9 education, Buckshot, a member of the Kitigan Zibi Anishinabeg First Nation in Quebec, is a self-made successful businessman. In fact, one of his businesses, Buck’s Auto Parts, took top honours in the Indigenous Private Sector Business category at this year’s Cando Conference. “It’s something I didn’t think I’d be able to achieve,” Buckshot said of his national award. Heading into the conference Buckshot knew his company was one of the two finalists in the running for the Indigenous Private Sector Business award. The other finalist was Supercom Industries, a business partnership featuring six First Nations in north-western Ontario.

Buckshot had his daughter Amanda and son Andrew make the presentation on behalf of Buck’s Auto Parts. “It meant the world to me,” Buckshot, who is 62, said of the fact his children spoke on behalf of the business. “They’re the ones that are going to take it over some day.” This marked the first time Buckshot had attended the Cando Conference. And he was rather appreciative to be included in the awards presentations. “I’d like to thank everybody involved in this project,” he said.

Buck’s Auto Parts has been operating on the Kitigan Zibi Anishinabeg First Nation since 2015. But Buckshot has been involved in the auto parts industry much longer. He previously owned Mani Pieces Plus, from 1997 through 2015, in Maniwaki, about one kilometre from his current business. He sold Mani Pieces Plus so he could open Buck’s Auto Shop, right across the street from a successful sports store which he has been operating since 2006.

Buckshot also continues to run a seasonal brush cutting business, from May through October. Buckshot believes the facts he provides quality service and that those customers spread the word are among the reasons his auto parts and body shop is successful. “It’s who you know all the time,” he said. “The best publicity is word of mouth.” Buckshot believes winning the national Cando award will further help his business. “More recognition,” he said, when he was asked what he thought the accolade might help achieve. “That’s what we’re hoping for.”

Buckshot said some of his customers travel great distances. “I have a lot of customers from James Bay,” he said. “They have 10 Cree bands there. A lot of them come to Ottawa to shop, and they have to pass through Maniwaki. They don’t have very much up there. They live 1,000–2,000 kilometres away. Some of them drive 15–20 hours to get here.”

Buckshot believes there's a rather simple reason why Buck's Auto Parts has been a success. "I think it's the service we give," he said. "People keep coming back." Buckshot added he believes the fact he is fluent in three languages — English, French, and Algonquin — is a huge benefit when talking to his customers. And he also thinks his cultural knowledge has played a huge role in his accomplishments. "I think that for myself, having been born and raised in Kitigan Zibi Anishinabeg, the strong presence of our culture and cultural practices has been vital to my success in the business world," he said. "Success in business relies on core values and principles like hard work, discipline, determination, and communication. These core values have been more a way of life for me [than they have] been simple business principles."

*Constructing Capacity: Barriers, Tactics, and  
Conditions for CED as Described by  
Aki Energy CEO Darcy Wood*

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Van Penner

STUDENT, UNIVERSITY OF MANITOBA



Darcy Wood  
*CEO of Aki Energy*

## INTRODUCTION

Indigenous communities, burdened by centuries of colonial interference, continue to develop innovative approaches to expressing sovereignty and sustainability within local political economies. In challenging a system which has worked to systematically deprive Indigenous communities of land, culture, and capacity, the strength and utility of embedded knowledge is always displayed prominently. One inspiring expression of this knowledge is Aki Energy,

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Van Penner is currently pursuing an Advanced Degree in Global Political Economy at the University of Manitoba with a focus on anti-imperialism, decolonization, and sustainable development.

a social enterprise which “works with First Nations to start green businesses in their communities, creating local jobs and growing strong local economies” (Sharpe, 2017, p. 11).

Aki Energy actively challenges colonial control of energy provision by installing efficient, effective, and inexpensive energy technology while providing disempowered community members with valuable skills and employment. In shifting the paradigm away from corrupt colonial and corporate service provision, Aki faces barriers erected by non-community members who dogmatically adhere to orthodox development rhetoric as well as community members jaded by years of third-party deceit. However, by developing partnerships which allow community leaders to express sovereignty and control, Aki retires paternalistic approaches and values the success of the community and the success of the firm in tandem. As well, the installation of alternative energy utilities, such as geothermal heating systems, equips these communities with increasingly demanded skills which allow traditional philosophical teachings to be incorporated into the urgently required global energy transition. Ultimately, Aki’s focus on capacity building ensures that communities develop equitably, sustainably, and freely, which challenges existing colonial structures and allows invaluable Indigenous ideas to be expressed.

## **AKI ENERGY PROFILE**

Aki Energy is an Indigenous social enterprise founded by entrepreneurs Kalen Taylor, Shaun Loney, and Darcy Wood in order “to provide employment to First Nation communities and also build capacity at the same time” (personal communication, November 5, 2019). Aki works by facilitating the development of community-owned projects by providing the capital and training while selling the outcomes to governments who see their costs shrink. After an unsuccessful attempt to secure a government grant in the hopes of providing Indigenous communities with geothermal heating, Aki was founded in 2013 when the implementation of the Pay-As-You-Save (PAYS) program allowed for a tenable financing model. Working first on a contract basis with Manitoba Hydro, Aki looked “to go to First Nation communities and actually train individuals, to train and also to provide employment opportunities” (personal communication, November 5, 2019). Having already installed over \$15 Million in ground source heat pumps (heating/cooling systems which channel subterranean airflows to achieve residential temperature control) Aki explicitly seeks “to develop economies in First Nations communities and there’s no cost to them at all” (personal communication, November 5, 2019).

With geothermal energy “typically saving customers \$150 or more per month” (Loney, 2016, p. 46), households are able to finance a cheaper and more durable means of providing climate control out of the monthly savings. As well, the creation of local maintenance and construction jobs ensures that money stays within local economies, expanding markets for other local industries. Since the initial Hydro contract, Aki’s funding model now consists of courting foundations and “impact investment” (Loney, 2018, p. 45) that presently takes the form of a \$4.3 million contract with Raven Capital Partners. By allowing investors to earn a return (derived from the outcomes saved), Aki is able to scale operations much more easily than organizations reliant on limited funding. This social enterprise structure allows Aki relatively easy access to capital, which is continually reinvested, allowing the social benefits to scale summarily. As this unique funding model allows Aki an alternative approach to organi-

zational expansion, so too does it allow for Aki to produce different ends, namely, positive social outcomes.

A conventional analysis of Aki's "products" would fail to grasp the scope and mandate of the organization due to the visionary leadership with which Aki conducts its affairs. In reality, this work is simply a means to an end, with the end being a community-derived social goal, such as better public health, housing, and/or family unification. Understanding Aki's method for decision making requires an examination of the unique histories and philosophies of both the communities Aki supports and Aki's members. CEO Darcy Wood listed several of Aki's founding principles: "We want to pull everyone along, it's in the teachings ... we care for the environment, Mother Earth ... Not just focus on profit" (personal communication, November 5, 2019). From these guiding principles Aki has specifically focused on "the outcomes for getting people off social assistance, EI, and potentially in keeping families together", while explicitly targeting "individuals who are hard to employ" (personal communication, November 5, 2019). In order to secure these ends, Aki looks to develop capacity through the tripartite strategy of education, training, and employment, emphasized by Wood as "skills, that we've worked with them, that they've become employees and moved into other fields" (personal communication, November 5, 2019). The opportunity provided by Hydro to install geothermal units in First Nation communities allowed Aki to partner with Fisher River Builders and Peguis First Nation, Aki has since formally expanded into another two communities. This focus on capacity building has manifested itself in the number of people trained by Aki, which Wood estimates is "probably in the neighbourhood of over 50 individuals" (personal communication, November 5, 2019). Importantly, this training extends beyond formal trades certification, as they "also train fiscal knowledge, how to budget properly, and involve the family" (personal communication, November 5, 2019). Assuming costs such as these would be unthinkable in an orthodox business practice; however, the leaders of Aki shrewdly understand that they are necessary for the successful development of local economies. By aiding community members formerly excluded from meaningful participation in the economy, Aki's approach to community development maintains this unique yet invaluable tactic.

Another important aspect of Aki's business plan is the flexibility with which they approach community development, ensuring that solutions are derived from community ideas and that Aki's team is able to support them in any capacity necessary. Wood justifies this approach by saying, "[B]ecause we work with First Nations, we want First Nations to determine what they want to do; we call this community driven process ... In particular, when we talk about community driven aspects, we use elders within their community" (personal communication, November 5, 2019). Aki supports this process by securing the funds necessary for both training and inputs to ensure that communities lacking significant resources are able to organize solutions. By eliminating entry costs Aki ensures that communities do not have to risk taking on loans or debt which deter future investment or increase vulnerability to financial predation. Finally, Aki works to forge respectful relationships with both communities and staff members by relating to them as partners, "not employees" (personal communication, November 5, 2019), as Wood is swift to communicate.

Taking advantage of demand-side stimulus by Hydro, Aki energy serves to build capacity and provide opportunity in First Nations communities through the training, instalment, and maintenance of energy efficient heating systems. As they look to expand into commercial installation as well as alternative energy development projects, Aki will maintain the

organizational focus on helping communities determine and achieve their goals while forging relationships of respect in the process.

## CHALLENGES AND SUPPORTS

The inspirational and innovative approach adopted by Aki has been accompanied by myriad obstacles and innovations, which have engendered a strong ethic of problem solving within its members. While not all the challenges Aki experiences are negative (such as competition for labour), it is important to understand that disrupting centuries of colonial and corporate practices is an arduous task. However, with the importance of reconciliation finally becoming a topic in mainstream discourse, there is a growing supply of supports and resources available to important organizations such as Aki.

Historically, Aki (as well as other community enterprises on reserves) have faced steep competition from large corporations, like Manitoba Hydro or the Northern Store, which enjoy the twin perks of cost advantage (due to scale) and government subsidies. The reluctance of these monopoly suppliers to cede provision to local sources is unthinkable, as Shaun Loney recalls his fight to allow people on social assistance to make use of the PAYS program:

They [the government] preferred to pay the higher bills that created no employment instead of the guaranteed-by-law lower bills that created employment.

Situations such as this serve to demonstrate the power of the colonial mindset and its contemporary effects on the Canadian political economy. The active opposition by CIRNAC/ISC to support local development is cited by other Indigenous communities, such as Osoyoos in British Columbia, where a lack of government transparency regarding the community land claims repressed development for years. Breaking the colonial mindset which seeks control of Indigenous affairs, and the state or private monopolies which enforce it, is a continual challenge for organizations like Aki that seek to empower communities.

As well, other challenges associated with establishing and maintaining relationships with First Nations present themselves due to the complexities of local tribal politics. Darcy Wood emphasized the brevity of tribal council terms, saying “some communities only have a 2 year term, some 3, some 4, with a 2 year term it’s a little more challenging ... we are front and centre in briefing the new council; it’s a lot of work” (personal communication, November 5, 2019). As a result of having to continually inform new councillors on both the importance and intricacy of Aki’s business model, formal political support from the community requires considerable time and energy. Convincing members wary of Aki’s endeavours to support the firm is an additional challenge due to the deceit displayed by both governments and corporations in their dealings with Indigenous communities throughout history. Darcy Wood explained this perspective perfectly in saying “people get a bit leery sometimes, thinking it’s too good to be true, somewhere down the line where do we pay” (personal communication, November 5, 2019). Issues with tribal council governance structures have been cited by other communities pursuing economic development, with Sara and Wade Rose emphasizing the “importance to institutional legitimacy of each community’s governance with its historically specific informal institutions” (Rose & Rose, 2012 p. 55). However, due to Aki’s strong adherence to the seven sacred teachings it is becoming easier to build trusting partnerships with communities who have historically not been dealt with in good faith.



Another consideration of Aki's is the vast diasporic sprawl of many communities with which they build partnerships. Working to provide training and inclusion for community members who live off reserve is a limitation faced by many communities looking to develop their reservations. While some communities, such as Membertou, were able to attract economic émigrés back to their communities to facilitate development, others have sought alternative means, such as urban reserves, in order to maintain community consciousness. Evelyn Peters of the Urban Aboriginal Economic Development National Network (UAED) detailed some of these challenges, including the lack of an urban land-base and historical and institutional fragmentation, while also providing surplus human capital and access to markets as an encouraging boon. While Aki still struggles with these issues, their working relationship with urban social enterprises such as BUILD provide the basis for collaborative future efforts which could bridge geographical limitations.

Finally, Aki CEO Darcy Wood was eager to mention the challenge of losing trainees to higher paying firms and industries, a problem Aki is happy to face. Darcy, smiling, described the situation as “people we work with, they go find a better job, which, it's good, but we have to train other people“ (personal communication, November 5, 2019). The high level of turnover for Aki's trainees speaks volumes about Aki's success in successfully investing in previously disenfranchised community members. Assuming higher fixed costs, such as training, which is seen as an inefficiency in most firms, is seen as a measure of success for Aki due to the fact that they have successfully provided upward mobility for people with barriers to meaningful employment. While this may count as a challenge in terms of business continuity, it's ultimately a sign of the firm's success; or, as Darcy Wood described it, “You start a new crew, it takes a bit more time to get to the same level, but we like that” (personal communication, November 5, 2019).

While Aki faces many challenges, they have also developed many supports in their quest for community economic development. Aki understands that community development must be holistic, in the sense that communities must encourage diversified development and local sovereignty in tandem. One example of this is Aki Energy's subsidiary, Aki Foods, which is developing local, healthy, independent food production in Garden Hill while selling the outcomes (reduced diabetes/healthcare costs) to the government. By investing in skills relating to management, organization, and strategic planning, Aki's commitment to capacity building has revealed knock-on effects, which include firms such as Aki Foods. Darcy Wood's statement, “We wanted to create other entities on First Nations communities” (personal communication, November 5, 2019) alludes to the holistic approach undertaken by Aki to ensure that money staying within the community is used to expand markets so that locally owned enterprises may succeed. These knock-on effects of capacity building are expressed in other communities as well, with the Tsilhqot'in Nation in British Columbia developing local greenhouses for food production in the wake of its massive solar farm being installed. With the Tsilhqot'in developing greenhouses to utilise excess heat being provided by local energy infrastructure, and Aki Foods being developed through the skills and experiences of members of Aki Energy, it should be no surprise that community owned projects reap five times the benefits (as was described in the first section).

While partnerships with other developing firms help keep money and markets within the community, partnerships between different communities provide valuable lessons and possibilities. Aki has built connections with Hutterite colonies in Manitoba who are pioneering ambitious biomass energy technology in their bid for sustainable, sovereign production. Exploring the vast variations in financing models, energy infrastructure, and opportunities

taken by other communities is a means of achieving combined development through locally legitimized means. Ultimately, whether partnerships are between Hutterite and First Nations communities, urban and rural groups, or firms within the same community, Aki has actively sought to achieve innovation through multiple channels in order to face the numerous challenges implicit in its work.

## COMMUNITY ENGAGEMENT

To understand Aki's commitment to community engagement, it is necessary to understand CEO Darcy Wood's experience as Chief of Garden Hill First Nation, where "the money that comes in, our transfer payments come in each month and 80% just evaporates to outside companies" (personal communication, November 5, 2019). He also noted that "First Nations are so used to having consultants come in and do all this work and they leave," (personal communication, November 5, 2019) a practice which is the antithesis of any attempts at capacity building. Aki Energy's self-stated "community-driven process" begins with the community identifying a problem, such as "getting people off social assistance, EI, and potentially in keeping families together" (personal communication, November 5, 2019). Having established the nature of the problem, Aki supports communities in developing and implementing the technology necessary to alleviate the problem while finding ways to measure the reduction of costs associated with fixing it. Aki ensures that the success or failure of the firm is intimately tied to the success or failure of the community in achieving its social goals, which breeds solidarity and trust between the two partners. Crucially, Aki provides all the upfront capital and ensures that the communities are not required to divert any capital away from the community in order to fund their projects. By eliminating cost barriers and ensuring that solutions are communally legitimized, Aki maintains a prominent success rate and is emerging as one of the leading Indigenous economic developers in Canada (as demonstrated by the hardware received by both Aki and Darcy Wood at the Clean50 awards this fall). Using the seven sacred teachings while "showing them the positives of social enterprises" (personal communication, November 5, 2019), Aki Energy works to develop community appropriate solutions without adhering to strict colonial or business approaches and thus demonstrates a full commitment to improving the socio-economic, health, and political indicators within Indigenous communities.

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## Strategic Leadership: Kelly Lendsay, CEO of Indigenous Works

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Lucas Robinson

STUDENT, UNIVERSITY OF MANITOBA



Kelly Lendsay  
*CEO of Indigenous Works*

### INTRODUCTION

Kelly Lendsay is the President and CEO of Indigenous Works,<sup>1</sup> an International Standards Organization (ISO) certified Not-for-Profit (NFP) Indigenous organization with a mandate to increase Indigenous engagement in the economy. Lendsay has led the organization since it started in 1998 (personal phone interview, March 15, 2020). He is an award-winning social entrepreneur who is internationally recognized as one of Canada's foremost innovators and

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Lucas Robinson is in his final year at the Asper School of Business, University of Manitoba. After graduation, he plans on starting multiple entrepreneurial ventures and incorporating traditional Indigenous values into his business practices.

<sup>1</sup> Formerly Aboriginal Human Resource Development Council.

organizational development experts in workplace models, corporate/Indigenous partnerships and Indigenous inclusion strategies. A proud Canadian Indigenous leader of Cree and Métis ancestry, he moves seamlessly between both worlds, fostering economic inclusion, well-being, and prosperity for Canada.

Lendsay's personal satisfaction links to Indigenous Works' mission to increase Indigenous engagement in the economy through employment, workplace, and corporate/Indigenous strategies. He enjoys pushing boundaries for innovative approaches to problem resolution in the areas of employment, workplace, and partnership development. These efforts impact Indigenous peoples and all Canadians by building social and economic capital, with serious attention paid to helping people reach their human resource potential.

Indigenous Works' mandate rests on recommendations made in the 1996 Report on the Royal Commission of Aboriginal Peoples (personal phone interview, March 15, 2020). Founding Co-Chairs of Indigenous Works' Board were Eric Newell, President of Syncrude, Ray Ahenakew, Meadow Lake Tribal Council. In October 1998, Lendsay was hired by the Indigenous Works board to build partnership strategies and create a more inclusive work environment for Indigenous peoples in the corporate world (personal phone interview, March 15, 2020).

Indigenous Works received federal government funding support up until 2014; these public funds were used to leverage support for private funding. During this time Indigenous Works explored how different sectors impacted the overall job market. A number of projects were completed with the assistance of project staff and contractors. Indigenous Works connected Indigenous people with employment opportunities through the National Recruitment Fair, which ran from 2009–2016. Many Indigenous students benefitted from these fairs by connecting with employers. Lendsay is proud to see many in top management positions in various corporations and sectors across Canada. The job fair was cancelled due to government cutbacks, making it no longer sustainable as a public/private funded initiative.

## GOVERNANCE

Currently 65% of the board of directors are Indigenous, in excess of the 50% minimum set for Indigenous director representation by Indigenous Works (personal phone interview, March 15, 2020). This balance of ethnicity is important, as Indigenous Works focuses on the world of inclusion and bringing Indigenous and non-Indigenous people together. The approach also guides Indigenous Works' own work force in maintaining the voice of Indigenous leadership. Lendsay aims for balance in incorporating a western and traditional approach with cultural perspectives for the best decisions.

Indigenous Works incorporates many Indigenous values into their agenda. Elders are often part of the decision-making process, with board members, executives, and employees relying on the seven generation teaching to guide decisions and consider impacts on children now and in the future. They also incorporate the medicine wheel and consider emotional, spiritual, social, and intellectual ways of thinking (personal phone interview, March 15, 2020).

According to Lendsay, effective leaders must care about the people in their organization, operate with integrity, and constantly focus on vision and innovation. Partnerships offer a means to increase effectiveness and build a solid reputation over time as a means to achieve their mission. Lendsay notes that reputations take years to build and a day to break.

Passion, strong communication skills, including listening, and balanced thoughtfully with a playful attitude make Lendsay an effective leader in achieving Indigenous Works' mission. Lendsay knows that a good CEO must make hard decisions by gathering information and operating by consensus.

Building future capacity to achieve Indigenous Works' goals is a critical focus in order to make the desired economic impact. Lendsay identifies achieving effective scalability as Indigenous Works' biggest issue. Most NFPs do not have the capacity to reach their mission statement due to the pressure of understaffing. Indigenous Works is stretched thin, with five full-time and one half-time employees filling multiple positions. His goal is to increase staff to ten. At that level of staffing, plans to expand the membership program and services and to also coordinate more private sector consulting services can be accomplished. As CEO, Lendsay wants to continue striving for mission statement impacts as well as developing a research arm to bring academic researchers in line with Indigenous community needs, which is presented in the next section. Hopefully, increasing Indigenous Works' national profile will demonstrate value-added services that attract increased corporate funding (personal phone interview, March 15, 2020).

## NEW REALITY

Lendsay claims the key reasons for Indigenous Works' continued success, following the government cutbacks, were a new business model and self-sufficiency measures. New revenue streams gave them enough money to survive the transition and become independent of government funding. Today, Indigenous Works has no core government funding, which is very impressive for an NFP agency. Cuts were made to 33 staff and contractors, with a current staff of six and a handful of contractors maintaining operations.

Lendsay says the new reality means the opportunity to leverage public funds disappears, whereas in the past, each dollar raised in the private sector was matched. Indigenous Works' approach is to create products and services the public will buy and keep the organization afloat. Indigenous Works' leadership challenging responsibility is to develop continuing revenue streams which support programs and services that achieve their mandate. He states that the work Indigenous Works does is in the public good; but similar to other organizations, they have to continually make this case to the public sector.

Lendsay's approach relies on three questions from *Good to Great* (Collins, 2001): What can we be the best at in the world? What is going to drive our economic engine? What are we passionate about? The answers for Indigenous Works resulted in excellence at workplace systems reviews where the goal is improved Indigenous employment and workplace strategies. What is the Indigenous employment gap, and what is the best way to make a positive difference? Comprehensive reviews highlight gaps, which are filled by connecting them with potential Indigenous employees. Various consulting services are offered, such as employment system reviews and workplace assessment, as well as online and in-person training, which provide companies with the knowledge to seriously address Indigenous-focused goals.

From their research, Indigenous Works discovered that 85% of Canadian businesses are disengaged with Indigenous businesses. Lendsay says it is a disappointing experience to see the apathy among disengaged companies — Indigenous engagement is not on their radar. He has observed that many of these disengaged companies do not understand the value of con-

sidering and building a business case for Indigenous engagement. As a result, it is difficult for them to invest in Indigenous strategies and develop an Indigenous workforce (personal phone interview, March 15, 2020). Efforts to reach these disengaged corporations are in the planning stages.

Kocihta, Indigenous Works' charitable arm, has a mandate to increase the human resource and career potential of Indigenous youth, including youth with disabilities. Programs seek to address the Indigenous education gap that exists in Canada (Indigenous Works, 2020). Kocihta programs help Indigenous youth overcome barriers by addressing career awareness and planning. The Guiding Circles project has trained over 2,000 practitioners and delivered over 50,000 books to help people direct their own career paths. Other programs Kocihta offered in the past are Leadership Skill Build and eMentoring. Leadership Skill Build was an annual four-day event where Indigenous post-secondary graduates learned soft skills to effectively participate in job fairs. Lendsay's message to these young leaders is to be bold. An exciting world welcomes hard work, moving past personal comfort levels and, most importantly, sharing the benefits by giving back to community, both local and national. A career path trajectory must offer ways to develop hard and soft skills.

The corporate world is ready to attract these Indigenous dynamos by adopting a culture of innovation by embracing creativity and change. Indigenous organizations are experiencing the same problems that other organizations are when it comes to hiring skilled Indigenous people and putting them on meaningful career paths. Employment trends note an increased demand for skilled Indigenous employees. A major challenge for NFPs is that they cannot match competitive salaries offered by large corporations to Indigenous people. This conundrum often results in people being lured away from NFPs, minimizing the opportunity to keep Indigenous voices and cultural perspectives at the table.

Some of the downsides of Indigenous communities becoming too economically reliant on raw resource-based sectors include unstable market conditions and lack of human capital and financial experience, as well as limited access to the required resources. The first step for a community to become economically viable is investing in its own community capacity building (Beaudoin, 2012). Lendsay recommends that Indigenous CEOs continue to diversify their companies beyond the resource sector. Collaboration with partners and mentoring their youth will help develop their economic potential.

Mentorship is one of the most powerful forms of training when it comes to changing performance. Lendsay says that older and youthful mentors had a continuing, powerful effect on his personal and business goals over the years. People that his organization have helped find jobs often end up coming back into his life. They share their success stories and what they have learned, and this pushes Lendsay to go further (personal phone interview, March 15, 2020).

Indigenous Works' current strategy is to relaunch their membership program in September 2020 with a new employer certification program, new workplace services, and a new lower cost membership fee structure. They are also focusing on making these programs affordable for small and medium sized enterprises to help them on their journey of inclusion. This strategy is being tested and should be ready to roll out in September 2020.

Lendsay's organization also focuses on research and innovation to grow new talent and engage economic wellbeing and prosperity with a new initiative called Luminary — Advancing Indigenous Innovation, Economic Transformation and Well-Being: Growing Increased Cooperation and Collaboration among Indigenous Businesses and Communities, University and College Researchers and Research Agencies. Lendsay has assembled an

impressive list of over 100 partners from universities, colleges, Indigenous business and economic development corporations plus committed stakeholder agencies and champions. Research agencies are encouraged to target economic issues and priorities facing Indigenous communities. Some research and mapping exercises will be done by Luminary, including baseline assessments of the Indigenous labour market and engagement of Indigenous research students.

In summary, Lendsay defines his personal style as a CEO as follows: “Leadership is not only about doing things right, it’s about doing the right things. Innovation in leadership means embracing failure and setbacks; what counts is how you respond to them, learn from them, and grow from these experiences” (personal phone interview, March 15, 2020). Indigenous Works team is based on solid vision and planning skills to meet the challenges of the day.

## CONCLUSION

Indigenous Works seeks a balanced, inclusive business strategy in line with viewing the world through both an Indigenous and a Western World view. The goal is to balance both perspectives in the most inclusive manner. He prides himself with being able to incorporate this into his organizational strategy and value-based principles. This is important, as he moves forward with one foot in the Western World and one in the Indigenous world as a CEO and leader. It is also beneficial, considering that Lendsay’s main focus is to facilitate greater labour market opportunities for Indigenous people into both Indigenous and mainstream organizations and companies. Lendsay holds that the best programs an organization can offer are extensions of their core values. He and his team have worked tirelessly to build on their core competency of offering workplace and workforce consulting.

Meanwhile, their charity (Kocihta) focuses on educating Indigenous youth about their career planning and developing their human resource potential. Indigenous Works cannot close the employment and skills gap on its own; it must help corporations to understand the value of Indigenous partnerships, customers and employees. This requires a collaboration to build social and economic capital for all Canadians, capital which will help the country reach its full economic potential.

## PERSONAL REFLECTION

I agree with Lendsay on his strategy for effective leadership as well as the importance of mentors for young Indigenous leaders. Indigenous people continuing to invest in each other is the first step towards economic sustainability. Lendsay’s organization does just this by consulting other businesses and making them more open to Indigenous values. Lendsay mentors and facilitates a climate of mentorship.

I have learned that many Indigenous people within Canada suffer from situations of poverty, sickness, and unemployment, mostly stemming from a lack of support. A good way to put a stop to these issues is to start at the foundational level and develop organizations such as Lendsay’s NFP. This way Indigenous people can bring themselves and their community members out of poverty through better employment and workplace inclusion, thus making them less reliant on government assistance and creating lasting revenue streams for

communities. Leadership on its own is a difficult job, but when you add in the Indigenous element it becomes even more complex. Now leaders are responsible to lead a culture, race, and civilization to a place that is economically sound. Challenging years of colonialism as well as attempts at cultural genocide is at the core of the fight for victims of oppression to leave victimhood behind and carve out a place of economic well-being.

My research has also taught me that good will is not enough, and creating an employment environment that fosters Indigenous success is based on proper cultural knowledge and acceptance. If businesses in Canada today do not understand the histories and issues of Indigenous people, then they are only fostering an environment in which Indigenous people are once again assimilated into an unsupportive system. The result will be harmful social divides within the company and society.

Lindsay has taught me the importance of educating society and the benefits which his organization will provide to businesses. As a young Indigenous person and an aspiring leader, I plan to incorporate these wholistic lessons in my own business practices of inclusion, cultural sensitivity, and balance.

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# *The Driver Education and Licensing Project at Sipekne'katik First Nation*

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Fred Wien

PROFESSOR EMERITUS, DALHOUSIE UNIVERSITY

Stephanie Doucet

NATIVE EMPLOYMENT OFFICER FOR THE SIPEKNE'KATIK FIRST NATION IN NOVA SCOTIA

## **BACKGROUND: THE POVERTY ACTION RESEARCH PROJECT**

The Driver Education and Licensing Project (DELP) at the Sipekne'katik First Nation (SFN) in Nova Scotia<sup>1</sup> had its origins in 2010 with the Poverty Action Research Project (PARP). The latter brought together an academic team from several Canadian universities, as well as the University of Arizona, working in partnership with the Assembly of First Nations. Funding was provided by the Canadian Institutes of Health Research (Poverty Action Research Project, 2018).

The idea behind PARP was to select five First Nation communities from different parts of Canada and to work with them on developing a strategy designed to address poverty in their communities and thereby contribute to health and well-being. The project was unusual in that not only were the strategies which emerged community-driven and therefore different one from another, but there was also a commitment to work with the communities on their implementation.

Transportation issues emerged as a barrier in several of the strategic plans. At Misipawistik Cree Nation in Manitoba, for example, the community decided to implement a project to provide driver education on the reserve, and 28 persons signed up for the program.

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Fred Wien was the nominated principal investigator for the national Poverty Action Research Project funded by the Canadian Institutes of Health Research.

<sup>1</sup> Among the 13 Mi'kmaq communities in Nova Scotia, SFN is the second largest, with an on-reserve population of 1244 persons and a similar number living off reserve. The main population location is Indian Brook, located in Hants County, but there are five additional, smaller and scattered land areas that also belong to the community. Source: SFN web site.

Demand was sufficiently high that a second cohort was admitted shortly thereafter, with the Swampy Cree Tribal Council picking up the idea to benefit its member communities.

Transportation was also a key issue identified at Sipekne'katik First Nation. This article describes how the community went about addressing this important obstacle.

## **TRANSPORTATION ISSUES IN MI'KMAQ COMMUNITIES**

Ten of the thirteen Mi'kmaq reserves are located in rural areas, on average about 30 kilometres from urban areas or from regional service centres. While this may not appear to represent a high degree of geographic isolation, it looks different from the vantage point of someone living in the community without a driving licence and without dependable access to a car or any other form of flexible and affordable transportation.

Measures to address transportation needs include medical drivers who will take persons to health-related appointments, but that is a limited purpose service. Additionally, Sipekne'katik Employment and Training has purchased a commuter van. This option works well when several people need to go to a particular location to take part in a training program, for example, but does not meet individual needs to go to a wide variety of locations at many different hours of the day. Further, there is no municipal bus service.<sup>2</sup> Although Halifax Transit stops at the Robert Stanfield International Airport, that location is about 30 kilometres from SFN. Thus, family and friends are pressed into service, or a local "taxi" can be engaged; but many residents cannot afford the cost.

It is not surprising, therefore, that transportation is identified as a significant issue for community members. To give one indication, the 2015–16 First Nations Regional Health Survey asked adults living on reserve in Nova Scotia how important different barriers were to their accessing health services in the province. Out of more than 16 barriers listed, not being able to afford transportation costs was identified by 24% of respondents, the fourth most frequently mentioned barrier (Doria et al., 2018, Figure 3.4).

## **A HIGH LEVEL OF COMMUNITY INTEREST**

When we launched the DELP initiative, therefore, we expected there would be program interest, but we modestly budgeted for 25 participants. The first indication we were way off base came when we held two community information sessions in May 2019, and a total of 50 persons attended. The deadline for submitting applications was two weeks later, by which time 88 adults had completed application forms. We decided to see if we could assist all applicants, thereby far exceeding our initial budget estimates, and they became what we now call the first cohort. A year later, as we are nearing the end of the work with this group, another 102 adults have applied to be part of a second cohort — an unprecedented response for any initiative at SFN, and an indication of just how important the transportation issue is for community members. Indeed, the 190 participants included in the first two cohorts repre-

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<sup>2</sup> Public transport is generally not available in the rural areas of Nova Scotia.

sent some 23.2% of the population 15 years of age and over and living at SFN in 2016, according to the Census (Statistics Canada, 2018).

## A POVERTY TRAP: FINES AND LOSS OF LICENCE

One of the lessons from the PARP initiative is that the five participating First Nations each had, in their own way, a much broader conception of poverty than is usually the case in mainstream society, where the emphasis is on material indicators such as income or employment. They spoke about all the things that go into creating a “good life” and the need for balance among major life dimensions (Denis, Duhaime & Newhouse, 2017). This does not deny deep concern, however, about high levels of material poverty, an issue which is an integral component of the transportation issue.

Table 1 reveals just how significant material poverty is in the SFN community compared to the surrounding rural area.

Poverty comes into the driving license picture from many directions, including the cost of taking a driver education program, paying fees at the Registry of Motor Vehicles, arranging for insurance and purchasing, and operating a motor vehicle. We found, however, the biggest issue was the fines individuals had accumulated over time, their inability to pay these fines due to material poverty, and the consequent exclusion from services offered by the Registry of Motor Vehicles because their fines are deemed to be in default. If they had a driving licence previously, this dynamic prevents renewal of their licence until the default situation is addressed.

Drivers who have been suspended for non-highway safety reasons often become trapped within the system. Some cannot afford the original fines and may lose their ability to drive legally as a result of the suspension. If the suspension was for a non-highway safety reason, the person, who may otherwise be a safe driver, loses his or her ability to drive to and from work, school and other essential destinations that require driving.... This is especially true in areas that lack alternative means of transportation. (AAMVA, 2018)

Table 2 summarizes some of the different ways in which financial obstacles affect participants in our first cohort, with more than two-thirds having outstanding fines and many looking at a variety of fees they need to pay before getting back on the road.

Indicator	Sipekne'katik	Hants County	N.S. on Reserve
Percentage of adult population in labour force	40.5	62.2	47.3
Percentage of population employed	32.5	56.8	36.8
Unemployment rate	19.7	8.7	22.2
Median total annual income	\$11,483	\$32,670	\$15,498
Source: Statistics Canada, 2016 Census, Catalogues 98-510-X2016001 and 98-315-X2016001			

**TABLE 2**  
Financial Obstacles to Regaining Licence, July 2019

Financial Barrier	Number of Participants
Outstanding fines	61/88
Reinstatement fees	53/88
Road and other testing fees	77/88
Active suspension	16/53
Number with suspensions expired but financial barriers	37/53

Source: Client Files, Registry of Motor Vehicles, July 2019

**TABLE 3**  
Data on Fines DELP Participants, July 2019

Item	Data
Number of Participants with Fines	61/88
Total value of accumulated fines, July 2019	\$239,520
Average fine per participant who has a fine	\$3,927
Time required to pay off average fine at \$20 per month	196 months or 16+ years

Source: Client Files, Registry of Motor Vehicles, July 2019

We note as well that the total amount of accumulated fines for the 61 participants who had fines comes to an astounding \$240,000. Many of the persons with fines had accumulated multiple convictions and, on average, four of their fines were in default.<sup>3</sup> The average fine was in the vicinity of \$4,000, and if someone on social assistance (the situation for 77% of our participants) were able to scrape together \$20 per month to repay such an amount, it would take them some 196 months, more than 16 years, before they would be in the clear.<sup>4</sup>

It is worth noting, too, how unfair the system is in that fines are typically set amounts, such as \$1,200 for driving without insurance. If we take the median income figures from the chart above, a \$1,200 fine represents 10.5% of a person's annual income living on reserve, whereas it represents 3.7% for someone whose annual income is about three times that amount while living in the surrounding county.

<sup>3</sup> We assume this is primarily due to an inability to pay — i.e., to poverty — but, of course, there may be other reasons as well.

<sup>4</sup> While a majority of our participants rely on social assistance for some or all of their income, this is not the case for everyone. We made a deliberate decision to open the program to anyone in the community who thought they could benefit, and our first cohort is remarkably diverse — not only in terms of income sources, but also other characteristics, such as gender and age.

## **THE DRIVER EDUCATION AND LICENSING PROJECT: WHAT WE DID**

Our first step was to establish a Steering Committee, which now numbers some 16 persons. In addition to two Band Council members, the Committee includes the Native Employment Officer for SFN, the DELP coordinator, and an administrative trainee, and representation from organizations such as Mi'kmaq Legal Support Network, Mi'kmaq Employment and Training Secretariat, Dalhousie University, and the provincial Registry of Motor Vehicles, Court Services and Aboriginal Affairs. We found that having provincial representatives on the Committee was especially important because they were able to obtain detailed information on the driving licence and fine status for each of the participants and to provide guidance on how to navigate what is a complicated licensing and court process.

Financial support was obtained from the grant supporting the Poverty Action Research Project provided by the Canadian Institutes of Health Research and administered through Dalhousie University, as well as grants from the Nova Scotia Building Vibrant Communities Fund, the Native Council of Nova Scotia accessing funds from Service Canada, Mi'kmaq Employment and Training, and the Sipekne'katik Band.

Participants were able to draw on a range of supports provided by the DELP project. These included:

- Advising DELP participants on their licensing and fine status, and what they need to do to renew or restore their licence
- Making driver education classes available on reserve and scheduling in-car instruction
- Providing some Registry of Motor Vehicle services on reserve, such as vision tests and identification documents
- Arranging to have Driving While Impaired (DWI) courses offered on reserve
- Providing transport as needed for court appearances, fine payments, Access NS visits
- Assisting with court appearances — forms, appointments, legal advice, personal support, streamlined processing

DELP paid for many of the costs involved in providing these services, such as the driver education program, DWI courses, licensing and road test fees, and the like. It did not, however, offer to contribute to fine repayments, due both to budget limitations and to the desire to leave room for individual responsibility.

## **THE BIGGER PICTURE: MAKING ADMINISTRATIVE, POLICY AND LEGISLATIVE CHANGES**

Clearly there has been a substantial demand for the DELP project at SFN, and there are indications there is a similar level of need among other Mi'kmaq First Nations in Nova Scotia. Off reserve, the Native Council of Nova Scotia is taking steps to offer a DELP-like program to its members.

It is also the case, though, that underlying systemic barriers are in play which will continue to catch Mi'kmaq and other low-income populations in the poverty–licensing trap described above. To begin to identify and address these underlying structural issues, DELP

convened a one-day workshop in February 2020, bringing together Mi'kmaq, provincial and federal representatives. Arising from the workshop, several initiatives are underway to bring about change in the “system”. They include the following:

- Advancing an amendment to current legislation to permit alternative measures to be employed to address fines, such as performing community service
- Allowing fine defaults to be lifted automatically if a person makes and maintains partial payments
- Streamlining the fine remittance process, including making this an administrative matter rather than requiring submitting a remittance application to the court
- Undertaking discussions with DELP, Mi'kmaq Legal Services, and others about how to implement alternative measures in Mi'kmaq communities, e.g., organizing community service to be credited against fine amounts
- Organizing a public event at SFN to educate drivers, parents, and others about insurance-related issues.

## CONCLUSION

The high level of participation in the Driver Education and Licensing Project provides a strong indication of the importance of transportation issues in First Nation communities. This is likely one of the most significant barriers facing community members as they seek to improve their circumstances through education, training, employment, and accessing services.

The project identified that it is not only a matter of providing driving education to persons who have never had a licence in the past. It is also a matter of addressing financial barriers, especially the burden of being faced with multiple fines totalling thousands of dollars, on average, but being unable to pay these due to material poverty.

A project such as DELP can be effective in assisting persons to obtain or regain their driving privileges; but more fundamental, systemic obstacles also need to be addressed to avoid future generations falling into a poverty trap.

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# Indigenous Talent Management

Jake Tourand

MÉTIS NATION OF BRITISH COLUMBIA

In recent years, there has been a spotlight on diversity and inclusion in the workplace. Many organizations have begun to understand that diversity in the workforce helps to spark new perspectives, increases innovation, and contributes to their public image. In Canada, organizations understand partnering/employing Indigenous Peoples is not just “good business”, but can actually add benefit to their organization.

In 2015 the Truth and Reconciliation Commission put forth a set of Calls to Action that urge all levels of government and all Canadian institutions to join in the effort toward the reconciliation between Indigenous people and Canada. Working to increase an Indigenous presence within the workplace would help organizations respond to those 94 calls to action (Truth and Reconciliation Commission of Canada, 2015).

Hiring Indigenous Employees to work in Indigenous-owned businesses contributes to the economic prosperity of First Nations Communities. These businesses are better received by their communities as they are improving the local business climate, and helping to infuse income into the hands of its employed community members.

Over the past generation, Indigenous peoples across Canada have placed larger importance on education as a way of bettering themselves and helping their community. In 2016 Indigenous peoples (First Nations, Métis, and Inuit) all made improvements in post-secondary education at every level. According to Statistics Canada, “10.9% of Aboriginal people overall aged 25 to 64 had a bachelor’s degree or higher up from 7.7% in 2006” (Statistics Canada, 2017). Similarly, college diplomas also rose by a similar margin.

While organizations have begun to shift their focus to Diversity and Inclusion, Indigenous Peoples across Canada have begun to expect more from their employer. An employer can no longer state they support Indigenous Employees; they have to show it through their actions. In order for an organization to be successful at not only recruiting but retaining as well, there needs to be a strategic conscious Indigenous strategy in place.

While there is no “right” way to recruit and retain Indigenous employees, there are several recommendations that an organization may consider when developing an Indigenous talent management strategy:

## Recruitment

1. Understand the local culture, traditions, and norms of the people you are looking to recruit. In Canada, there are “more than 630 First Nation communities”, each being unique; in addition, there are also Métis and Inuit communities to consider (Government of Canada, 2017).
2. Connect with Indigenous communities to understand the needs of their people. Look at the creation of roles that are mutually beneficial to the community and the organization.
3. Designate a role specifically for recruitment/talent management for Indigenous Employees. This role can help identify potential employees, assist in the interview process, and ensure employee success in the future.
4. Develop partnerships with post-secondary institutions across Canada. Indigenous post-secondary students can begin connecting with the organization while completing studies. In addition, the implementation of an Indigenous Internship Program is an opportunity to invest in future employees.
5. Develop Indigenous-specific recruitment marketing (online postings, traditional media, and videos).
6. Implement implicit bias training, and truth and reconciliation training for all recruiters to help ensure that unsuccessful candidates aren't disqualified due to biases or prejudices.
7. Leverage the work already being done to retain employees as a potential recruitment tool.
8. Allow Indigenous employees currently in the organization to have input on the recruitment practices and strategies.

## Retention

1. Celebrate and encourage Indigenous traditions and celebrations (such as National Indigenous Peoples Day).
2. Implement an organizational-wide Indigenous cultural sensitivity training. This training will aid in integrating Indigenous employees into the workplace and will help to reduce implicit bias.
3. Develop policies and guidelines to support cultural needs such as the creation of a cultural leave provision.
4. Allow your employees to volunteer in their communities during work time.
5. Implement an Indigenous mentorship program to aid in the development process.
6. Implement an Indigenous employee resource group to allow for networking, employee assistance, and a sense of community.
7. Ensure that the traditional territory or treaty in which your business is located is acknowledged during large events and on the company website.
8. Look at implementing weekly smudging and/or a weekly visit from an Indigenous elder.
9. Ensure Indigenous employees have the opportunity to provide feedback/suggestions regarding retention and internal programs.



In an ever changing work environment, organizations are understanding the value of Indigenous Employees. Indigenous employees add benefits to an organization far beyond the nominal benefit of a checkmark in Diversity and Inclusion reporting. Recruitment of Indigenous Employees can increase your public image and relations, input new perspectives, and strengthen your brand. Taking a strategic approach to the recruitment and retention of Indigenous employees helps to ensure success and respect in your approach. Overall, any increase in Indigenous recruitment and retention helps to create a better work environment for everyone.

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# Stéphane Pattyn, Métis Entrepreneur: Leading with Character

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Zac Cumming

STUDENT, UNIVERSITY OF MANITOBA



Stéphane (Steph) Pattyn  
*Pattyn Ventures*

## INTRODUCTION

Pattyn Ventures is a construction company started by Métis Stéphane (Steph) Pattyn, who has demonstrated a meaningful leadership style throughout his life. Steph grew up in Ste. Anne, Manitoba, and had a love for the game of hockey. Steph went all the way to the level of Division I hockey in the United States to play with the University of North Dakota Fighting Sioux. While attending the university, Steph developed another passion, and that was for entrepreneurship. Steph worked with a concrete company during his time off in the summer, and decided while he was still attending university that he wanted to start his own concrete

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Zac Cumming is a third year student in the Asper School of Business. He found a passion for Indigenous development through his Indigenous Business Studies major. His goal is to assist his future employer in building successful Indigenous relationships.

company. With the help of The Louis Riel Capital Corporation (an Aboriginal Financial Institution), he started Pattyn Concrete as soon as he was out of school. Steph and his company have grown to a degree that is hard to match. He carries strong values on how to lead his workers and on making a difference in surrounding communities. Steph is an individual who is always pushing to be better each day, and is constantly working with his employees to help them succeed.

## PERSONAL PROFILE

Steph Pattyn is a Métis entrepreneur from a small town just outside of Winnipeg, Manitoba called Ste. Anne. Steph never imagined that one day he would be the owner of a thriving business with a successful profile in Winnipeg and surrounding areas. Steph had every intention of becoming a professional hockey player based on a stellar record in his youth. One thing set Steph apart from other competitors — it was the fact that he always tried to be the best and was diligent in achieving success. He loved hockey from a young age, and he started his junior career in Portage La Prairie, Manitoba, with the Portage Terriers. Two years of above average play resulted in an amazing opportunity to play for the University of North Dakota's Fighting Sioux. This opportunity could have led to a professional hockey career, but it also opened other doors too.

Steph enrolled in the University of North Dakota's business program and majored in entrepreneurship. Keeping up with school work, along with competing at a competitive level in sports, can be difficult for most student athletes. Steph was determined to push through and succeed in both. After a couple of years with the Fighting Sioux, his leadership skills were acknowledged and was named captain of the team. This was a huge accomplishment for him, as the Fighting Sioux were a highly skilled Division I hockey team that have won eight national championships.

## ORGANIZATION START-UP

Steph took his studies seriously while attending the University of North Dakota. He developed his dream of becoming a leader on the ice and at the same time planned for his own company. Entrepreneurship became a real priority for him, and starting his own concrete business in the construction business was his end goal. He earned his business degree and returned home to the town of Ste. Anne. Steph began his entrepreneurship journey with a strong foundation of leadership skills that he developed over the years playing hockey, where his leadership style was one of “listening, understanding, goal setting and feedback” (personal communication, February 2019).

Steph approached the Louis Riel Capital Corporation (LRCC) that finances Métis-owned businesses. LRCC covered 40% of his \$100,000 start-up costs as a non-repayable grant if his company was sustainable for three years. Steph was motivated to make sure his company would grow and meet the construction needs of the region. This relationship between Steph and the LRCC was part of his success. Steph now uses his relationship with the LRCC to reach out to others applying for the funding and share how he succeeded so that they too will be successful. Steph builds relationships with his fellow Indigenous entrepreneurs, as well as the members of the LRCC, because he believes cultivating relationships will help grow a future together in the world of business.

## PATTYN VENTURES

After an amazing start to Pattyn Concrete, Steph wanted to expand into a complete construction company. The foundational goals are to grow and build communities as well as their company. The company is based on core principles of “quality craftsmanship, transparent communication and an emphasis on relationships” (Pattyn Ventures LTD., 2019). The company takes great pride in taking every opportunity presented to them and in constantly improving their skills every day. Pattyn Ventures is known for setting themselves apart from other construction companies because they are focused on assuring that their customers know that they are being listened to and that Pattyn Ventures is adapting to change. The motto for Pattyn Ventures is “Growing People. Building Communities” (personal communication, January 24, 2019). Stéphane Pattyn talks about a very simple perspective that he brings into every aspect of his life, and that is to show his true character. “See through things, overcome difficult situations, that’s what people notice, they see the little things and the effort you put forward each and every day” (personal communication, February 2019).

Clients are always put first for Pattyn Ventures, this is something that Steph shows to his employees, as well as future clients. “We don’t claim to be the best, as that would be arrogant and go against our fundamentals. In every relationship and transaction, we are committed to being fully in the moment in order to serve and produce amazing results for our clients” (Pattyn Ventures LTD., 2019).

## LEADERSHIP PERSPECTIVES

Steph has had core principles on effective leadership since he was young. He discussed how being Métis opened the door to learning different perspectives and how other Métis individuals lead in different aspects of their life (Interview with Pattyn on January 24, 2019). Steph doesn’t just use his leadership skills for his own benefit. He has implemented a leadership program within his organization to help his employees learn how to be effective leaders within the organization as well as in their everyday lives. This program that he has in place involves everyone from the receptionist to the labour workers. He wants his workers to understand everyone’s position as well as their own role within the company, as this leads to respect for everyone’s work. “I believe the foundation of becoming a good leader is learning how to care about others before yourself. This leads to a mutual respect that cannot be tarnished” (Pattyn, personal communication, February 2019). The leadership program that is put in place for the Pattyn Ventures employees has three goals that it shares. These are goal setting, feedback, and implementation. Using these goals, the workers understand how to communicate properly with their peers and to learn from them.

Steph is always open to new ideas on how to become better from other individuals, a common approach shared by many Indigenous leaders (Wallace, 2001). The office workers at Pattyn Ventures all come from corporate backgrounds and are encouraged to share their points of view to help their company succeed.

Steph credits the influence the sport of hockey has had on his leadership. He was able to learn from previous captains at the University of North Dakota, who helped him, which gave him the opportunity to share with his small hometown and influence economic growth. He ultimately is able to benefit others with his experience too. He noticed with other leaders, for example, that he didn’t need to be the most skilled individual in the room to become the ultimate leader, he needed to show character (Bucci, 2012).

Steph lives every day trying to be a better individual and reminds himself each morning that “Every day, it is important to be better than I was yesterday, or at least attempt to do so” (Pattyn, personal communication, February 2019). He states that if one is able to be self-aware and see what exactly it is that one can do better today, it leads to success. Another strong leadership perspective he holds is that effective leaders aren’t afraid to reach out (Calliou, 2012). He knows that likely someone out there knows more than he does, or has experience with an issue he is trying to solve right now, so it is important not to be afraid to ask for help or an opinion. Steph has many leaders he turns to, including hockey captains, coaches, bosses, and family members, for their advice and critiques, which has positively impacted his success as an entrepreneur. Finally, his last piece of advice to be a successful leader is that “hearing ‘no’ isn’t the end of the world” (Pattyn, personal communication, February 2019).

## **GROWTH OF COMMUNITIES**

When Steph got his company started with the help of the Louis Riel Capital Corporation, he knew that it was not only his company that he wanted to see succeed, it was also the community that he grew up in and all the individuals who are a part of that community. Stéphane Pattyn loves his hometown of Ste. Anne, and he is also a big supporter of the surrounding area, such as Richer, Manitoba. Being a Métis entrepreneur, he loves being able to interact with other members of the Métis community. Ste. Anne’s and Richer’s economies were growing slowly. Steph wanted to be a significant partner in bringing change to the area.

To begin, Steph brought his skills directly to the senior hockey team, which is called the Ste. Anne Aces. Everyone around the area was passionate about the Aces and knew that with Steph’s leadership style he could turn the team into something great. The team ended up by winning the championship three years in a row after Steph’s arrival and brought in new fans that ultimately helped the community become stronger. Since Steph arrived in Ste. Anne, he has been very involved with the growth of the community through town projects. His company built the Ste. Anne skate park, which is used by three schools (Interview with Pattyn on January 24, 2019) to try and diversify the activities that were available for the younger generation. Pattyn Ventures was also a part of a major project — the new helipad landing for the Ste. Anne hospital. This project gives surrounding areas a closer option than Winnipeg when an emergency occurs (Gerbrandt, 2018). Finally, Steph has helped alleviate the housing shortage in the town of Ste. Anne by partnering on the construction of new condominiums. The town of Ste. Anne has seen significant growth in population, as well as a growing demand in businesses that are wanting to locate within the town since the condominiums were built.

Ste. Anne is not the only community that was on Steph’s radar to help grow economically. Steph saw potential in the town of Richer, Manitoba. Richer has many Métis members who support their annual rodeo held each August. This rodeo has expanded over the last couple of years with Steph’s involvement. Pattyn Ventures is a major sponsor of the event, and Steph also volunteers to assist with events.

Richer does not have an arena in the area. The community does have an outdoor rink that is used by many, but Steph supports an arena for the town to help kids enjoy hockey. For this reason, Pattyn Ventures is the general contractor for the arena in the town of Richer.

This is one of the many ideas Steph has in mind for the community to help them grow to their maximum potential (Interview with Pattyn on January 24, 2019).

With all the success that Steph has had with his company, he has put a lot of thought into how he will continue to grow and to attract funding for years to come. He has turned to his past mentors for help, as they are experienced and successful in business. He developed a plan with his sparkling mentorship team of Mark Chipman, Rob Tetrault, Tommy Kenville, Dave Hakstol, and Denise Pattyn, and called it the Fighting Sioux Fund. The name links Steph's experience with the mentors from his hockey days.

The Fighting Sioux Fund gives companies' investment opportunities with Pattyn Ventures to partner with future economic opportunities. "Pattyn Ventures is seeking motivated investors to assist in growing our economic engine" (The Fighting Sioux Fund, 2020). The Fighting Sioux Fund gives investors three options. The first option is an equity partnership with the Fighting Sioux fund at a cost of \$50,000. With the investment in the equity partnership, Pattyn Ventures will prudently pursue opportunities with due diligence. This will allow the company to move forward even while several projects and acquisitions are in progress. The second option for the investors is the "All-Star Investor" option, at a cost of \$250,000 for an equity partnership and unique gifts tied to the investments being pursued. Finally, the "Legend Investor" option, for \$500,000, includes everything offered in the previous two options and a preferred rate of return of 60%.

The Fighting Sioux Fund is founded on four core investment principles that include "1. Find good businesses; 2. Pay a fair price; 3. Bring value and evaluate worth; and 4. Diversify the portfolio" (The Fighting Sioux Fund, 2020). This fund will help achieve Steph's vision of encouraging high economic growth by attracting exciting opportunities.

## CONCLUSIONS

Steph Pattyn worked hard and dedicated his efforts culminating in his experiences with Division I hockey at the University of North Dakota. While hockey has remained close, he values the opportunity of a lifetime of becoming the owner of a company. Steph has had major success in the business world with his company, Pattyn Ventures, and he credits that success to hard work and dedication. He regularly reflects on previous leaders that have been a part of his life and how they have helped him become the leader he is today. Steph's leadership style is similar to many other Indigenous leaders in valuing the experience of other leaders and sharing what he has learned when asked. Steph tries to support his home community and others in the area to grow their economies. His long-term vision for his company and community resulted in The Fighting Sioux Fund to broaden the economic reach beyond Pattyn Ventures. Steph is a great leader and an individual who has worked hard to get to where he is today.

## PERSONAL REFLECTION ON INDIGENOUS ECONOMIC LEADERSHIP

With everything that I've learned from class discussions, along with my interview with Steph Pattyn, I have realized that Indigenous Economic Leadership can come in many different forms and that there is not a specific way that is more successful than others. Isn't that

the best part of the Indigenous way? That there are many possibilities to achieve success. I have learned that with acceptance and understanding, a true Indigenous leader is always willing to hear other opinions, regardless if they agree or not. I understand that Indigenous Leaders are often very respectful individuals who have a connection to where they are from. These leaders want to help their home community, and often their neighbours, succeed in every way possible. This attitude is also shared with peers and other community members. Steph is an example of a leader who surrounds himself with the people he cares about most and people who share what he believes in. People may not always listen or share what he believes in, but this leader is focused on being the best version of himself and leading by example for the youth and other individuals who may need guidance on their journey through life. Finally, I believe that a strong trait underlying this leader's effectiveness is his perseverance through tough times, no matter what.

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## Triumph: Brenda Parsons, Indigenous Entrepreneur

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Carter Russell

STUDENT, THE UNIVERSITY OF MANITOBA



Brenda Parsons  
*All Nations Print*

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### INTRODUCTION

Creating and sharing knowledge through paper is entrenched in society. Ever since the year 932, when Chinese printers adopted the first printing technology known as wood-block, entrepreneurs and like-minded individuals have arisen to fill the desired need in the printing market (American Printing History Association, n.d.). Print has evolved with humans through time, showcasing both the practical uses and the displays of greed, hatred, and pessimism. Within the last one hundred years, print media helped create the first brand and brand promotion campaign. Print media has also been the outlet for proliferation of false advertising claims, placing subliminal messages with ulterior motives, and promulgating chaos. It is evident in today's society that print media is a unique form of storytelling aimed to fulfill human needs. This work outlines the journey of an Indigenous entrepreneur who at

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I am in my last year of studies at the University of Manitoba's Asper School of Business, where I am pursuing a double major in Marketing and Entrepreneurship. Currently, I am the founder of two service-based businesses operating in Whiteshell Provincial Park, MB.



times faced great opposition from both market and societal restrictions but has moved to a story of triumph and success.

All Nations Print is a for-profit, Indigenous operated, and female owned business in Winnipeg that is focused on providing exceptional service to Indigenous communities across Manitoba and surrounding provinces. Research concentrating on Indigenous entrepreneurs often determines connections to cultural heritage and beliefs and business fundamentals. Brenda Parsons of All Nations Print brings a personal perspective that needs recognition and consideration.

## **CANADA'S PRINTING INDUSTRY AT A GLANCE**

The printing industry in Canada encompasses a wide range of services, from printing and publishing books, newspapers, and magazines, to creating labels and wrappers for food products. There are 5,841 printing businesses in Canada, which account for an overall revenue of \$9.2 billion (Leach, 2019). In order to shine in this market, successful printing businesses not only must adopt new technology, they also need to have marketing expertise, a highly skilled workforce, attractive product presentation, and the ability to fill demands of the local market through strong network connections.

Manitoba accounts for 2.5% of printers in Canada. Out of these printing companies, there is only one other business aside from Parsons, All Nations Print which focuses on serving the niche market of First Nations communities.

## **ALL NATIONS PRINT OVERVIEW**

All Nations Print (ANP) is a full service printing company that provides printed material, promotional products, and design work to Indigenous communities and organizations located primarily in Manitoba. The company was formed in 2002 by owner and operator, Brenda Parsons. She had two goals for her business when she started: she wanted to do \$1 million in sales, and wanted to move to an urban reserve to take advantage of a tax exemption. Parsons is still working towards accomplishing her goals.

Over the past 17 years in business, Parsons has grown the team at ANP to four full time employees and has reached annual revenues of \$750,000. Her business specializes in small to medium sized orders. Approximately 80% of her sales come from federally funded organizations, such as Child Family Services, Assembly of Manitoba Chiefs, and other Indigenous organizations and affiliates. This underserved niche market is accompanied by a unique flow of business processes which requires a steep learning process that takes years to navigate. This barrier to entry gives Parsons a competitive advantage. Parsons has invested her time, money, and spirit into this business, learning valuable life lessons and business practices along her journey. Parsons runs her business with a central profit motive, blended with support and emotional connection with her clients.

### **Founder's History**

Brenda Parsons is an Indigenous woman raised in Gimli, Manitoba. Growing up, Parsons's parents shielded her from racism based on her ethnicity. This personal history allowed her to live life without much hesitation well into her thirties. She had good credit, which is

demonstrated by having a history of multiple car loans and purchased her home. When she applied for jobs, she was hired based on her skills and knowledge (B. Parsons, personal communication, October 18, 2019). Before starting her business, she worked as a corporate sales representative with annual sales over \$1 million.

Parsons decided to start her business and relied on her business expertise to that point. She entered the business world with optimism but was faced with challenges intended to crush her ambition and threaten her business. Before starting ANP, Parsons networked with the owners of other printing companies in Winnipeg and formulated a comprehensive business plan.

### **Organizational Structure**

Parsons has worked in every position within her company. She is a fluid leader and provides the necessary support to her staff to excel. When ANP was formed, she worked 50 to 60 hours per week. The business has now matured, and she finds herself at work 30 to 35 hours a week. Parsons's role in the company is mostly administrative. She handles payroll, manages relationships with suppliers, sends out the invoices, and deals with debt collections.

Parsons's business model deviated sharply from her original business plan. She chose the Indigenous market based on perceived opportunities provided by the Indigenous Procurement Strategy, which was adopted on both a federal and provincial level and awards contracts to Indigenous-owned businesses for projects occurring on Indigenous land or with Indigenous organizations. To this day, Parsons has yet to receive a project from this program.

Nonetheless, the Indigenous market was underserved. What she did not anticipate was how underserved the market was and the level of services desired. It did not take long for ANP to expand their services and within a few years they began to meet all their customers' needs around advertising and promotion. Parsons hired a graphic designer to bring all design in-house. She began partnering with suppliers to deliver promotional products along with printed goods to their customers. Remote communities had unique challenges, including poor Internet connection, lack of technical support, and often unclear implementation procedures. These communities were stretched to the limit, so ANP's one-stop shop was enticing. This was a turning point for Parsons business, as she began to offer complete services and solutions for these communities. ANP became a full-service marketing company, which has helped her business operate competitively within the niche Indigenous market.

ANP's organizational structure was originally conceived to be staffed solely by Indigenous people. Shop jobs are entry level positions paying entry level wages. Her initial intention to only hire Indigenous employees started to affect her business and mental health. Employees were constantly lax in coming to work on time and had an assortment of life issues. She began working with Manitoba Institute of Training and Technology to help fill these positions on a more permanent basis focusing on people's capabilities rather than ethnicity (B. Parsons, personal communication, October 18, 2019).

## **ANALYSIS OF CHALLENGES AND SUPPORTS**

The definition of success is divergent among people. For some, success is determined by the number shown on the bottom line of the income statement. For certain Indigenous ventures,

“the day-to-day activities of the businesses are conducted with social objectives in mind. What are expenses to entrepreneurs (salaries, training and development, purchases of inputs, and so on) and something to be minimized, are seen by those developing businesses in these communities as opportunities to deliver socioeconomic benefits” (Anderson, Leo & Dana, 2006). This view can be generalized to all Indigenous ventures, creating a business stereotype. It is evident that “there is a growing need to understand more about Indigenous entrepreneurship and how it parallels and diverges from non-Indigenous entrepreneurship” (Lindsay, 2005). Parsons’s business practice is a perfect example of how her strategy closely parallels a non-Indigenous entrepreneur’s perspective as she embraces capitalism and financial freedom for herself.

Parsons has made it quite clear that she is in business to make money; however, she does not downplay the importance of giving back to her community, which can be referred to as compassionate capitalism (Sheffield, 2015). Her business continues to serve her well, and it gives her a platform to financially support charities and donate her time to the younger generation, where she shares her insights about ethics, culture, and business.

## CHALLENGES FACING ANP

One way in which society views a small business is by scrutinizing the owner. All Nations Print is owned by an Indigenous woman operating in an industry dominated by men (B. Parsons, personal communication, October 18, 2019). It is not surprising that the main challenge encountered by Parsons in the beginning was discrimination. Parsons had faced no racism her entire life, so she expected no less in her entrepreneurial business pursuit. Instead, she was bullied by angry outsiders, who would walk into her office unannounced and criticized her, saying, “You’re nothing but a liar and a thief” (B. Parsons, personal communication, October 18, 2019). When she applied for a loan from the bank where she had been a customer for 20 years, the bank manager said, “What did you think was going to happen to you when you opened an obviously Indigenous business” (B. Parsons, personal communication, October 18, 2019). She cried every day for the first year of her business. Parsons then took those trials and made them the impetus to fight back and show people that she was here to stay.

Within the first year of operation, she asked herself whether her business was really worth the fight. Her business pursuit followed a more mainstream capitalist approach, yet she still had to prove that her business could contribute to effective economic development. The fact that her business was Indigenous-owned and operated was enough for the business to be considered questionable. One of the main factors for creating opportunities and economic development is “that the institutions are seen as legitimate, and if they are not seen as legitimate, their ability to regulate and organize the development process will be undermined, and development will be blocked” (Wong & McMurdy, 2009). Entrepreneurship and business development are on the rise for Indigenous peoples, and changing the culture within Manitoba to promote Indigenous ventures is key to their success. Not everyone is as determined as Parsons was, and not everyone will be able to stand up to racism. Canadians need to encourage, and not undermine, Indigenous businesses. Parsons overcame a this hurdle, but fears many give up during this time, which leads to the large gap between non-Indigenous and Indigenous business success.

Another challenge that Parsons currently faces in her business is supporting Indigenous human capital. An important factor in hiring decisions goes beyond skills and attributes. This factor is whether or not the business owner can see herself successfully working with the potential hire. In the early years of ANP, Parsons focused on hiring urban-based Indigenous staff but faced the hard reality that “a comparison of urban Indigenous and non-Indigenous populations shows that Indigenous populations lag behind non-Indigenous populations on every measure and especially in terms of education” (Peters, 2009, p. 13). As a small business owner, Parsons focuses on hiring the most reliable and educated individuals she can.

## ALL NATIONS PRINT SUPPORTS

Parsons’s ability to separate economic and community-based views has been a huge support. Parsons has an entrepreneurial mindset that puts her business first. Her approach allows her to be “tough skinned enough to get through [her] rite of passage” (B. Parsons, personal communication, October 18, 2019). This is something that she fears holds back many Indigenous peoples and their business ideas.

Business owners in a competing market all recognize the capitalism that “emphasizes the importance of the individual at the expense of the collective” (Atleo, 2017). When Parsons is competing for business, she acknowledges that she is competing for market share. As Parsons says, “business is business” (B. Parsons, personal communication, October 18, 2019). She is able to understand her target market better than her competitors as she is well educated in her clients’ histories, business preferences, and community aspects.

She knows her market. Parsons spends a lot of time analyzing her culture and community. Her background and knowledge allow her success in a unique niche in the printing industry. It is an opportunity that competitors were either unable to realize or lacked adequate knowledge to serve. ANP is able to tailor their services to best suit their clients. When a client calls ANP, they talk with Parsons. When a client emails ANP, they get a response from Parsons. Parsons knows that sustainable Indigenous economic development relies heavily on values and forming relationships and partnerships. She has been able to effectively organize her business practice around this concept. Parsons has just as much to gain from the communities as they do from her. This is the concept of interdependence, and it is prevalent when dealing with Indigenous communities and allies (Wong & McMurdy, 2009).

## REFLECTION

After I completed the interview, I asked Parsons if there was anything specific she would like me to reflect on. She insisted that I write about my thoughts stemming from the interview as she is curious what she sounds like to a 22-year-old white male business student. Here are my thoughts.

The interview lasted one hour, but within that hour, a special entrepreneurial bond formed. As Parsons began to tell her story, the similarities between her and me started to add up in my head. Whether it was the discussion around financial freedom gained through self-employment, her definition of success, or the stories as a young entrepreneur, I was able to relate my own life experiences and beliefs with everything she was saying. Brenda is very

different from me, yet the connection that we had over business perspectives and hard work was the same. Not only is her story a testament to a unique Indigenous economic perspective, it is a story that should be heard by all entrepreneurs. My main takeaway from the interview would be that you need to be “tough skinned enough to get through your rite of passage.” Regardless of beliefs or community focus, we both agreed that starting a successful business is going to come at a cost to someone else or some other business. Very rarely is a new business taking off with a new idea, so starting an Indigenous printing business means that inevitably competitor market share shrinks. In any business there will be kickback, and it is important to note this; you must be strong, as there is no place for the emotional or the weak. Parsons’s story was inspiring, but more than that, her story made me realize something bigger. Despite where you grow up, the religion you follow, or the tribe you are a part of, an entrepreneurial mindset can be found in individuals anywhere, and it often reflects their community ties.

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## Reconciling Inuit Elders' Long-Term Care Needs

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Mark Macneill

GRADUATE LAW STUDENT, UNIVERSITY OF OTTAWA

This article examines the implications of Canada's Inuit aging policy, its impact on Canadian Inuit society, and that society's chronic need for improved access to health care services and products. Generally, the world is aging, as a result of a decline in both birth and death rates — i.e., low birth rates and increased longevity. Other contributing factors include improved technology, health care, and education levels. In contrast, the health needs of Inuit elders are magnified by such determinants as poverty, poor and crowded housing, racism, language barriers, and cultural differences. Many are in poor physical and mental health due to the disruption of their way of life caused by colonization, particularly the intergenerational effects and trauma of the residential school experience (Health Council of Canada [HCC], 2013, p. 9). And, they prefer to live in their home communities or other Inuit Hamlets, where they can be connected to their homeland, family, and culture. The result is that Inuit elders with complex health needs live in remote, small, isolated Arctic communities, where health facilities, health services, and long-term care for seniors are limited or non-existent, and logistically more complex and expensive to provide.

Inuit elders with the most basic surgery needs, or requiring palliative and hospice care, need to travel to distant southern urban centres thousands of kilometres from their homes, with separation from their family and disruption to their lives, and at a great cost to the government. Chronic poor health among Inuit elders is further exacerbated by poverty, the accompanying lack of means to acquire good dietary and health care products, lack of knowledge of them, and very limited access to health care products and services in their remote Inuit Hamlets. These Inuit communities essentially only have fly-in access during the majority of the calendar year, with typically only one or two annual ice-free cargo ship sea-lifts into the community, which must be planned and ordered months in advance, and are considered lifelines for these remote Arctic communities (Worden, 2014).

Sadly, given their location and climate, Inuit communities do not have the same level of care available as the rest of Canada. As a result, cumulatively over a lifetime the health con-

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A student of Civil Law, LL.L. National Program at the University of Ottawa, Mark Macneill has served as the General Manager of the Kivalliq Business Development Centre, Rankin Inlet, NU since February 2019, and prior to that he was a Management Studies faculty member with Nunavut Arctic College, Rankin Inlet, NU, 2017–2019.

ditions of Inuit elders can be severe, increasing the amount of care they need. And, disjunctively, Inuit seniors must leave their communities and live out their lives in distant institutions not culturally sensitive or safe, often thousands of miles or more from their communities and families. “The very small, isolated, and northern communities where Inuit live create a unique set of circumstances and health care challenges that affect Inuit [elders’] ability to remain in their homes” (HCC, 2013, p. 5). This issue is more significant given the fact that “[o]verall Inuit elders have poorer health than non-Inuit elders, with higher rates of chronic diseases and other conditions” (HCC, 2013, p. 7). As the number of older Inuit continues to grow, researchers predict there will be greater challenges in providing health care services. “Although age 65 is typically considered the start of senior years, some organizations and health care providers offer seniors services to Inuit people age 55 and older, largely because statistics show an earlier onset of chronic conditions and a lower life expectancy compared to other Canadians” (HCC, 2013, p. 7). Traditional cultural foods, such as wild meat, fish, and berries, are very important to the diet of seniors. Inuit communities have moved from a diet comprised largely of nutrient-dense wild foods to predominantly western food, which likely contributes to a higher incidence of disease. Many Inuit elders cannot afford to buy healthy foods (the hyper-expensive North) and struggle just to have food to eat. This makes it difficult to maintain the nutrition needed to manage chronic conditions. Also, eating less expensive processed foods, high on fat and sugar, leads to obesity (HCC, 2013, p. 8).

There is a severe shortage of housing in the North. What is available is often in poor condition, and Inuit elders may live in overcrowded conditions,<sup>1</sup> which creates stress in the family and, coupled with poor nutrition, puts Inuit at higher risk for disease (National Collaborating Center for Aboriginal Health, 2017, p. 14). Inuit elders are also subject to elder abuse, defined as financial, emotional, and physical neglect — e.g., seniors who receive Old Age Security may be the only family member with income (Beatty, 2011). Sharing is a core value in Inuit culture. Inuit elders share what they have (housing, food, money) with family members, even if unable to care for their own needs. Inuit elders are also victims of the effects of colonization and residential schools. It is described as a form of post-traumatic stress disorder for whole communities and cultures, which left many Inuit seniors socially isolated (HCC, 2013, p. 8). Families are less able to care for elders because they have their

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<sup>1</sup> National Collaborating Centre for Aboriginal Health, *Housing as a social determinant for First Nations, Inuit and Métis*,

According to the most recent data, “nearly 4 in 10 (39%) Inuit living in Inuit Nunangat lived in crowded homes, about 10 times the proportion of non-Indigenous people (4%) nationally.” (Statistics Canada, 2015a, p. 14).<sup>2</sup> One third of all Inuit households in northern regions are in need of major repairs, such as plumbing and electricity, compared to the national rate of 7%, and one third are in core housing need compared to 12.5% of Canadian households (CMHC, 2015). Much of the housing for Inuit in the northern regions is social housing. In 2000, social housing accounted for 80% of units in Nunavik; while in Nunavut, as of 2006 almost 54% of Nunanavummiut lived in Public Housing Program units and only 7% of Nunavut’s dwellings were privately owned (Knotsch & Kinnon, 2011). In 2014, the Inuit Tapiriit Kanatami (ITK) estimated that 15% of Nunavut’s population was on a waiting list for public housing, and approximately 3300 houses were currently needed to meet the housing shortage (Knotsch & Kinnon, 2011). As a result of the housing crisis, approximately “one-fifth of Inuit homes reported providing shelter to the homeless” (Minich et al., 2011, p. 526). In the Inuvialuit region, 34% of households live in public housing, however, in some Inuit communities, more than half of households live in social housing (Inuvialuit Regional Corporation, 2016).

own challenges, including mental health issues (Kral, 2012), addictions, poverty, and family violence<sup>2</sup> (family members whose own childhoods were dysfunctional are often reluctant to care for their parents). Literacy and language is a major issue (Skura, 2016), as Inuit elders often do not understand their health conditions (Wiebe et al., 2007, p. 6).

Inuit colonization and residential school experiences, along with continuing experience of racism, have created a significant mistrust of mainstream institutions, including the health care system. Too many Inuit seniors need to travel for care that could be offered in their communities, which are rural, remote, in the Arctic, with limited access to medical technology, equipment, supplies, and medication (Sponagle, 2017). Medical travel is physically, emotionally, and financially challenging for Inuit seniors, and hospitals have often sent frail elder Inuit patients home to their communities without checking to see if there are appropriate support services or home accommodations in place. Frail Inuit elders in need of extended permanent care do not have sufficient facilities in their communities and need to be moved to distant southern Canadian cities, away from their family, culture, and land. The solution, obviously, is for Federal policy makers to recognize the double whammy Inuit residential school survivors, who are now seniors, face in the final stage of their lives. Once again they will likely be pulled from their families and sent to southern Canada and housed in facilities where the language, food, and people are strange. This is traumatic for Inuit elders, who seek peace and dignity in their final years.<sup>3</sup> And in response, government must meet the chronic need for Inuit seniors services by investing in facilities (Dusen, 2016), programs, and services to be managed by the Inuit in their own communities, for their elders and to help preserve their culture rather than taking away their seniors, who are the backbone and the link to past Inuit traditions and language (Kral, 2012), from the family and needlessly moving them thousands of miles away from their community,<sup>4</sup> where they will be in isolation and seldom seen by their loved ones.

Indigenous peoples in North America have long experienced lower health status when compared with the rest of the population. Lower life expectancy and the disproportionate disease burden exist because of inadequate education, disproportionate poverty, discrimination in the delivery of health services, and cultural differences. These are broad quality of life issues rooted in economic adversity and poor social conditions (United Nations, Economic and Social Affairs, 2016, see Conclusion).

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<sup>2</sup> “If only we could confidently speak about this legacy of colonialism in the past tense. For example, the latest statistics show that the percentage of inmates in Canadian prisons that are Aboriginal has reached a record high of over 25%. Correctional Investigator of Canada, Howard Sapers attributed the increasing numbers to poverty, colonialism and the effects of the residential school system as reasons why alcoholism and other problems bring so many Aboriginal people in conflict with the justice system.” (Hoehn, 2016, p. 112)

<sup>3</sup> “Inuit interpreters are key players in end-of-life (EOL) care for Nunavik patients and families. This emotionally intensive work requires expertise in French, English and Inuit dialects to negotiate linguistic and cultural challenges. Cultural differences among medical institutions and Inuit communities can lead to value conflicts and moral dilemmas as interpreters navigate how best to transmit messages of care at EOL (End of Life).” (Shawn et al., 2017)

<sup>4</sup> The Inuit prior to colonization and forced settlement into Hamlets from their nomadic lifestyle “managed to maintain social order without the existence of a formal system of legal rules. The moral and social principles developed by the elders interviewed in the book were firmly rooted in a cosmological framework, which in many respects still represented the worldview of the Inummariit before they settled in the contemporary communities” (Aupilaarjuk et al., 2017, p. x).



Historically, after the British conquest of North America, 1763, the British Government began a process of entrenching control over its domain, and after the American War of Independence rapidly began the process of settling its colonial realm and enabling colonial governance within its remaining North American territory (now Canada, with the exception of two small islands, St. Pierre and Miquelon in the midst of the mouth of the Gulf of St. Lawrence, which remain with France, per the Treaty of Paris, 1763). Initially, the British directed colonial government approach with respect to handling both the Aboriginals and the pre-existing French Acadian settlers, who had been adversaries and loyal to the French, was assimilation; and in the case of the latter, it undertook a mass expulsion.<sup>5</sup>

Colonial governments to this day, entrenched in their own professed sovereignty, still “struggle with how to accommodate properly the needs and claims [rights] of native/indigenous peoples within their jurisdictions whose presence long predates European conquest and occupation” (Ronald Kakungulu, 2009, p. 18 at Abstract).

For over a century, the central goals of Canada’s Aboriginal policy were to eliminate Aboriginal governments; ignore Aboriginal rights; terminate the Treaties; and, through a process of assimilation, cause Aboriginal peoples to cease to exist as distinct legal, social, cultural, religious, and racial entities in Canada. The establishment and operation of residential schools were a central element of this policy, which can best be described as “cultural genocide” (Hoehn, 2016, 112).

In 1982 Canada repatriated its constitution from Great Britain, and the new constitution (which replaced the 1867 *British North America Act* that created Canada) included a *Charter of Rights and Freedoms*. Section 35 of the *Constitution Act, 1982* provides constitutional protection to the Indigenous and treaty rights of Indigenous peoples in Canada.<sup>6</sup>

It is important to understand that Section 35 recognizes Aboriginal rights, but did not create them — Aboriginal rights have existed before Section 35.

Section 35 of the *Constitution Act* states:

- 35.(1) The existing are hereby recognized and affirmed.
- (2) In this Act, “aboriginal peoples of Canada” includes the Indian, Inuit and Métis peoples of Canada.
- (3) For greater certainty, in subsection (1) “treaty rights” includes rights that now exist by way of land claims agreements or may be so acquired.

<sup>5</sup> University of Maine, Canadian–American Center (2005), “Acadians were shipped to many points around the Atlantic. Large numbers were deported to the continental colonies, others to France. Some managed to escape to New France (Quebec). A handful arrived in the Upper Saint John Valley. Many moved several times; a great number left the American colonies at the end of the war and returned to Nova Scotia; many of those in France moved to the French Caribbean or to Louisiana, where they formed the basis of the Cajun population.”

<sup>6</sup> The section, while within the Constitution of Canada, falls outside the Canadian *Charter of Rights and Freedoms*. Section 35 of *The Constitution Act, 1982* recognizes and affirms existing Aboriginal rights but does not define them. “What Aboriginal rights include has been the topic of much debate and discussion, and they have been defined over time through Supreme Court cases such as *R. v. Calder* and *R. v. Sparrow*. Aboriginal rights have been interpreted to include a range of cultural, social, political, and economic rights including the right to land, as well as to fish, to hunt, to practice one’s own culture, and to establish treaties.” (First Nations & Indigenous Studies, University of British Columbia, *Indigenous Foundations* website, online: “Constitution Act, 1982 Section 35”, [https://indigenousfoundations.arts.ubc.ca/constitution\\_act\\_1982\\_section\\_35/](https://indigenousfoundations.arts.ubc.ca/constitution_act_1982_section_35/) [*Indigenous Foundations*].)

(4) Notwithstanding any other provision of this Act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons.”<sup>7</sup>

Furthermore, as a complement to section 35 of the Canadian Constitution in protecting Aboriginal rights, section 25 of the *Charter of Rights and Freedoms* broadens these rights:

“other rights or freedoms that pertain to the aboriginal peoples of Canada” indicates that the rights included in section 25 are broader than the ‘aboriginal rights’ and ‘treaty rights’ recognized and affirmed by section 35 of the *Constitution Act, 1982*: “This latter phrase indicates that the rights included in section 25 are broader than those in section 35, and may include statutory rights. ...” (Canada, n.d.)

In 1991 Canada’s Royal Commission on Aboriginal Peoples (RCAP) was established by Order in Council, and it submitted in October 1996 the *Report of the Royal Commission on Aboriginal Peoples*. Its mandate was “to investigate and propose solutions to the challenges affecting the relationship between Aboriginal peoples (First Nations, Inuit, Métis), the Canadian government and Canadian society as a whole” (Library and Archives Canada, n.d.). In the report recommendations were made “affecting virtually every aspect of Aboriginal people’s lives. We have sought to grapple with entrenched economic and social problems in Aboriginal communities while also seeking to transform the relationship between Aboriginal nations and Canadian governments” (The Truth and Reconciliation Commission of Canada [TRCC], 2015). As a partial result of the recommendations, subsequently a Truth and Reconciliation Commission of Canada, 2015, was formed, and its 94 calls to action have become an ambitious blueprint for reconciliation between Aboriginal and non-Aboriginal Canadians (TRCC, 2015):

If only we could confidently speak about this legacy of colonialism in the past tense. For example, the latest statistics show that the percentage of inmates in Canadian prisons that are Aboriginal has reached a record high of over 25%. Correctional Investigator of Canada, Howard Sapers attributed the increasing numbers to poverty, colonialism and the effects of the residential school system as reasons why alcoholism and other problems bring so many Aboriginal people in conflict with the justice system. Another example of colonialism continuing to operate in Canada is the doctrine of discovery, which is a fundamental part of the Canadian law of Aboriginal title. Faced with the daunting scale of the task of reconciliation, it was appropriate for the TRC to recommend changing many laws, norms and practices of Canadian society. The TRC defined reconciliation as “an ongoing process of establishing and maintaining respectful relationships.”<sup>8</sup>

Recognizing the plight of the world’s Indigenous people, the United Nations, after lengthy consultations and review, in September 2007 announced that “The Declaration on the Rights of Indigenous Peoples (the Declaration) affirms the minimum standards for the

<sup>7</sup> “Aboriginal rights are collective rights which flow from Aboriginal peoples’ continued use and occupation of certain areas. They are inherent rights which Aboriginal peoples have practiced and enjoyed since before European contact.” (*Indigenous Foundations*, online: “Aboriginal Rights”, [https://indigenousfoundations.arts.ubc.ca/aboriginal\\_rights/](https://indigenousfoundations.arts.ubc.ca/aboriginal_rights/))

<sup>8</sup> “This is a multi-faceted process, and includes apologies, reparations, and actions that demonstrate a true change in society. Indigenous laws and governance systems should be revitalized, and ‘as non-Aboriginal Canadians increasingly come to understand Indigenous history within Canada, and to recognize and respect Indigenous approaches to establishing and maintaining respectful relationships, Canadians can work together to forge a new covenant of reconciliation.’” (Hoehn, 2016, pp. 112–113)

survival, dignity, security and well-being of Indigenous peoples worldwide and enshrines Indigenous peoples' right to be different" (Aboriginal and Torres Strait Islander Social Justice, 2007). Yet, the four nations with the largest Indigenous populations (the United States, Canada, New Zealand, and Australia)<sup>9</sup> initially voted against the United Nations Declaration on the Rights of Indigenous Peoples on September 13, 2007, while 144 nations approved the declaration.<sup>10</sup> These four nations subsequently support the declaration.

The Declaration addresses both individual and collective rights, cultural rights and identity, rights to education, health, employment, language and others. It outlaws discrimination against indigenous peoples and promotes their full and effective participation in all matters that concern them. It also ensures their right to remain distinct and to pursue their own visions of economic, social and cultural development. The Declaration explicitly encourages harmonious and cooperative relations between States and Indigenous Peoples. (United Nations, 2007)

This brief summary cannot do justice to the body of Canada's domestic common law, statutes, traditional Aboriginal laws, and the applications of the United Nations conventions applicable to Indigenous people. The purpose has been to awaken the reader to the prevailing crisis level social, economic, and health issues facing Canada's Indigenous population as well as reminding them the looming ecological challenge of global warming, with its infringement on nature and the traditional Indigenous connection with the land, sea, and animals, as a way of life.

It would seem clear from international laws with respect to the rights of Indigenous people and per Canada's own Aboriginal Commission and Truth and Reconciliation reports that the government of Canada recognizes its obligation to provide its Indigenous people with the opportunities and quality of life the rest of the citizens of the nation enjoy. However, demographic data shows that Canada is failing in this regard. Nevertheless, there is a fiduciary obligation<sup>11</sup> to remedy and reconcile all the grievous social, economic, and health issues that have been described above and faced by the Indigenous population, particularly the Inuit and their vast Arctic environ. Foremost of all, the Inuit elders must not be overlooked nor dishonoured, for they are a people who have been taken by the colonial government from their traditional fluid life of living the seasons of the year and off the land where nature would provide best for them. Instead, they were hauled into cramped, congested, and pauper like dwellings in 25 distant communities that were accessible only by air or by sea in short summer seasons when the sea-ice has cleared and ruled by a southern imposed legal system and foreign dominated English language. Now in their golden years, when their life's wisdom is most cherished, and when societally their families and communities are innately

<sup>9</sup> "These four states represent almost half of the world's indigenous peoples" (Kakungulu, 2009, Abstract).

<sup>10</sup> "All these States share one thing in common; they have a history of using the now discredited doctrines of discovery and terra nullis to grab indigenous people's land." (Kakungulu, 2009, p. 6)

<sup>11</sup> Hoehn (2016, p. 121), "The Crown's fiduciary interest, as currently understood, reflects the hierarchical relationship between the Crown and Aboriginal peoples that is at the heart of the doctrine of Aboriginal title. This fiduciary interest was first articulated by the Supreme Court in *Guerin*. The Crown had breached its fiduciary obligation to the Musqueam Indian Band when it leased surrendered reserve land to a third party on terms less favourable to the Band than the terms approved by the Band upon surrender of the lands to the Crown. Dickson stated that the fiduciary relationship had its roots in the concept of Aboriginal title, 'but also depends on the additional proposition that the Indian interest in the land is inalienable except upon surrender to the Crown.' He said the Crown first "took this responsibility upon itself" in the Royal Proclamation of 1763 and that it was still recognized in the surrender provisions of the *Indian Act*." See also, *Guerin v. The Queen*, [1984] 2 SCR 335.

challenged, the same elders who either had children taken from them and sent to harsh distant residential schools or were themselves sent now, ironically, face the same jeopardy in their final moments — of having to be transported thousands of miles from their family, home, and land to residential elder care facilities in the south. These facilities are staffed predominantly by non-Inuit, who do not speak Inuit, and the food is a non-traditional diet that the elders are not accustomed to. This colonial legacy is, in my view, unacceptable and a breach of Canada's obligations to the Indigenous people of our land and their elders.

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# Empowering indigenous-Owned Renewable Energy: David Isaac, W Dusk Group

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Braden Turman

STUDENT, UNIVERSITY MANITOBA



David Isaac  
*W Dusk Group*

## INTRODUCTION

David Isaac, also known as Wugadusk — his traditional Indigenous name — is a Mi'kmaq originally from Listuguj, Quebec. Isaac has been an advocate for Indigenous health, the environment, and renewable systems for years, and he has previously served as the Deputy Executive Director for the Vancouver Native Health Society and the Centre for Native Policy & Research (D. Isaac, personal communication, February 21, 2020). Isaac has always been intrigued by technology in the context of renewable energy. His motivation and drive for innovation is derived from his grandfather. Isaac's grandfather was one of the first Mi'kmaq

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Braden Turman is a Métis student who studied at the University of Manitoba. Braden double majored in Indigenous business and marketing, giving him a unique outlook on Indigenous economic perspectives. Braden now works for an energy efficiency company as an analyst for Indigenous and Métis customers.

to study engineering. Isaac's grandfather was a brilliant man; but due to the restrictions of the *Indian Act*, his grandfather could not officially get his engineering degree. While Isaac started out studying to become a doctor, he maintained his interest in renewable energy. Isaac grew up around creative innovation, which informed a vision as an adult for a renewable clean future grounded in his own Indigenous culture and beliefs. Isaac envisioned a future of wind turbines, and solar panels as drivers for a sustainable decentralized decarbonized economy. Isaac owns W Dusk Group, short for Wugadusk, his traditional Mi'kmaq name. W Dusk Group (WDG) was started eight years ago. Isaac's core values and focus are on assisting communities to become self-reliant through renewable energy empowerment with a system based, community-driven approach (D. Isaac, personal communication, February 21, 2020). Further, WDG makes it evident that the built environment and physical infrastructure should reflect the values, culture, and natural beauty of community. All of Isaac's work aligns with an approach that honours and respects nature, nurturing all of life's connections.

## CANADA'S ENERGY TRANSITION

It is imperative to understand the connection between the history of colonialism and the development of energy resources. There are some Canadians who push for a shift away from a colonial economy that is based on finite petroleum resources. Renewable energy technology drives the WDG agenda that is based on the Indigenous principles of stewardship in preserving natural resources and in leading to renewable energy sovereignty. Over the past century, humanity has gone through an extensive energy transition, resulting from a combination of technological, political, and environmental changes. Coal was once the driving force for primary fuel consumption and had major environmental impacts. Coal plants are responsible for over 42% of mercury emissions, a heavy metal that can cause damage to the nervous, digestive, and immune systems, as well as threaten child development (LeBlanc, 2019). More important, coal is a leading cause of CO<sub>2</sub> emissions responsible for the deterioration of the earth's ozone layer. Impacts of hydroelectric development will now be explored using the Manitoba experience.

## IMPACTS OF HYDROELECTRICITY ON CHEMAWAWIN, MANITOBA

Manitoba's first production of hydroelectric dams began in the early 1900s, with the construction of the Minnedosa generating station on the Little Saskatchewan River (Dipple, 2015). Shortly after, Manitoba Hydro's oldest hydroelectric generating station was developed by the Winnipeg Electric Railway Company, a forerunner of Manitoba Hydro, and in 1923 the first generator went into service. Grand Rapids hydroelectric generating station became Manitoba's first project in northern Manitoba (Manitoba Hydro, n.d.). This station is situated on the Saskatchewan River between Cedar Lake and Lake Winnipeg, near two First Nations communities, Chemawawin, and Grand Rapids (Dipple, 2015). Half a century ago, both the Chemawawin and Grand Rapids Indigenous communities completely lived off their land and natural resources. Ralph Thomas, a Chemawawin member, explains, "Food was plentiful, and people knew how to help each other.... If someone killed a moose, everyone would get a chunk of moose meat. Trappers sold pelts for extra cash. Life was good here.

We never experienced hardships. Families were self-sufficient” (Kusch & Glowacki, 2010). The community of Chemawawin suffered when the dam caused water levels in Cedar Lake to rise by 3.5 meters (Dipple, 2015). This rise in water levels caused significant flooding in the community. The flooding resulted in the relocation of the community (Dipple, 2015) and led to the destruction of the ancestral practices of hunting, trapping, fishing, and gathering. Burial sites, artifacts, and ancient trails were also destroyed. Cheap energy overrode any impacts on communities. These social/environmental impacts lie at the heart of current energy debates on development projects that went unacknowledged for years.

### **Environmental Displacement**

Due to the flooding caused by the hydro dam, the Chemawawin community was completely displaced, stripped of their land, their culture, and their rights. The community of Grand Rapids also suffered similar damage to their community and lifestyle but did not have to relocate. Reflecting on northern energy development, Ramona Neckoway, Indigenous scholar, says, “For me, this is a cultural genocide that’s going on. And I don’t use those words lightly. I say that because I see that there are entire generations of children in our communities that don’t go on the water, that don’t understand the importance of that water to who we are, that have never left the reserve, this cage that they’ve created through colonial policies that have been imposed on us” (Brake & Brandson, 2018). Further, Manitoba Hydro and other electrical energy providers continue attempts to reconcile with Indigenous-affected communities through land settlements and monetary claims. This loss of Indigenous lifestyle and community to hydroelectric dams denotes a common reality throughout Canada, where a monetary value cannot replace the cultural, land, and societal damage that has been done. It is imperative, moving forward, that a pragmatic shift in the energy paradigm must occur to further prevent future damage to Indigenous communities and Canada as a whole.

### **A SNAPSHOT OF TODAY’S ENERGY GENERATION**

Today’s energy generation is slowly moving away from the consumption of carbon-emitting fuels and destructive hydroelectricity to the consumption of non-carbon-emitting, environmentally sustainable practices. This process is called decarbonization. Drivers for energy needs are technological, economic, and political factors. The current environment has an added environmental driver focusing on non-hydro renewable energy forms. Solar energy, in the form of solar panels, produces clean, renewable, non-hydro energy that can power a community without the adverse effects of hydroelectricity. Interest can be measured by the impressive growth of solar energy use from 2 exajoules (EJ) in 2000 to 20 EJ in 2017. One EJ is equivalent to the energy content in 174 million barrels of oil (Canada Energy Regulator, 2019). No other primary energy source has experienced a ten-fold increase in growth by that amount in a 17-year timeframe. “Every square inch of Indigenous land in Canada has wind, solar or tidal energy potential. With the Internet of Things, we can optimize the interactions between a distributed energy system composed of solar panels, wind turbines, and tidal power based on real-time data from each component” (D. Isaac, personal communication, February 21, 2020). This transition from hydroelectricity to renewable non-hydroelectric practices is an important choice for decision-makers on a cost per watt basis



and on a natural energy renewable, environmental level. Issac notes, “An energy transformation is happening across the globe; one that resonates with Indigenous reconciliation, with environmental stewardship and with innovative technology” (D. Issac, personal communication, February 21, 2020). Canada should be proactively facilitating the development and distribution of renewables, such as solar and wind. Historically, not all global economies revolutionize technology changes at the same rate. In the author’s opinion, Canada seems to take a passive approach in the transition in comparison to most European countries related to renewable energy, which has caused Canada to fall behind in the transition to renewables. As Canadians, the author urges that it is vital that we take a proactive aggressive approach towards shifting the energy paradigm to a renewable and circular economy. It is prevalent that the energy future will be focused on renewables. Renewables will join hydroelectricity that will also evolve. “Fully embracing the renewable energy shift would marry reconciliation principles and this new industry with the modernization and resiliency of Canada’s economy. Doing this in concert with Indigenous principles and communities would position Canada as a global leader” (D. Issac, personal communication, February 21, 2020). Today, Indigenous communities are viewed as an important player in economic development within Canada. “The future infrastructure of the world will be based on Indigenous principles of having local abundant natural resources that minimize the negative extractions and the colonial technology that we see in oil and gas” (D. Issac, personal communication, February 21, 2020). W Dusk is creating economic development opportunities that do not strip away one’s Indigenous connection to the land. Instead, renewables help to reaffirm and strengthen Indigenous values and pride within Indigenous communities. Thus, this compassionate paradigm is a shift in the right direction toward meaningful reconciliation.

## **W DUSK GROUP ECONOMIC IMPACT**

W Dusk Group is challenging traditional energy methods to help communities become self-reliant through renewable energy empowerment. Isaac focuses on expanding capacity within Indigenous communities by providing intensive solar installation training to members within client communities. Young Indigenous community members are offered tutorials about solar energy, giving them a chance to hook up sample solar panels (D. Isaac, personal communication, February 21, 2020). With projected renewable energy growth, it is important that Indigenous youth have technical, trade-related skills including renewable installation and maintenance. These non-hydroelectric solar panels are the technology that embodies Indigenous ways of being by preserving precious relationships with land, water, and nature. Tangible community benefits include job creation and capacity building, and intangible benefits include a sense of pride and ties to heritage. Indigenous communities can build positive momentum from solar installations through the creation of an Indigenous sovereign power utility. It is noteworthy that solar projects will create an annual source of income for Indigenous communities for at least 20 years (Mathiesen et al., 2015, p. 1).

## **W DUSK YOUTH EMPOWERMENT**

Isaac gives Indigenous youth who have never seen solar panels before the opportunity to participate in a five-day concentrated training program and become certified to contribute to

building a solar farm in their community. This approach fills a capacity gap in technical and trade skills that many Indigenous youth lack. Most Indigenous youth want jobs that allow them to remain in their communities. Renewable energy projects are one tool that helps enable this lifestyle.

## **W DUSK CHALLENGES**

One of Isaac's largest challenges is in creating momentum to shift Canada from a carbonized economy to a decarbonized economy. Isaac feels that Canadians are behind in energy evolution, with a colonial focus on hydroelectric and petroleum that is deeply ingrained. The issue of the future for renewable energy is important and, of course, directly impacts potential growth in the evolution of energy use. Challenges raised by the Canadian government are storage issues for both solar and wind power, making them unreliable sources. Wind speeds often do not match demand periods, and solar only generates when the sun is shining. Run-of-the-river hydro dams (common in the Northwest Territories) also have limited storage capabilities, and outputs cannot be scaled to meet demand (Canada Energy Regulator, 2019, p. 2). These arguments seem to be the premise of the current roadblocks that are stopping the Canadian government from further investing into renewable sources of energy. As technology shifts to the Internet of Things (IoT), the IoT can leverage the interactions between a connected renewable energy system comprised of solar panels, wind turbines, and tidal power through real-time data of each component, making these sources more reliable (D. Isaac, personal communication, February 21, 2020). "Smart energy systems enable fluctuating renewable energy (such as wind, solar, wave power and low-value heat sources) to utilise new sources of flexibility such as solid, gaseous, and liquid fuel storage, thermal storage and heat pumps and battery electric vehicles. It can pave the way to a bioenergy-free 100% renewable energy system" (Mathiesen et al., 2015). Most importantly, the future of renewable energy can lead to reconciliation principles that can help to minimize the destructive effects of colonial hydroelectricity technology. Lastly, renewable energies will help to limit the damage done to the land for Indigenous communities and Canada in general.

## **RESEARCH AND LEARNING REFLECTIONS**

My reflections on Indigenous leadership have changed drastically since this course. I have learned the true meaning of inter-generational trauma, Indigenous sovereignty, Indigenous leadership, compassionate capitalism, capacity gaps, and much more. Thus, I believe it is crucial for all Canadians to understand that First Nations, Métis, and Inuit communities are collective communities that prioritize the relationships with the land, culture, and nature. I believe that Indigenous communities across Canada can and should position themselves to be the renewable energy leaders of tomorrow. As the world continues to shift to renewable energy, Indigenous communities stand to be an integral front-line part of this paradigm shift. Indigenous leaders of the future must focus on enhancing building capacity within the youth of their communities to achieve a secure and sustainable future.

## CONCLUSION

Indigenous Canadians were focused on preserving land, nature, and the waters long before natural resources preservation became an objective. Indigenous communities were and always will be reliant on healthy, accessible natural ecosystems. Indigenous communities are positioned to benefit from renewable energy. The future of energy in Canada may well be influenced by Indigenous values of natural resource and land protection. Through innovative companies like W Dusk, Canada can take a leap towards economic reconciliation and environmental stewardship that will benefit the future of all Canadians.

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# *The Aboriginal Chamber of Commerce: Business Community Spirit*

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Keegan Slijker

STUDENT, UNIVERSITY OF MANITOBA

## **INTRODUCTION**

North America's first chamber was founded in 1750 in Halifax. Today, in about 600 communities across Canada, there are 500 regional chambers of commerce with about 170,000 individual and corporate memberships. The Greater Toronto Board of Trade, with nearly 10,000 members, is the largest in Canada (Crane, 2013).

A chamber of commerce is an organization dedicated to protecting the local business sector and supporting it. Their main goal is to help business owners network and grow (Moore, 2014). Chambers of commerce do not limit their activities to a particular industry or trade alone. A chamber of commerce fosters varied business interests in a particular region, nation, or globally ("Chambers of Commerce", n.d.). A chamber of commerce is a non-profit organization which helps business people and corporations in establishing and promoting economic development and collectively represent their public policy concerns to government (Crane, 2013). Some suggest the chambers of commerce provide input on members' opinions of government policies to the government ("Chambers of Commerce", n.d.). This gives the government recommendations for encouraging and safeguarding business community interests. It offers policy feedback to develop effective economic policies. There are chambers of commerce specifically to support industrial development or other economic activities, such as tourism or production of energy. The larger chambers also administer their members' incomes and other economic surveys (Crane, 2013).

Moore (2014) says there are local and national chambers of commerce that work on the community, provincial, and national level. These organizations are well known for hosting networking events, fundraisers, workshops, and other activities, all in order to connect local business owners. They are also known for organizing industrial fairs and trade exhibitions to create awareness among buyers and promote members businesses ("Chambers of Commerce", n.d.). Most chambers of commerce provide member discounts on a myriad of

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Keegan Slijker is completing his BA at the University of Manitoba with an Aboriginal Governance major. Next, he aspires to grow his business, Fitness Up North (winner 2019 Manitoba New Venture Championship), making healthy living and physical activity accessible to youth in every community.

resources, ranging from office supplies to courses and training sessions. Signing up for their e-mail list can offer more benefits, including first claim at trade shows and other activity at booths (Moore, 2014).

Local members of a chamber of commerce are typically regional companies that want to invest in local demographics (Moore, 2014). The Canadian Chamber of Commerce (2014) claimed that a membership investment in a chamber of commerce opens the door to a wealth of information about federal legislation and business initiatives through its numerous communications platforms and direct access to its policy experts. Members of a chamber of commerce can share with their respective members in a value-added program.

At any given time, a chamber of commerce has several competing priorities. A chamber of commerce is basically a living organism that needs a clear focus on what is most important to ensure its existence. It all boils down to financial stability (Foley, 2019).

The main way that a chamber of commerce makes money is through dues-based revenue. The chamber, as a member-based organization, is powered by membership dues and relies on them. With that said, it can reflect an uncertain revenue base through history and current market conditions. They must be able to measure their member metrics from a reality-based perspective (Foley, 2019).

Another source of income for a chamber of commerce is from non-dues revenue. This financial category is now a driving force for economic prosperity. The need for non-dues revenue has moved from supplementary income to a necessity for survival. Partnerships, sponsorships, and large events are key to financial stability. Chambers of commerce need non-dues revenue for their growth strategy (Foley, 2019). Of course, every chamber of commerce needs to think about profitability. All of their decisions lead to the bottom line, as with any other company. Their effectiveness is largely determined by their ability to manage and achieve positive results, even as a non-profit entity.

As noted in its website, the Aboriginal Chamber of Commerce (ACC) is a non-profit organization representing Manitoba businesses on national and international issues. They serve as a unified voice for Manitoba and Indigenous businesses and advocate for public policies that foster a strong, competitive economic environment that benefits businesses, communities, and families across the province.

By mobilizing a vast and diverse network to influence the policies, regulations, and decisions that are critical to creating a competitive business environment, their goal is to create optimal conditions for all Indigenous businesses to thrive. Whether a potential member represents a board of trade, an association, or a business, they can help maximize opportunities for success (Aboriginal Chamber of Commerce [ACC], n.d.a). Their membership is open to the Indigenous and non-Indigenous business communities. They believe their chamber can create the partnerships and synergies that are essential to both Indigenous and non-Indigenous business growth and development (ACC, n.d.a).

## **HISTORY OF THE ORGANIZATION**

The ACC started with a meeting over coffee with a small group of business owners to discuss shared areas of concern. In 2004 they were a sub-section of the Winnipeg Chamber of Commerce. There were 35 Indigenous business owners that decided it was time to have their own chamber (ACC, 2018c). The ACC was established at the Premier's Economic Advisory Council Summit in 2004 by bringing together northern- and southern-based companies that understood the importance of working together. The momentum continues to build as more

qualified Indigenous business leaders begin efforts to build a sustainable Indigenous business community (ACC, n.d.d). The ACC today focuses on the Indigenous business community throughout Manitoba. The ACC has over 200 members currently (ACC, 2018a).

The ACC, The Manitoba Chambers of Commerce, and the Winnipeg Chamber of Commerce co-signed a landmark Model Aboriginal Procurement Policy Memorandum of Understanding (MOU) at the sold-out Annual Gala Dinner on November 16, 2011. The MOU, believed to be the first of its kind in North America, seeks to support and enable more Indigenous companies to engage in Manitoba's mainstream economy (ACC, n.d.e).

Through the MOU, the three chambers will use their resources to strengthen procurement opportunities in both the public and private sectors, as well as improve relationship building and opportunities for collaborations between Indigenous and mainstream businesses (ACC, n.d.e).

Currently the ACC has an executive committee of four people and six members on the board of directors (ACC, n.d.b). Fabian Sanderson, a member of the executive committee said, he and fellow members joined to give to the Indigenous community. They wanted to use their expertise to help the Indigenous community. They believe their members' strengths give them an advantage due to greater Indigenous community involvement. Today their focus is getting Indigenous business into the Winnipeg community and overcoming barriers with urban reserves (F. Sanderson, interview by the author, October 16, 2019). Personal joy comes from bridging gaps in Manitoba's business world. Sanderson recalls how eye opening the beginning of his term was, with huge transitions in the chamber. The ACC lacked communication and organization. They had become too familiar and let things get stale (F. Sanderson, interview by the author, October 16, 2019). Financial and organizational issues were priority. Challenges included removing the General Manager and switching from a governing board to an operating board. As volunteers, new challenging duties included all event planning and restructuring financial systems. Sanderson stepped into the treasurer position. This period was the opportunity to build a dedicated group of board members, which continues today (F. Sanderson, interview by the author, October 16, 2019). It took them a long time and a lot of work to get back on track with all of the memberships and paperwork.

Today, the ACC has one employee, who is the Administration Manager. Plans are to hire more staff, with a General Manager as priority. The board of directors want to move back to a governing board and help the organization in other ways, like recruitment and networking (F. Sanderson, interview by the author, October 16, 2019).

The current services of the ACC are networking events, galas, lunches, and other events that promote economic activity as well as minor lobbying to government officials (F. Sanderson, interview by the author, October 16, 2019). The ACC recently finished a series of Indigenous leadership events where keynote speakers addressed audiences of members and non-members. According to the Aboriginal Chamber of Commerce (2018c), the series was a great success. The ACC is currently engaged in the Circles for Reconciliation, which is extremely important as the purpose of this endeavour is to build trusting, meaningful relationships between indigenous and non-indigenous peoples as part of the Truth and Reconciliation Commission's 94 Calls for Action (ACC, n.d.c).

## **ANALYSIS OF CHALLENGES AND SUPPORTS**

The ACC defines success as advancing its members' interests. According to Sanderson, the ACC measures success by taking issues to the various levels of government and being

strongly involved in the community. It raises brand awareness and generates exposure for its members. The ACC's other important goal is integration of Indigenous businesses into the mainstream economy.

Since they are a non-profit, they work a lot with other organizations to share resources and work together to achieve complementary goals. One that they frequently collaborate on is to promote economic diversity in Manitoba in partnership with Western Economic Diversification Canada. A recent ACC project — Business Procurement Workshop — received funding of \$15,500 from Western Economic Diversification Canada (Western Economic Diversification Canada, 2019). This project engages Indigenous business community members with industry and government officials to learn more about federal government procurement activities and ensures that tools and services to compete in the competitive procurement market are accessible to Indigenous entrepreneurs in Manitoba. Through the workshop, they want to help create opportunities for the growth and development of Indigenous businesses (Western Economic Diversification Canada, 2019).

The belief in investing in new activities to generate Indigenous business capacity has been recognized by governments and by other chambers of commerce. The Canadian Federal Government's Procurement Strategy for Aboriginal Business had awarded over \$3.3 billion worth of contracts to qualified Indigenous businesses by 2014. The success has been attributed to several features, including monitoring the compliance with and attainment of the performance objectives by government departments and agencies in terms of the total value, number of contracts awarded, and other relevant characteristics, and reporting annually to the responsible minister (ACC, 2018a).

Partnerships like this are very important as they come together to plan the future through roundtable participation and explore needs and set specific goals. Together they come up with benchmarks and goals to measure economic development and are able to learn about how success is communicated within the participating organizations (ACC, 2018b).

Indigenous youth are the fastest growing population, with 400,000 youth expected to join the workforce over the next 10 years. If the unemployment gap between Indigenous and non-Indigenous people were bridged, there would be an additional \$6.9 billion in employment income annually in Canada, and \$957 million in Manitoba (National Aboriginal Economic Development Board, 2016). The challenge for the ACC is not only how to help bridge this gap to make this economic prosperity happen but also how to get the youth involved in their communities to help grow the Indigenous economy.

The effects of capitalism on Indigenous people and traditional values is acknowledged in many Indigenous communities, including the negative impact on Indigenous ways of life and health. It was stated that "capitalism is the dominant economic system and possibly the number one threat to Indigenous community health" (Atleo, 2015).

Systemic racism and colonialism are still woven into the Canadian way of life, with unequal power relations and the exploitation of land dramatically impairing the relationships. New and long-standing Canadians need to understand, include, and reflect Indigenous perspectives in society and law in order to respectfully restore the relationship with Indigenous people. This is why the ACC is so purposeful, as they foster the merging of the Indigenous and non-Indigenous business landscape. In addition to that, they also have the challenge of dealing with businesses who have been directly affected by colonialism and the intergenerational effects that are still prevalent.

Unfortunately, most Canadians are not aware of the discriminatory practices that have restricted Indigenous business and economic activity. *The Indian Act* prohibited Indigenous

people from using labour saving devices in business, specifically banning farm implements like horse drawn cultivators. The Canadian government appointed Indian agents to control many aspects of each reserve, including preventing individuals from leaving to sell garden products in nearby towns. Some bands which had excellent economic development were pushed into poverty (ACC, 2018a).

Non-Indigenous people sometimes still have this preconceived notion that Indigenous people lack ambition or are incompetent and don't know that spending by Indigenous people, businesses, and governments totalled \$9.3 billion in 2016 (Ashton et al., 2019). Ashton and colleagues, in the 2019 *Indigenous Contributions to the Manitoba Economy* report, stated that Indigenous people contributed \$32 billion to Canada's economy in 2016, and more than \$12 billion was from Indigenous businesses. The Canadian Council of Aboriginal Business states that there are over 60,000 entrepreneurs from Indigenous communities and that their organization has more than 700 members (InFocus, 2019).

Another challenge for the ACC is the competing chambers of commerce. While they do work together with the Winnipeg and Manitoba Chamber of Commerce, they are still competitors. This can ultimately reduce their fees they collect and awareness that they might receive. Also, since both chambers are bigger, it might be hard for some businesses to join a small organization. There are also other national chambers, like the Canadian Chamber of Commerce, which boasts that it is the only national organization representing more than 200,000 businesses on national and international issues (Canadian Chamber of Commerce, 2014).

Other challenges include the fact that there are approximately 19,000 companies that were based in Indigenous communities in 2017. Combined, these companies generated just over \$10 billion in total sales and \$400 million in profits (Jafri & Alasia, 2019). This means that Indigenous businesses are growing, but they are also very spread out across the country. This can make it harder to make them see the benefit of joining a chamber that is in a large city.

About 80% of businesses in Indigenous communities do not have employees, while 20% are employer businesses with one or more employees. Nonetheless, employer companies produce 85% of company sales in Indigenous communities. The overwhelming majority (over 83%) of Indigenous employer companies have less than 10 workers (Jafri & Alasia, 2019).

Another challenge that was brought up was the discussion of inclusion. Indigenous people do not always feel welcome in non-Indigenous business. Since many Indigenous people are in northern communities, there is a need for enhanced broadband infrastructure and a focus on affordable housing. There is also a need for increased access to capital and a streamlined procurement process which will help small businesses grow. Venture capital is almost non-existent for Indigenous businesses, particularly outside of urban areas, and lenders are too risk-averse in Manitoba (ACC, 2018b).

## COMMUNITY GUIDANCE

The community of the ACC is very diverse. The ACC currently works with different departments in the Manitoba government and businesses across the province. Ultimately, the Indigenous business community is what the ACC is all about. They are there to help them to succeed, so they will do whatever it takes to help them. So, a lot of what they do is listening



to the Indigenous community and finding out what they need. They also advocate to the government on their behalf (F. Sanderson, interview by the author, October 16, 2019).

Defining success for Indigenous organizations is challenging because well-designed evaluations to determine the effectiveness of organizations like the ACC don't exist. The ACC and its board members have the community's best interests in mind, especially since it benefits everyone in the end. It was discussed in *Factors Influencing the Economic and Social Prosperity of Aboriginal Peoples* (Rose & Rose, 2012) that economic and social components of underdevelopment experienced by communities are linked; and without proper funding for building economic prosperity, the programs that are required to meet social needs lack the resources to be effective. This is why we need more Indigenous economic development. One successful Indigenous community from Cape Breton developed the Membertou business model, and their four pillars of "conservation, sustainability, innovation and success" (Brown et al., 2012) fit the Indigenous perspective — that success will benefit the whole community.

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Nations Prosperity in Canadian Agriculture  
and Food:  
Navigating the Opportunities and Challenges in  
One of Canada's Biggest Industries

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Jesse Robson

FARM CREDIT CANADA

## INTRODUCTION

Agriculture and food are a big player in the Canadian economy, and First Nations are positioned to become leaders in the industry. While First Nations businesses, people, and communities face unique challenges in agriculture and food, there are numerous tapped and untapped advantages and opportunities.

In this paper we will address the opportunities for First Nations in the agriculture and food industry, including food security, food sovereignty, adding value to a farm product through food manufacturing, and the positives of branding your product. Along with the opportunities, this paper will look at the barriers — like lack of access to capital — that cause challenges when entering agriculture and food, and some ways to overcome those barriers. We'll also look at what to expect when working with financial institutions and how to prepare for applying for financing.

Land management is a significant part of any agricultural business. When one adds in the laws and regulations around First Nations land use, then land management becomes even more complex. This paper will take an in-depth look at First Nations land management and how the *Indian Act* affects it. The paper will also address fee simple land, the additions to reserve process, models for economic development, tax advantages, buckshee leases, certificates of possession, and other land management topics.

The purpose of this paper is to provide information on the topic of First Nations agriculture, not to offer professional legal, financial, or business advice. The writers of this paper acknowledge the historical challenges First Nations people have faced in Canada and

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agriculture, but the intent is to look at today's opportunities and navigate the current regulations. Throughout this paper, the use of the words agriculture or farm includes crops, livestock, and ranching, unless stated otherwise. In this paper we refer to the agriculture and food industry as one industry comprising farming and food manufacturing.

Simultaneously navigating the agriculture and food industry and First Nations business requires research, professional legal advice, and detailed planning. While this paper covers numerous relevant topics in agriculture and food, we acknowledge that there is much more research that needs to be done in First Nations and Indigenous agriculture, and we encourage our partners, industry stakeholders, government, and academia to further flush out the ideas and related topics. We encourage the collection and collation of data in areas of arable Indigenous land, leased lands, technology in Indigenous communities, and more.

This creation of this paper was managed by Farm Credit Canada (FCC), a self-sustaining Crown corporation and Canada's leading agriculture and food lender. It was co-authored with contributions from MLT Aikins, a full-service law firm operating in Western Canada.

## 1. OPPORTUNITIES

### **Defining Food Security and Food Sovereignty**

Among the opportunities in agriculture and food is combatting food insecurity. To put it simply, food insecurity means not having enough food to eat. For First Nation communities, food security is drastically lower than for non-First Nation communities in Canada. A recent study found that 48% of First Nations communities face food insecurity, with some communities being as high as 60% (Chan et al., 2019). By comparison, food insecurity in Canadian households as a whole was found to be just over 12% in 2012 (Health Canada, 2020).

**“A well-built food system can benefit the entire community.”** (Givens, 2020)

Moving from food insecure to food secure is not as easy as starting a farm. There are numerous steps involved in getting into agriculture; navigating through that process is challenging. The United Nations Sustainable Development Goals state that the key to food security is an increase in agricultural production (United Nations, n.d.). Agriculture creates food and jobs, which are remedies to food insecurity; however, food sovereignty can be seen as a more permanent solution. If agriculture is a key step to food security, then food security is a key step towards food sovereignty. Making sure the people in a community have enough food to eat is food security, but taking control of your community's food system is sovereignty.

First Nation food sovereignty is First Nation control over First Nation food (Sherman, 2020). Food sovereignty is about more than just food, however; it is about the relationship between people and their food. This means it's not only about producing food for your community but also about creating a food system from the field to the plate, and how that system can benefit the people in a community (Robin, 2019). To put it another way, it's about vertical integration of the food system — owning your value chain (Will, 2020). This includes how food is grown, processed, and distributed — it also includes the people who work along the steps of the food system, or value chain.

A well-built food system can benefit the entire community. The Quapaw Tribe in the United States have taken a long-term approach to their own food sovereignty (Givens,

2020). In 2010 they decided to regain the food sovereignty they had before European contact. They started small by purchasing five head of bison. From there, they saw an opportunity to grow and partner with their tribe's casino restaurant — hypothetically, this could be a relationship with any nearby business.

They began looking at the food and beverage needs of their community, and found gaps where they could add to their food system. They wanted fresh vegetables for their restaurant and their community members, so they built greenhouses. The greenhouses now produce 8,000 pounds of food each year, and 40% of the casino's vegetables come directly from those greenhouses. The community used a lot of honey, so they got involved in beekeeping. They served or sold coffee in their businesses, so they began roasting and packaging their own coffee.

There was a need for beef, so they bought 75 head of black Angus cattle in 2014; but owning cattle was just the start of vertical integration of their beef. To have the cattle processed into beef, they had to ship the product to Colorado, then to Missouri for dry aging, then bring it back home. To truly own their food system, the Quapaw needed to create their own meat processing plant. Quapaw leadership admits to it having been a significant challenge but recognizes that it is essential to their food sovereignty.



*Throwing the cattle some salt on Cowessess First Nation.*

Since 2010 the Quapaw have been able to successfully develop their own food system by taking calculated steps. It's about more than selling their food; it's vertical integration of their food system, and jobs are created all along the way. Plus, much of their food is given back to the community to ensure that the elders, youth, and those in need have enough protein and healthy food to eat. Knowing the food is grown in their own community instills consumer pride.

The Quapaw example is grand. There are many small First Nation communities that would not be able to expand the same way the Quapaw Tribe could. But this example shows the diversity in agriculture and food production, and the opportunity that exists to vertically integrate operations into the local and regional community. It shows how an Indigenous community can move from food insecurity to food sovereignty.

## Defining the Gap

Being aware of the barriers facing First Nations in agriculture and food is essential to building a plan that breaks through those barriers. Let's look at the two main barriers in agriculture for First Nations businesses:

1. the *Indian Act* creates a lack of access to capital; and
2. lack of experience and knowledge in agriculture among the Indigenous workforce.

The regulations within the *Indian Act* create the lack of access to capital. The *Indian Act* prevents First Nations from leveraging land in the form of providing security. Looking back in Canadian history, the *Indian Act* also gave the Department of Indian Affairs the ability to institute the *Pass System*, which did not allow individuals to do business on reserve and did not allow First Nation people to leave the reserve (Indigenous Corporate Training Inc., 2015). This added significant challenges to agriculture, an already challenging industry. Over time, this barrier created a vacuum in First Nations capacity to find success in agriculture. As a result, many First Nations farmers left the industry, creating a gap in agricultural knowledge for generations — the second barrier.

### *Barrier One — The Indian Act and Lack of Access to Capital*

The *Indian Act* governs First Nation status, land, business, and leadership. It can impact business opportunities in some ways. When it comes to agriculture, we will review a few sections of the *Indian Act* and how it can be coupled with the *Framework Agreement on First Nations Land Management*. First, let's look at Section 89 of the *Indian Act*.

#### Section 89(1):

Subject to this Act, the real and personal property of an Indian or a band situated on a reserve is not subject to charge, pledge, mortgage, attachment, levy, seizure, distress or execution in favour or at the instance of any person other than an Indian or a band.

It is widely known that Section 89 of the *Indian Act* prevents First Nations from accessing capital or receiving lending on First Nation land. This makes it difficult to get loans from banks; and since the agriculture and food industry is heavily driven by access to capital, this cannot be overlooked. For example, crop inputs (fertilizer, pesticide, herbicide, etc.) for each growing season can cost hundreds of dollars per acre, so having access to financing throughout the year is a necessity.

There are options that allow a First Nation to access financing. Section 89(1.1) of the *Indian Act* states that a reserve land can be designated and as a result, it can be mortgaged.

#### Section 89(1.1):

A leasehold interest in designated lands is subject to charge, pledge, mortgage, attachment, levy, seizure, distress and execution.

In other words, when a First Nation wants to lease lands under the *Indian Act*, the Minister of Indigenous Services [“Minister”] must have the land designated for leasing as stated in Sections 37(2) and 38(2) of the *Indian Act*.

Section 37(2):

Except where this Act otherwise provides, lands in a reserve shall not be leased nor an interest in them granted until they have been designated under subsection 38(2) by the band for whose use and benefit in common the reserve was set apart.

Section 38(2):

A band may, conditionally or unconditionally, designate, by way of a surrender to Her Majesty that is not absolute, any right or interest of the band and its members in all or part of a reserve, for the purpose of its being leased or a right or interest therein being granted.

To surrender a portion of reserve land so that it can be designated requires a referendum by the First Nation membership. This process can take up to two years to complete. There are other options worth considering.

### **The Framework Agreement on First Nations Land Management**

**“This process helps to counter impacts of Section 89 (1) of the Indian Act — and allows a First Nation access to capital.”** (Henderson, 2017)

The *Framework Agreement on First Nations Land Management* (“*Framework Agreement*”) is another option that lets a First Nation secure financing. First, a little clarification: the *Framework Agreement* is an option for Band governments to opt out of the land management sections of the *Indian Act* and replace those sections with their own law or land code. To opt out of those sections of the *Indian Act*, bands need to sign the *Framework Agreement*. It’s an agreement between a First Nation and the government of Canada (Henderson, 2017). Later in this paper, we’ll discuss some of the details of the *Framework Agreement*. To take advantage of all the *Framework Agreement* allows, a First Nation would need to sign it and ratify it. The *Framework Agreement* allows its signatories to enact their own land code, which will be the fundamental land law of the First Nation, replacing 44 sections of the *Indian Act*. This means that in their land code a First Nation can choose to allow leasehold interests on First Nation land to be mortgaged, without being designated via surrender to Her Majesty as shown in Section 38(2). This also means that leasehold interests are subject to seizure by third parties. It is important to note that if a leasehold mortgage is seized, the First Nation has the first right to redeem, or buy back, the mortgaged lease (First Nations Land Management Resource Centre, n.d.). This process helps to counter impacts of Section 89(1) of the *Indian Act* — and allows a First Nation access to capital.

Taking advantage of these opportunities to gain access to capital requires a deliberate and coordinated effort between a First Nation government and its economic development corporation or farming operation. This is significant process that requires proper attention and planning.

Partnerships with other governments or entities can also provide opportunities to access capital. One example is the Siksika Nation in Alberta. They entered into a partnership with the provincial government and the Indian Business Corporation (Slade, 2015). The loans were small by comparison to many agricultural ventures, but it did allow cow-calf farming operations to access capital they may not have otherwise been able to do.

Another option to overcome the challenges of access to capital is to acquire fee simple land; this could be through the Treaty Land Entitlement (TLE) framework, or band-specific agreements. This will be addressed later in the paper.

### *Second Barrier — Access to Knowledge in Agriculture*

The second barrier highlighted earlier is the lack of experience and knowledge in agriculture among First Nations people. There is a lot to unpack with that statement, but ultimately this impacts the First Nations workforce with experience in agriculture. There are corporations, agencies, and organizations working to remedy this. The Canadian Agricultural Human Resources Council (CAHRC), for example, is researching Indigenous agriculture and food businesses at all levels by conducting interviews with the people and communities involved. CAHRC is doing this so they can better understand the needs and knowledge gaps for Indigenous agriculture. There are numerous organizations doing work like this, and it needs to continue.

It is worth pointing out that many First Nations individuals have experience with livestock, horses, and crops. By comparison, though, a smaller percentage of First Nations people are involved in agriculture than Canadians as a whole. The 2016 Census of Agriculture shows that 1 in 58, or 1.7%, of all Canadians are involved in agriculture (Statistics Canada, 2018). Statistics from that same year show that 0.42%, or about 1 in 250, of First Nations people are involved in agriculture (Gauthier & White, 2019). Those numbers indicate that there is a gap in agricultural involvement among First Nations people compared to Canada as a whole; and as a result, a gap in agricultural experience and knowledge as well.

**“[Our] younger generation that are going to school now, some of them should go into agriculture.”** (Elder Joseph Jimmy, interview by the author, September 2019)

This means that while many First Nation communities have people available as a workforce, that workforce requires training in agricultural knowledge — from basic to complex. In 2019, FCC conducted interviews with a variety of people involved in Indigenous agriculture. In our interview, Elder Joseph Jimmy of the Thunderchild First Nation said, “[Our] younger generation that are going to school now, some of them should go into agriculture. No not only teaching, social work, recreation. Not only those things, but also agri-



*Terry Lerat, Farm Manager on Cowessess First Nation, examines the product of harvest in 2019 with employee.*



culture.” In fact, nine out of 10 interviewees recognized the challenges of training their workforce. This is different from many non-First Nations farming operations. Whereas 98% of Canadian farms are family-owned and operated (Agriculture More Than Ever, 2013), many First Nation farming operations are owned and operated by a First Nation band or economic development corporation — in part because of the barriers presented by the *Indian Act*, but also due to the communities’ approach to economic development. Reserve land is communally owned, and the returns from economic development are for the benefit of the shareholder, the community at large.

The key difference between a family-owned and operated farm and a farm that’s owned and operated by a First Nation or economic development company is that the family farms have family members employed, often with generations of agricultural knowledge ingrained, and may receive dividends of a successful year. Farms run by bands or economic development corporations, on the other hand, rely on employees that are compensated with salary or wage — often hiring from their communities, but not living on the farm property. According to internal FCC interviews, this lack of family connection to the farm and agricultural knowledge can result in a high turnover rate on First Nations farms.

One option to help bridge the knowledge gap for First Nation farms is for the band or economic development corporation to hire a farm manager who has expertise in farming. There are examples of First Nation farms hiring an Indigenous farm manager from the community; there are also examples of a First Nation farm hiring a non-Indigenous farm manager from outside the community. Each First Nation can decide what works best for them, but having a farm manager who is experienced in the sector they’ll be working is the most important trait. Having a farm manager also allows roles to be defined. The farm manager can be in control of hiring, training, and even mentoring someone to take over the role of farm manager in the future.

Regardless of who is running your farm, there are valuable resources that are needed for a successful farming operation. For example, knowing the soil classes in the area determines application rates of fertilizer. Often, information like this can be obtained from hiring an agronomist, or even directly from the retailer when making crop input purchases.

## 2. BRANDING AND FOOD MANUFACTURING

### **Adding Value to Your Product**

All agriculture products are refined, processed, and packaged into a final product. This is often referred to as adding value or food manufacturing. This represents a valuable component of the agriculture and food industry. Let’s look at an example of how turning a food into a product creates more value. In the 1990s the Van Dyk family, who farmed in Nova Scotia, began harvesting wild blueberries they discovered growing on their farm. They sold the berries to local grocery stores, but only had about a four-to-six-week window for harvest. There was opportunity to add more value to their product.

The Van Dyks had an idea to make wild blueberry juice. After proper research, they began creating the product and the brand. Today, Van Dyk’s Wild Blueberry Juice is sold Canada-wide, and internationally as well (Brett, n.d.). This shows how a product that generated revenue for a maximum of six weeks in a local market was turned into a year-round product that is being sold across the country.

## Value of Indigenous Branding

Opportunities like this exist for Indigenous agriculture and food businesses. It also plays into a strength. Creating a product that is authentically Indigenous — and strategically showing that in your product's brand — has proven to be successful in the market. Let's look at the example of Tanka Bars. Co-founded by a member of the Oglala Sioux Tribe in South Dakota, Tanka Bars uses buffalo meat and berries to create a pemmican protein bar.

**“Research and examples around the world show that consumers are often willing to pay more for Indigenous-sourced and Indigenous-branded food products, providing that the quality is good.”** (Noble, 2020)

The company's mission is not just to make pemmican protein bars, but to use their product to create jobs for Indigenous people, increase health and build a buffalo-based economy. Tanka Bars has shown success and resilience as they compete with major national food brands. In the last month of 2018, Tanka Bars sales increased by 300%. Sales increased so fast that they were unable to keep up with the demand (Noble, 2020).

Research and examples around the world show that consumers are often willing to pay more for Indigenous-sourced and Indigenous-branded food products, providing that the quality is good (Balogh et al., 2016). That emerging trend, coupled with the well-known consumer preference of buying local, point to the advantages of processing raw food products and creating a brand for that finished product. According to a recent study from Nielsen, 58% of consumers said buying local produce is important to them. In that same study, consumers were asked to rank 16 grocery shopping topics, and buying local had the highest rating (Nielsen, 2019). And in many cases, consumers define buying local not only as food from near their community but also as food from within their own country (for example, a consumer preference of buying Canadian beef). So, the buying local preference can be an advantage beyond your community.

First Nation brands represent inclusion. In the economy, those brands boost the economic resiliency — not just of a community, but also the country. Food manufacturing provides jobs and financial sovereignty and stability to a community. Incorporating traditional First Nations values of caring for the land and maintaining a sustainable food source align well with the corporate social responsibility in the agriculture and food industry.

## A Look into Food Manufacturing in Canada

The value-add sector can also be a big employer. According to Agriculture and Agri-Food Canada, the food and beverage industry is Canada's second-largest manufacturing employer and provides jobs for nearly 250,000 Canadians. Food and beverage manufacturing accounts for 2% of Canada's Gross Domestic Product (Agriculture and Agri-Food Canada, 2020).

By 2025 AAFC is aiming for \$140 billion in agri-food domestic sales, a significant increase. In 2019 that industry had approximately \$110 billion in domestic sales. Among AAFC's five key areas to strengthen agri-food in Canada are an increase in developing and diversifying Canada's agri-food markets, various ways of boosting competitiveness, and having a diverse workforce in the industry with a unique set of skills.

These numbers show the importance of this industry in Canada and also the need to continue to grow this industry. There is room for Indigenous businesses to contribute to food

manufacturing in Canada. Keeping that top of mind while planning an entry into agriculture can help a business and community build towards vertical integration.

### 3. FINANCING

#### Basics of Working with Financial Institutions

The reality is that starting a farm, or getting involved in agriculture, requires financing from a lender. Knowing what is required for a farm to thrive is only part of the picture. You also need to be aware of what specific financing is required from your lender.

Farms often have their own set of needs, so the type of lending can vary. For the most part, though, on average starting a crop farm from scratch would require:

- Line of Credit
- Crop Input Financing
- Equipment Financing
- Loan for structures

Farms require structures including barns, bins, corrals, storage for equipment, and shops. It's the loan for structures that financial institutions may have the most difficulty approving. Structures that reside on reserve land can, primarily, only be financed if it has become designated land through Section 38(2) of the *Indian Act* or through a change using the *Framework Agreement*. Another option to designate land can be found later in this paper in the "Additions to Reserve and *Reserve Creation Act*" section.

These processes can allow a financial institution to lend based on the debt and equity of the First Nation, and then they can perfect or establish a security interest (providing other criteria are also met). If the reserve land is not designated land through the *Indian Act* or the *Framework Agreement*, the land cannot be leased, which adds significant challenges to getting lending approved.



*Talking the harvest plan before jumping into the combine at Thunder Farms 2019.*

A line of credit and a loan for crop inputs are different than a loan for structures. Usually, a general security agreement is signed between a financial institution and its customer for lending like this. In these cases, it's the working capital that is relied upon for repayment. A financial institution may rely on the working capital to repay the debt and repayment capacity rather than the collateral that backs up the financing.

When purchasing equipment, financial institutions are most receptive to purchases made through a dealership using a conditional sales contract. This is because a conditional sales contract allows for security to be perfected (i.e., the interest in an asset is secured and cannot be claimed by any other party) by the right of possessing the equipment given certain provisions of law.

Private purchases for equipment may still be able to be financed but require a Section 89 waiver and a Band Council resolution. While this is possible, it results in more risk, and financial institutions may not approve this lending.

### **Business Planning**

Begin these lending negotiations with all financial institutions from the best position possible. This includes having a strong business plan prepared. A business plan not only helps new farms put into perspective their needs, it also shows lenders that their potential customer knows its business and its goals. There are online tools that can help create a business plan.

Futurepreneur Canada is a national non-profit organization that does financing, mentoring, and support for entrepreneurs age 18–39. They offer a free online business plan writing guide for anybody who needs it. An Internet search for 'Futurepreneur business plan writer' will bring up the online tool. Other financial institutions have online tools as well. You can find more business planning tools on the FCC website, [fcc.ca](http://fcc.ca).

Business plans can include projected growth, but that should not be the only focus. Entrepreneur.com suggests including a contingency plan in your business plan that shows how you are able to continue paying back a loan during tough times or worst-case scenarios (Entrepreneur Media, 2014).

There are some financial institutions that even offer assistance in preparing a business plan. For example, Saskatchewan Indian Equity Foundation offers up to 75% of the cost of having a business plan written by a professional business plan consultant. Part of that planning stage is having some savings established. Many aboriginal financial institutions like SIEF require up to 10% of the funds they'll disperse to be covered by the customer.

## **4. LAND MANAGEMENT**

Before purchasing land for agricultural use, knowing your options is important. When a First Nation buys land through the TLE framework, or by other means, there are two options:

1. Convert the land to reserve status through Additions to reserve process
2. Do not convert the land to reserve status, thereby making it fee simple land

Land converted to reserve status will be regulated by the *Indian Act*. Fee simple land is not regulated the same way, which means it provides borrowing leverage because it can be

used as security in accessing lending from financial institutions. Let's look at these two options in detail, starting with fee simple land.

### Fee Simple

Fee simple ownership is recognized in Canadian law as the most complete form of ownership. It entitles the owner to full enjoyment and use of the property unencumbered by all other interests or estates, restricted only by laws of general application, such as zoning laws and environmental laws (Appraisal Institute of Canada, 2010). Where a First Nation chooses to expand their reserve by purchasing land in fee simple, the *Indian Act*, RSC 1985, c I-5, s. 18(1), will not apply to the land as it does in the case of reserve land. The question of whether a First Nation should hold title to land in fee simple, as opposed to holding an interest in the land as reserve land under the *Indian Act*, depends on the First Nation's priorities. For instance, where land is held in fee simple, many of the protections under the *Indian Act* will not apply, such as the statutory limits on seizure, attachment, or taxation of reserve land. This, however, is likely minimally impairing, as fee simple land allows for financing and efficiency in development, diversification, and expansion efforts.

On the other hand, many of the restrictions surrounding disposition, leasing, and access that limit a First Nation's ability to market and leverage their lands will also not apply. While provincial laws and regulations, including provincial land titles legislation, property assessment, and taxation laws and municipal bylaws will apply to the lands, a First Nation's ability to develop and grant interests in fee simple lands is generally more attainable and expedient under provincial legislation than a First Nation operating under the auspices of the *Indian Act*.

### Additions to Reserve

An Addition to Reserve (ATR) is the addition of a piece of land to an existing reserve, or the creation of a new reserve for a First Nation. The Government of Canada first introduced an ATR policy in 1972, and later updated it in 2001. In 2016 the Government of Canada introduced a new policy directive, *Indigenous and Northern Affairs Canada Land Management Manual*, Chapter 10 — Additions to Reserve/Reserve Creation — 2016 (the ATR Policy), which includes streamlining the ATR proposal process (Indigenous and Northern Affairs Canada, 2019). Through the ATR Policy, First Nations may purchase lands, which can then be converted into reserve lands in both urban and rural settings. The newly purchased land does not need to be geographically connected to an existing reserve. The ATR process improves First Nations' access to land and resources which can be used for economic development activities. ATRs can be obtained under three categories:

1. legal obligations and agreements by the Government of Canada;
2. community additions where a First Nation with a reserve seeks additional reserve land for economic development, among other purposes; or
3. tribunal decisions where a First Nation obtains lands as compensation through the Specific Claims Tribunal. (Indigenous and Northern Affairs Canada, 2019)

### ***Additions to Reserve Land and Reserve Creation Act***

On December 13, 2018, the Federal Government enacted the *Addition of Lands to Reserves and Reserve Creation Act*, SC 2018, c. 27, s. 675 (“*ATR Act*”) as part of Subdivision D of the omnibus *Budget Implementation Act, 2019, No. 1*, SC 2019, c. 29. The *ATR Act* was intended to streamline the ATR process, and facilitate more timely decisions. The *ATR Act* allows First Nations to designate and lease reserve land prior to the ATR process being completed. This allows First Nations to put leases or permits in place on lands owned by them while they await ATR approval. The *ATR Act* came into force on August 27, 2019.

Section 5 of the *ATR Act* allows a First Nation to designate land either before title is transferred to the Crown (since legal title to all reserve lands in Canada is held in the name of the Crown for the benefit of the applicable First Nation) or before the ATR process is finalized. Once the Minister accepts the designation, a lease may be entered. The designation will take effect once the lands are added to reserve. The designation process allows First Nations to lease their land for agricultural, commercial, or other purposes, while preserving the status of the land as reserve. Under the *Indian Act*, land designation is a prerequisite to leasing reserve land.

### **Additions to Reserve Process**

The ATR process involves the following four phases:

1. Initiation
2. Assessment and Review
3. Proposal Completion
4. Approval

The timeline to complete the process of adding land owned in fee simple to reserve lands is uncertain and can take between 12–24 months. The process becomes more complicated where the land intended to be added to reserve is encumbered by a third-party interest, for example, through leases, licences, permits, easements, rights of way, etc. In the reserve addition process, the First Nation must first identify any existing encumbrances and charges. Then, the encumbrances must generally be resolved, extinguished, replaced, or minimized, and any consents required by third parties must be obtained prior to reserve creation so that Justice Canada is satisfied that the First Nation will receive adequate rights to the proposed reserve land.

### **Leveraging Land through Fee Simple Ownership**

Under fee simple ownership a First Nation holds the right to sell or lease their property interest, to occupy the property, to mortgage their property interest, and to gift their property interest. As noted above, this considerably widens the scope of options available to a First Nation in comparison with reserve lands under the *Indian Act*. One of the clearest examples of this stems from section 89 of the *Indian Act*, which prevents real or personal property on reserve of an Indian or band from being subject to charge, pledge, mortgage, attachment, levy, seizure, distress, or execution. Provisions in the *Indian Act*, such as the one in section 89, deter commercial lenders from entering into transactions involving reserve land. Unlike

reserve land, property held in fee simple may be used as collateral for loans and First Nations will be able to leverage the land and any property on it for securing financial ventures.

**“Fee simple ownership enables First Nations to develop and manage lands and operate businesses outside of the purview of the Indian Act land management system.”** (Canada, House of Commons, 2014, p. 17)

Developing projects and carrying on business on fee simple lands is generally less expensive than reserve lands. On-reserve development is governed by the *Indian Act*, which regulates property ownership, lands, governance, resources and financial management, and in many cases mandates federal ministerial approval for projects to proceed. The process of applying for and receiving project approvals can be both time consuming, bureaucratic, and financially exhaustive (The National Indigenous Economic Development Board, 2017, p. 17). While reserve lands bring with them the possibility of *Indian Act* tax exemptions, they also limit the market value of the land, and limit the ability of First Nations to participate in Canada’s commercial economy, which is largely based on fee simple ownership.

In 2012, Manny Jules summarized the disadvantage of holding lands as reserve lands instead of fee simple when he stated that “[t]he problem with [Additions to Reserves] is that they make formerly productive lands unproductive by converting valuable fee simple land into Indian reserves. Reserve lands are generally about one-tenth as productive as other lands in Canada” (Quesnel, 2016, para. 5). Fee simple ownership is synonymous with participation in a modern, fast-moving economy, where secure and individualized property rights are assumed.

In areas with a higher demand for First Nations land, such as reserves located near cities, fee simple ownership may be used to effectively amplify economic development projects (Canada, House of Commons, 2014, p. 31). Fee simple ownership enables First Nations to develop and manage lands and operate businesses outside of the purview of the *Indian Act* land management system. As Chief Clarence Louie, Chairperson of the National Indigenous Economic Development Board, has commented, “Under the *Indian Act*, land management processes involving common activities such as leasing, and registration are expensive, complex, and often extremely slow. This presents significant challenges for large-scale, land-based economic activity, such as major resource development” (Canada, House of Commons, 2014, p. 17).

### **Tax Advantages with Reserve Lands**

There are two tax advantages associated with income-earning activities taking place on reserve lands:

1. section 87 exemptions; and
2. the absence of property tax.

Section 87(1) of the *Indian Act* sets out that:

Notwithstanding any other Act of Parliament or any Act of the legislature of a province, but subject to section 83 and section 5 of the First Nations Fiscal Management Act, the following property is exempt from taxation:

- (a) the interest of an Indian or a band in reserve lands or surrendered lands;  
and
- (b) the personal property of an Indian or a band situated on a reserve.

Section 87 exemptions apply to business income if the income-earning activities take place on reserve. The question of whether income derived from agricultural activities is tax-exempt under the *Indian Act* will be very fact-specific, and we strongly recommend consulting legal counsel when determining prior to claiming an exemption.

One of the key factors in determining whether a farming business can qualify for the section 87 tax exemption is the location of farming, which varies considerably based on the type of farming. The most important factor for grain, vegetable, and fruit farming is the location of the land where crops are grown and harvested. Similarly, the location of cattle farming is determined by rangelands. When assessing taxation for all other types of farming, the nature of business and specific facts will be informative, in addition to the location of the farmland. If only some of the total revenue-generating activities take place on reserve, and the rest off-reserve, section 87 exemptions may be applied proportionally, with business expenses taxed proportionally unless a more reasonable allocation exists (Canada Revenue Agency, 2019).

First Nations may levy their own property taxes against third parties operating on reserve lands by implementing their own property tax regime pursuant to the *First Nations Fiscal Management Act*, SC 2005, c. 9, as discussed further below. Correspondingly, property taxes levied on fee simple lands would be payable to a municipality. Therefore, it is an advantage for First Nation businesses to be able to avoid property tax while operating on their own reserve lands.

### **Tax Advantages with Fee Simple Lands**

Tax deductions are available for agricultural income and equipment based on whether an individual is engaged in full-time farming, part-time farming, or hobby farming. If an individual relies on farming for most of their income, they are considered a full-time farmer. Full-time farmers are entitled to claim home expenses, such as mortgage or rent payments, property taxes, utilities, maintenance costs, capital cost allowances, telephone, and home insurance, so long as their home is used to some degree for business purposes. Full-time farmers are also entitled to deduct all farm business expenses, including seeds, fertilizer, pesticide, crop insurance, machinery, and interest on loans. Finally, full-time farmers may deduct losses from their sources of income carried back three years and carried forward a maximum of 20 years. Similarly, part-time farmers may deduct portions of home office and farming business expenses, as well as a portion of any farm losses, the maximum claim amount being \$17,500 (FBC, 2017).

## **Models for Economic Development on Reserve Lands and Fee Simple Lands**

### *Case Study — Musqueam First Nation, British Columbia*

The Musqueam First Nation has control over 352 hectares of land, which includes three small reserves and several parcels of fee simple land acquired through settlements, negotiations, and purchases. In 2014 the Musqueam First Nation, Squamish Nation, and Tsleil-



Waututh Nation executed an agreement allowing the Nations to collaborate in Crown negotiations for land dispositions on shared territory. Through this agreement, Musqueam First Nation, Squamish Nation, and Tsleil-Waututh Nation have acquired multiple fee simple interests. Some of these interests are held jointly by development corporations, including the MST Development Corporation, which was established in 2016 to initiate growth, opportunity, and well-being for the respective Nations' members (Musqueam Indian Band, 2018, p. 27).

In *Musqueam Indian Band v Glass*, 2000 SCC 52, at para. 1, the Supreme Court of Canada held that the lease land on the Musqueam reserve was only worth half as much as similar land near Vancouver that was held in fee simple. By utilizing the land held in fee simple, such as their University of British Columbia Golf Course lands and Burnaby lands for development purposes, the Musqueam Indian Band has increased the speed and liberty in pursuing economic development projects. The Musqueam Indian Band has applied a single, strategic land use plan to all their lands ("Musqueam Land Use Plan"). While the Musqueam Land Use Plan is not enforceable on fee simple lands, it provides decision-making support for land use and developmental planning. Under this model, the Musqueam Land Use Plan informs the Musqueam reserve bylaws, which govern all on-reserve development projects, while provincial legislation and regulations govern development projects on all fee simple lands. All lands held by the Musqueam Indian Band in fee simple are subject to taxation; however, the lands have been registered under a bare trust for the band to protect all interests.

### *Hybrid Model*

First Nations may hope to minimize their tax while maximizing their efficiency to produce the greatest profit through implementing a business structure that operates on both reserve lands and fee simple lands. This may involve operating a head office on reserve while growing and harvesting crops on fee simple land. The Canadian Revenue Agency sets out four guidelines for determining what income is eligible for section 87 tax exemptions, but these guidelines are applied at the discretion of Canada Revenue Agency; companies which fit squarely within a guideline are not guaranteed section 87 exemptions. Ultimately the courts will look to the test as set out in the Supreme Court of Canada decision, *Williams v Canada*, [1992] 1 SCR 877 ("*Williams*"), to determine where the income-generating activities take place and, thus, whether income should be taxed. The *Williams* test is, however, exceedingly vague, and definitions of income-generating activities are highly contested. If First Nations are able to successfully design a hybrid company which falls within one of the guidelines set out by the Canada Revenue Agency, then they may be able to claim tax exemptions on income earned from agricultural activities on fee simple lands; but there is always the risk of a challenge from the Canadian Revenue Agency.

### *Thunderchild First Nation*

Thunder Farms Ltd. is based on the Thunderchild First Nation in Saskatchewan and is entirely First Nations owned. The Nation originally leased out their agricultural land on a cash rent basis before recognizing their opportunity for agricultural development. Thunderchild First Nation operates largely on reserve land but also uses Treaty Land Entitlement lands. The company has adopted a mixed farming model and leases land from the First Nation.



*Thunder Farms 2019 harvest crew at start of workday.*

## 5. BUCKSHEE LEASES AND CERTIFICATES OF POSSESSION

### **Buckshee Leases and Section 58 Permits**

Section 91(24) of the *Constitution Act, 1982*, Schedule B to the Canada Act 1982 (UK), 1982, c. 11, places all reserve land under federal jurisdiction, held by the Crown for the use and benefit of First Nations. Subject to the application of the *First Nations Land Management Act*, SC 1999, c. 24, or an applicable self-government agreement or modern treaty, the use and management of all reserve lands is regulated by the *Indian Act*. Under the *Indian Act*, reserve land is held collectively for the benefit of all members of a reserve. For a member to have an enforceable right to exclusively occupy reserve land, an allotment must be made in accordance with the *Indian Act*. Under subsection 20(1) of the *Indian Act*, the First Nation must allot the land to the member, and the Minister must approve the allotment. Pursuant to section 29 of the *Indian Act*, a lease between a First Nation and a non-member is only valid and enforceable where the lease is approved and granted by the Department of Indigenous Services and registered in the Indian Land Registry.

A buckshee lease is a lease or agreement between a First Nation, or a member of a First Nation, and an individual who may or may not be First Nations that has not been approved by or registered with the Department of Indigenous Services in accordance with the *Indian Act*. As such, buckshee leases are unenforceable and do not carry with them the security of tenure. Buckshee leases are common on reserves where the band does not have land management powers under the *Indian Act* and are often used for agricultural purposes. Parties of a buckshee lease do not obtain rights to possession against the First Nation or member; rather, the lease is carried on by the goodwill of the First Nation or member. Further, subsection 28(1) of the *Indian Act* renders any agreement to use or occupy reserve land as void if the same is not approved by the Minister. As the Supreme Court of Canada commented in its decision, *R. v Deveraux*, [1965] SCR 567 at 550, “the scheme of the *Indian Act* is to main-

tain intact for bands of Indians, reserves set apart for them regardless of the wishes of an individual Indian to alienate for his own benefit any portion of the reserve of which he may be a locatee.”

Alternatively, a third party who wishes to gain an enforceable right to use the land may obtain an agricultural permit under section 58 of the *Indian Act*. This permit will remedy the challenges of unenforceability of buckshee leases; however, ministerial permits do carry with them an added expense and inconvenience.

### **Customary Allocations and Certificates of Possession**

A customary allocation or custom allotment interest is an interest in land granted to an individual by a resolution of a First Nation council or applicable custom or law of the First Nation for the use of land for agricultural purposes. Similar to buckshee leases, customary allocations are not considered a legal interest in land under the *Indian Act* or Canadian law, but rather are based on a form of agreement between the member and the First Nation council. Issues may arise when determining what party has the obligation to maintain the property, allocating liability, and divesting the property in a testamentary document.

Alternatively, individual members of a First Nation may obtain allotments on reserves by following the procedures under subsection 20(1) of the *Indian Act*. An allotment is the right to exclusively use and occupy a defined parcel of land on reserve. Section 20(2) of the *Indian Act* allows for the Minister to issue a Certificate of Possession “to an Indian who is lawfully in possession of land in a reserve a certificate ... as evidence of his right to possession of a land described therein” once an allotment is approved. A Certificate of Possession is merely evidence of the allotment, and does not itself create any proprietary rights. In light of the fact that an allotment under subsection 20(1) of the *Indian Act* grants the individual member an enforceable right of possession, this offers more legal certainty than a traditional or customary allotment or a buckshee lease.

That being said, subsection 20(1) allotments are subject to restrictions and do not entitle holders to the same rights accrued under fee simple ownership. The holder is still entitled to use and possess the property; however, under section 24 of the *Indian Act*, a Certificate of Possession may only be transferred or willed to another member, or the band itself. Section 25 of the *Indian Act* clarifies that when a Certificate of Possession holder is no longer entitled to live on reserve, they have six months to transfer the certificate to the band or another member before the land defaults to the band.

### **Challenges of Buckshee Leases and Certificates of Possession**

The challenges of buckshee leases held by individuals are demonstrable. Entrepreneurs and business owners are at the mercy of the band as they have no legal right to the occupation and use of land allotted to them through buckshee lease(s). As a result, a First Nation is only able to charge a portion of what the land would otherwise be valued at to entice individuals to take on the legal risk. The band council of the Siksika Nation, as they were then, stated their direct opposition to buckshee leases on the basis that they benefit the individual at the expense of the Nation as a whole, contrary to the communal values of the Nation (Flanagan, et al., 2010, p. 84).

While Certificates of Possession may provide a legal right to exclusive use and occupation, First Nations must act in their fiduciary duty to the Nation as a whole when allocating lands. If a First Nation allocates too much of their reserve lands, then their economic development ventures will be inhibited due to minimal land availability. Further, the First Nation gives up substantial control over the allotted lands for the individual's use. A holder of a Certificate of Possession has the power to lease the land to a member or non-member (though ministerial approval is required for this), to extract natural resources, and to farm the land freely. With this comes a risk that the individual will over-exert the land, stripping it for personal economic growth that does not benefit the First Nation as a whole (Brinkhurst & Kessler, 2013, p. 2). Importantly, neither buckshee leases nor customary allotments may be used as leverage to gain financing from banks; however, section 58 agricultural permits and Certificates of Possession may be.

### **Leveraging Buckshee Leases and Certificates of Possession**

“Contrary to the high risk associated with buckshee leases, many First Nations have leveraged them for economic success.” (Okanagan Indian Band, 2011, pp. 16–17)

To mitigate the risks associated with Customary Allotments, a First Nation may choose to grant Certificates of Possession for company-run use with restricted liberties to protect the land and the community interest in it. A First Nation granting Certificates of Possession may also enact bylaws which govern individual Certificate of Possession holders' abilities. The goal in this model is to encourage business development on reserve while ensuring that lands will not be used contrary to the future benefit of the First Nation.

Contrary to the high risk associated with buckshee leases, many First Nations have leveraged them for economic success. If a First Nation wants to impose a tax on buckshee leases, they may do so by implementing a bylaw pursuant to section 83 of the *Indian Act* or do so within its own taxation system pursuant to the *First Nations Fiscal Management Act* or its own customary laws. Manny Jules has suggested that taxing buckshee leases can improve the services available while bringing certainty to land values. The Adams Lake Indian Band collects taxes from buckshee leases through a Minister-approved bylaw which simultaneously exempts all members from taxation. The band has identified that community support for developing taxation models and revenue accountability, using revenue to improve service and program delivery, and providing updated budget and year-to-date reports to members are best practices for successfully leveraging buckshee leases through taxation (Okanagan Indian Band, 2011, pp. 16–17).

## **6. GOVERNANCE AND TAXATION MODELS**

### ***First Nations Land Management Act***

First Nations may choose to exercise jurisdiction over the management of their reserve lands through the *First Nations Land Management Act*. If a First Nation is registered

through the *First Nation Land Management Act*, their reserve lands will be governed under a land code created and ratified by the First Nation rather than by the *Indian Act*. Lands under this jurisdiction remain reserve lands and still benefit from the section 87 tax exemptions. Under the *First Nations Land Management Act*, Nations enter into individual agreements to determine operational land management funding and the transition to the First Nation land code. This agreement, as well as the land code, must be ratified by the First Nation members (Indian and Northern Affairs Canada, 2002).

Even where a First Nation utilizes the *First Nations Land Management Act*, there are inherent limitations to their management authority over the lands. The Crown maintains the underlying title to the land, and as such a First Nation cannot sell its reserve lands; however, they may exchange their lands for other lands which will be transferred into reserve lands.

First Nations that adopt the *First Nations Land Management Act* scheme will benefit by gaining full jurisdiction over their lands and laws relating to those lands, the ability for members to secure mortgages without ministerial guarantee, expedited land transaction registration, and the ability for non-status members to hold land.

### *Models for the First Nations Land Management Act*

First Nations have taken a wide variety of approaches to applying the *First Nations Land Management Act* to their lands. While some communities, such as the Tla'amin Nation, implemented immensely less restrictive transfer rules than those in the *Indian Act*, others, such as the Chemawawin Cree Nation, have implemented restrictions to almost the same extent as those in the *Indian Act*. With the spectrum ranging from allowing for long-term leases to non-members with no community vote to all transfers requiring band council approval, the *First Nations Land Management Act* may be used to reinforce community control over land or to ameliorate the economic benefit from a less restrictive land market (Lavoie & Lavoie, 2017, p. 565).

### **Limited Partnership Model**

A common business vehicle employed by First Nations is a limited partnership created pursuant to applicable provincial or territorial partnership legislation. An advantage of a limited partnership is a combination of limited liability protection and tax efficiency. As partnership legislation does not contain a great degree of detail as to the obligations and operating structures required of the limited partners, the partners get to decide the “rules” applicable to the specific limited partnership. The general partner is usually filled by a corporation and is fully liable for the business, whereas the limited partner is liable only for their investments in the partnership. All business failures or liabilities cannot be extended to limited partners (as long as they don’t take an active role in the business). A corporate bare trustee may be used as a partner to mitigate any interference by the *Indian Act* and to also enable income allocation to the band if they are eligible for the *Income Tax Act*, RSC 1985, c. 1 (5th Supp.), section 149(1)(c) exemption discussed below.

### **Traditional Model**

John Allan Curry advocates that a “Traditional Model” of corporate governance should be used for smaller communities, while the “Economic Development Corporation Model”, discussed further below, may also be implemented to separate business and politics. Under

the Traditional Model, all on-reserve businesses have a board of directors consisting entirely of Chief and Council (Curry, 2008). While this may enable speedy decision-making and collaboration between the Indian band and businesses, it also leads to immense fluctuation when a new Chief and Council are elected. The short terms of elective office (prescribed under the *Indian Act* and some First Nation constitutions or bylaws) also politicizes most official decision-making, including with respect to business decisions, as Indigenous leaders understandably may act to preserve their elected positions. This frequently makes business planning difficult, leads to instability in business management, and places extraordinary burdens on First Nation business enterprises to maintain stable growth and to find outside investment. As a result, successful First Nation businesses often require some degree of insulation from First Nation politics.

### **Economic Development Corporation Model**

The Economic Development Corporation Model creates Development Corporations that are owned by band members and consider and serve the community's financial needs. Development corporations run the day-to-day operations of financial ventures, while maintaining distance from the highly politicized Chief and Council structure. This model is used by many nations in British Columbia, including the Musqueam First Nation and Osoyoos Indian Band, two of the most prosperous First Nations in Canada. The separation between a business' board of directors and the band's government is beneficial to business performance and corporate success (Curry, 2008, p. 22).

### **Taxation**

First Nations governments should take three key areas into consideration when developing a governance structure to pursue economic development: (a) risk mitigation and liability; (b) maximizing profits; and (c) separating political and business considerations.

To best mitigate liability risks associated with business ventures for economic development, a First Nation should consider creating a separate corporate entity. As a shareholder of the corporation, no liability for business operations should be accrued by the First Nation. With this being considered, if a business is incorporated, the business is no longer eligible for section 87 tax exemptions as a corporation is not an "Indian" or "band" as defined under the *Indian Act*. However, incorporation increases access to capital and eligibility for government funding, and decreases personal liability for business debts and obligations.

Minimizing taxation can be achieved in relation to First Nation agricultural development in two ways. First, if income-earning farming activities are conducted on reserve land and the business is not incorporated, the section 87 tax exemption will apply, and no income taxes will be applied. Second, if income-earning farming activities are conducted on fee simple land with other business activities conducted on reserve, a First Nation may apportion tax deductions under the *Income Tax Act* and Canadian Revenue Agency guidelines and tax exemptions for the work done on reserve. Considering the numerous deductions and tax breaks available to farmers (as discussed above) and the reduced costs of development on fee simple land, it may be beneficial to consider this approach to minimize costs and, thus, maximize overall profits.

An Indian band, in most cases, is exempt from tax as a "public body performing the function of government" under section 149(1)(c) of the *Income Tax Act*. Tax exemptions

under section 87 of the *Indian Act* are extended by section 149(1)(d.5) of the *Income Tax Act* to all corporations owned at least 90% by the First Nation, so long as 90% of their income is earned on reserve.

If a business plan requires investments from third parties, fee simple land is usually more attractive for investors.

## TECHNOLOGY

Farms today use technology as a differentiator. The advantages of effective use of technology in farming can allow businesses that may not have generations of experience in agriculture to play leapfrog, not catch-up. Today's in-field equipment can help with steering accuracy and application of inputs, and a lot more. Some equipment is compatible with desktop software that lets users manage their own farm and accounting data. Agriculture and food is an innovative industry, and many successful businesses are using technology effectively.

A look at five categories of automation in farm equipment, shared by CASE-IH, gives an idea on the state of technology in agriculture and where it's headed. The five CASE-IH categories are

1. guidance of manned vehicles;
2. coordination and optimization of manned vehicles;
3. operator assisted autonomy — where one manned vehicle leads an autonomous vehicle;
4. supervised autonomy — where someone can supervise or guide unmanned vehicles; and
5. full autonomy — where practically no supervision is required and equipment runs using artificial intelligence. (Case I-H, n.d.)



*Harvest begins on Thunder Farms.*

As of this writing, any fully autonomous farm vehicles are only working prototypes (Nanalyze. 2018) and not being sold commercially.

We acknowledge there is more research to be done on how technology in agriculture and food can directly benefit First Nations farm businesses. In the meantime, let's look at some existing technology and its advantages.

### **Desktop and Mobile Farming Software**

Farm technology can help gain efficiency in the farm office. Keeping track of records and farm data and being organized for the farming year is easier with the right agricultural software. There are desktop and mobile software applications that allow for digital control of recordkeeping, shareability, human resources and reporting standards in Canadian agriculture. Software built for farm businesses works more intuitively with the information you need in farming — for example, having the information needed to file for crop insurance or for filing taxes.

**“This allows for data ownership as recommended through First Nations Information Governance Centre’s OCAP.”** (First Nations Information Governance Centre, n.d.)

FCC offers basic, free versions of AgExpert Accounting and AgExpert Field. These basic versions let users back up farm data securely, create income and expense reports and balance sheets, manage accounts payable and receivable, and other farm management tasks.<sup>1</sup> The software lets users share information securely with accountants or other partners. Regarding data ownership, the farm data generated through AgExpert software is owned by the software customer, not by FCC. This allows for data ownership as recommended through First Nations Information Governance Centre’s OCAP (ownership, control access and possession) set of standards (First Nations Information Governance Centre, n.d.).

The features of different farming software brands vary, and some in-field farm equipment is more easily compatible with certain brands of software. Knowing your needs as a farm can help determine which farming software is best suited for you based on its features. Each farm is encouraged to conduct its own research on farming software based on the needs of the farm business and the First Nation involved.

Being aware of farming technology is important when building a business plan. Knowing what level of technology or size of equipment or number of vehicles is needed should be determined in the planning stages of a farm business. This creates realistic expectations for the farm business and the financing.

Embracing technology in agriculture cannot be underestimated as a vital part of First Nations success in agriculture and food. Having said that, we acknowledge there is a need for more research on the unique needs of First Nations and Indigenous agricultural software needs. While research for the software needs of agriculture as an industry do exist, the understanding of how those needs differ from the needs of Indigenous agriculture is lacking.

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<sup>1</sup> A variety of paid professional versions can be found <https://www.agexpert.ca/en/products/accounting.html>.



## 8. CLOSING COMMENTS

In 2016 at the seventh annual World Indigenous Business Forum in Saskatoon, Saskatchewan, a delegation of Indigenous business leaders from across the globe redefined Indigenous Development to accurately reflect what they do as follows:

“Indigenous development is the organized effort by Indigenous Peoples to honour, enhance, and restore their well-being while retaining a distinctiveness that is consistent with their ancestral values, aspirations, ways of working, and priorities on behalf of all Future Generations. Their efforts also strive to share a holistic model of livelihood that respects the Creator, the Earth and promotes sustainability now and for the generations to come.” (World Indigenous Business Forum, 2016)

In their approach to economic development, we see that First Nations are not simply operating a business, they are protecting and growing their language, culture and traditions, and imbedding their knowledge and values into their business mission, vision, and values. This, of course, drives their higher purpose to support the well-being of their shareholder, their community members well into the future. As stewards of the land, the responsibility to preserve and protect their lands for the benefit of future generations is paramount to them. As First Nations re-enter the agriculture sector, it will be exciting to see the types of products, governance, business, social enterprise, land management, and farming models that will be developed to support these community values and aspirations.

One example of how First Nation knowledge and values are being integrated into their business is File Hills Qu’Appelle Developments (FHQD) in Saskatchewan. FHQD is developing a greenhouse that will produce fresh herbs and vegetables for resale, build food security within their member communities, and provide access to traditional medicines that will be made available in their healing lodge and hospital as both facilities offer clients western and traditional treatment options. This model is unique in that it blends economic development, food sovereignty, social enterprise, and access to traditional forms of medicine. There exists a tremendous opportunity for research to collect and share best practices and lessons learned across the sector as First Nations develop sophisticated approaches and mature as primary producers and manufacturers.

The agriculture sector represents one of the greatest opportunities for First Nation communities to nurture their economic development goals and aspirations. Many First Nations are stewards of vast tracts of land and water and are uniquely positioned to move from land lessors to leaders in agriculture. Those Nations without large land bases may find opportunities in fishing, forestry, non-timber forest products, and the agri-food and agri-business value chain. With access to substantial areas of arable land, niche products, and knowledge, agri-food and agri-business and export opportunities First Nations are also complemented by the fastest growing population in Canada. This places First Nations in a position to succeed in their agriculture efforts.

Canada’s relationship with First Nations is complex as are the processes for settling outstanding land claims, and this differs greatly across Canada. The Peace and Friendship Treaties signed in the Maritimes focused on building cooperation and ending conflict between First Nations and the British. “Others, like the Upper Canada Treaties (1764 to 1862), Vancouver Island (Douglas) Treaties (1850 to 1854) and Numbered Treaties in Ontario, across the Prairies, as well as parts of the Northwest Territories (1871 to 1921), involved First Nations ceding or surrendering their rights to the land in exchange for a variety of benefits. These benefits included reserve lands, access to education and healthcare,

farming equipment and animals, annual payments, ammunition, clothing and certain rights to hunt, trap, and fish. Unlike later treaties signed in other parts of Canada, the Peace and Friendship Treaties did not involve First Nations surrendering rights to the lands and resources they had traditionally used and occupied” (Crown-Indigenous Relations and Northern Affairs Canada, 2015).

While some treaties set aside lands reserved for Indians, these remain a point of contention with ongoing litigation against the government of Canada to resolve shortfall and reparations for not honouring various benefits and obligations contained within the Treaties. Much of Canada remains unceded and was never surrendered, and modern-day Treaty-making and negotiations continue today. The reality is that as a group, First Nations are the most successful litigants against the government of Canada, and it is anticipated they will continue to add to their land holdings and focus financial reparations into fulfilling their economic development, financial, and food sovereignty goals moving into the future. This means that for the foreseeable future; First Nations will be building out their agriculture projects to fully monetize their land base.

The *Indian Act* poses significant barriers to Canadian financial institutions, FCC as we have operated historically and most of all First Nations who have been excluded from economic development. FCC is committed to sharing information and to helping First Nation agriculture in Canada reach its full potential. To that end, FCC is working on our lending strategy and increasing access to capital. We recognize the challenges in agriculture, but we also recognize our accountability in perpetuating some of those challenges; that’s why we’re reviewing our own policies and building a strategy that encourages and fosters greater Indigenous participation in agriculture for Métis, Inuit, and First Nations.

As we researched this paper and engaged stakeholders, we found that access to agricultural information specific to First Nation can be difficult to find. We encourage experts and knowledge keepers to share the information they do have. Reach out to organizations like Canadian Agricultural Human Resources Centre and Farm Management Canada to see how they can assist you, and how you can assist them.

While this paper focused on the opportunities and challenges for First Nations agriculture, we recognize that there is a need for more research and knowledge sharing on Métis and Inuit in agriculture. This paper is not a comprehensive look at First Nations agriculture either. We encourage our partners, peers, and the research community to consider diving deeper into First Nation agriculture.

As First Nation individuals, communities, and economic development corporations begin to revitalize their agriculture efforts and re-enter the agriculture sector, there exists a gap in their knowledge and capacity to successfully operate. There also exists a lack of exposure, knowledge, and relationships between First Nations and key industry stakeholders and associations, government funding and services, and the non-profit sector, as well as academic institutions.

Many of these stakeholders are similarly unfamiliar with the history, goals, opportunities, and needs of First Nations. There is an opportunity to harness, connect, and contribute to the growing opportunity First Nations have in agriculture with the business acumen, network, research and training, and related supports mainstream industry, government, academia, and non-profit sector partners can offer. There are myriad stakeholders who are seeking ways in which to connect and network to capitalize on opportunities and to coordinate their collective efforts, research, products, and services to streamline First Nation entrance, expansion, and success in the agriculture sector from the farm to fork.

In closing, FCC, government, industry, academia, and non-profits are committed to pursuing our goals with a focused approach on improving our understanding and partnerships with Canada's First Nation peoples. FCC's overarching goal is to support the agriculture sector in a way that allows it to be a leader in job creation and innovation and to foster the same in our role and relationships with those involved in First Nation agriculture. We aspire to become a catalyst, leveraging our partners across all sectors to support First Nation agriculture initiatives and interests that include helping communities and individual entrepreneurs develop capacity, access capital, partnerships, and networks in the financial, industry and advisory sectors.

Our collective efforts and partnerships need to ensure that First Nation producers and processors have access to needed capital through all economic cycles and to provide access to capital to allow First Nation economic development corporations, producers, and businesses to enter the entire the agriculture value chain to develop and grow their businesses, adopt innovative practices and technology and pursue new markets.

Collectively, we also need to focus our efforts to integrate products and services that facilitate succession planning between farm families and businesses with interested First Nation businesses, assist young and new farmers entering the industry, promote sustainability, and enhance Canada's First Nation food-processing sector to add value here at home before export. This includes work with Business Development Canada, Export Development Canada, and Indigenous Service Canada, along with Agriculture and Agri-Food Canada, and organizations such as the International Inter-Tribal Trade and Investment Organization, to ensure that First Nation agriculture and agri-food companies have the support, knowledge, and networks to succeed in international markets.

As First Nations focus on preserving their culture, wealth creation through monetization of their lands, and bringing traditional knowledge into 21st and, even, 22nd century agriculture, we have discussed the opportunities and challenges, ranging from branding, taxation, land management, ownership and designation, governance models, and technology, among other areas. As First Nations build their agriculture businesses, there are many areas to consider and a need to exercise due diligence throughout all of the planning stages. Supporting First Nation participation and growth in the agriculture sector will not only support their own economic development goals, but grow Canada's economy and economic resiliency, hone our reconciliation efforts, and assist moving our First Nations communities forward in the agriculture sector.

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## Introduction

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David Newhouse

In this issue we present three papers that address the question of how to better support Indigenous economic development. In *A Modern Annuity for Canada — Concrete Reconciliation*, Gregory Mason, Sheila Jones, and Wayne Helgason explore the rationale, design, implementation, and cost of a Modern Annuity as a concrete measure for reconciliation. They argue that treaty annuity provisions ought to be updated and seen as leasehold payments for the right to share the land. The Joint Economic Development Initiative of New Brunswick, in *Building Better Together: Exploring Indigenous Economic Development in New Brunswick*, explores the history of, the obstacles to, and the opportunities and priorities for economic development in New Brunswick. Their community-based research found that economic development objectives were broader than just developing the local economy. Development efforts should foster and support local autonomy, meet community needs, and foster well-being. Efforts to create local employment were seen as key to these objectives. Emilie Fortin-Lefebvre and Sofiane Baba, in *Indigenous Business Support Services: A Case Study of the Quebec Entrepreneurial Ecosystem in Canada*, explore the need for improved entrepreneur support services (local governments, economic development organizations, funding agencies, and business support services). They argue that these services should be better adapted to the needs of Indigenous entrepreneurs, as well as better co-ordinated among all entrepreneur support organizations.

# *A Modern Annuity for Canada — Concrete Reconciliation*

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Gregory Mason

ASSOCIATE PROFESSOR, UNIVERSITY OF MANITOBA

Sheilla Jones

JOURNALIST AND AUTHOR

Wayne Helgason

FORMER EXECUTIVE DIRECTOR OF THE SOCIAL PLANNING COUNCIL OF WINNIPEG AND  
MEMBER OF THE SANDY BAY FIRST NATION

## **ABSTRACT**

Canada's history features many commercial compacts, agreements, and treaties marking the evolution of the relations between Indigenous Peoples and Settlers. The treaties negotiated between 1850 and 1921 comprised three main elements: the allocation of land for the exclusive use of the signatory First Nations; preservation of hunting and fishing rights; and an individual annuity paid to each band member, plus a one-time payment made to the band. The individual annuity was minimal, even in the later 19th century, and has remained unchanged since 1878. This paper explores the rationale, design, implementation, and cost of a Modern Annuity as the concrete measure for reconciliation, acknowledging the value of the land ceded to Canada by the Indigenous peoples.

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## INTRODUCTION

The treaties negotiated between 1850 and 1921 comprised three main elements: the allocation of land for the exclusive use of the signatory First Nations; preservation of hunting and fishing rights; compensation in the form of a one-time lump sum payment to the band, various benefits such as tools and equipment for the collective, and an individual annuity paid to each band member.

Increasing the individual annuity and creating an escalator process acknowledges the large increases in the value of the land ceded by Indigenous peoples of Canada. Concomitantly, it will also offer direct and substantial income support that addresses the economic gaps between First Nations people and Settler populations.

This paper discusses the Modern Annuity in the following four sections:

- An overview of the rationale for a Modern Annuity
- Clarifying the historical/legal foundations for annuities
- Setting the design and value for the Modern Annuity
- Estimating the financial impact on First Nations families and Canada's finances.

## THE RATIONALE FOR A MODERN ANNUITY

The earliest treaties between Europeans and Aboriginal peoples focused on ensuring no hostilities occurred between the settlers and facilitating trade. With the so-called Numbered Treaties (also known as the historic treaties), the practice started by the Robinson-Huron Treaties of paying an annuity become standard practice. This section briefly reviews the annuities in the historic treaties, followed by a more in-depth discussion in the next section.

The early Numbered Treaties, 1 and 2, offered modest compensation in the form of an annuity of \$3 (annually) and created a set aside for reserve land of 160 acres per family of five in exchange for the land. These treaties did not specify hunting or fishing rights. These two treaties may have reflected the expectation that First Nations peoples would continue to live off the land; signatories to the agreements may also not have appreciated the full dimensions of the wealth Canada would eventually produce in the twentieth century, or how valuable the ceded land would become.

Treaty 3, covering the land between present-day Thunder Bay and eastern Manitoba, reflected the certainty that this area would include the route for the national railway. All parties understood the value of this area, which resulted in a higher annuity (\$5), a one-time payment of \$12, an allocation of \$1200 to the band for buying ammunition and twine, and a much larger land allotment per family. Other numbered treaties varied the individual annuity, one-time payment, compensation to the community for hunting supplies, and land allocation per family of five. For example, Treaty 6 added a medicine chest (medical and health supplies), financial assistance during times of famine, and an annual payment of \$1000 for three years to treaty signatories (chiefs) to support cultivation.

The evolving language of the numbered treaties leaves many questions. Were these treaties intended to serve as enduring contracts between the governments representing Settlers and the First Nations where annual payment was in exchange for land? Or were they an extension of health and social services (Treaty 6) and a form of social safety net specifically for First Nations? And what about modern treaties that assign to First Nations some sover-

eignty over land and resources, but offer no individual compensation? Can any of these agreements serve as the starting point for a Modern Annuity?

As an aside, the comprehensive land claims and self-government agreements initiated after the Supreme Court of Canada decision (Supreme Court of Canada, 1973) attempt to redefine the relationship between Indigenous communities and provincial/federal governments (Ash & Zlotkin, 1997). These agreements, so far concluded with about 100 Indigenous communities, have transferred large land areas from the Crown to First Nations, provided over \$3.4 billion in capital, committed to the preservation of traditional ways of life, created the basis for joint decision-making on land and resource management, and increased certainty on land use for 40% of Canada (Canada, 2008). These accords do not specify payments to individuals, analogous to the historic treaties, and it is the Numbered Treaties that offer the basis for the Modern Annuity in 2020.

A working assumption of this paper is that the parties entered into treaties with the understanding that in addition to livelihood support, compensation was for land ceded and that the annuity served as perpetual payment for the rights of Settlers to use Indigenous lands. Another conceptual foundation for the Modern Annuity is that both parties to the historic treaties fully understood the value of the lands transferred, but the pace and weight of European settlement tilted the negotiations heavily in favour of the government. Also, the Aboriginal leadership understood the treaties as subject to periodic negotiation, creating a basis for escalation in annuities (Anderson, 2010). Finally, we also believe that the concept of payment for land applies to all First Nations persons, whether covered by an historic treaty, a modern treaty, or no treaty at all, and whether living within a First Nations community or not.

At this stage, we apply the Modern Annuity solely to members of First Nations. The comprehensive agreements creating Nunavut cover the Inuit, and the Métis are negotiating a separate compensation package. Also, it is reasonable to take the view that the Modern Annuity should occur within the framework of comprehensive treaty renewal, but consideration of that critically important idea requires a separate treatment and is beyond the scope of this paper.

As context, individual annuity payments comprise an extremely small amount of the annual expenditure by the federal government on the delivery of programs and services to Canada's Indigenous people, most of whom (close to 1-million) are Status First Nations people. In 2017–18, annuities amounted to about \$2.7-million for some 582,000 eligible Status Treaty people (Jones, 2019).

Just what is the historical and legal basis for annuity payments? Were they intended solely as livelihood support, or were they intended as perpetual payments for sharing the land?

## **THE HISTORICAL/LEGAL FOUNDATION FOR THE MODERN ANNUITY**

“Treaties between Indigenous nations and the Crown established the legal and constitutional foundation of [Canada]” (Canada, 2015).

Britain and France completed many commercial agreements with individual First Nations (FN) starting as early as 1701 (Miller, 2009). The Royal Proclamation of 1763 declared all lands in North America as having Aboriginal title and obliged the British Crown

to buy First Nations land to acquire title before making it accessible to European settlement (Hall, Albers & McIntosh, 2020). The British Crown continued to make piecemeal agreements until the War of 1812 (and the Treaty of Ghent in 1815), and thereafter, with the assumption of peace that no longer required Aboriginal military alliances, urged negotiators to reduce costs (Leslie & Baldwin, 2006) both up-front and on-going. Annuities to individuals offered an effective method of “amortizing” land acquisition costs into the future (Anderson, 2010).

The first individual annuities were introduced in Treaty 20 — the Rice Lake Purchase — signed in 1818 between the Crown and the Mississauga bands in south-central Ontario (Surtees, 1986). Only Treaty band members alive at the time of signing received the annual payment of \$10 for every man, woman, and child, with payments ceasing upon death.

In 1850 Anishinaabe leaders negotiating the Robinson Huron and Robinson Superior treaties knew the Crown was under pressure to open territory for colonial development, and they recognized the potential natural resource wealth of their lands. They initially proposed individual annuities of \$30, \$60, or \$100 (Vidal & Anderson, 1850), based on the higher annuities paid in the USA. Constrained by the need to control costs and aware that American annuities ended after 20 years, Crown negotiator William Robinson offered instead a lower annuity, but “in perpetuity” (Krasowski, 2011; 2019). When that wasn’t enough, Robinson added an “escalator clause” (or augmentation clause) whereby the annuity would start off small, but would increase over time as the value of the ceded lands — and the benefits produced by that land — increased due to development and settlement (Ontario, 2018).

The final Robinson Treaty texts included two key livelihood support provisions:

- the “full and free privilege” to continue to hunt, fish, trap, and pursue traditional occupations on ceded lands, and
- an annuity for every man, woman, and child, in perpetuity, which “shall at any future period produce an amount which will enable the Government of this Province without incurring loss to increase the annuity ... provided that the amount paid to each individual shall not exceed the sum of one pound provincial currency in any one year, or such further sum as Her Majesty may be graciously pleased to order” (Canada, 2013a).

The Treaties were viewed by the Crown as “about land surrenders (i.e., surrender of aboriginal title in the land), compensation to permit peaceful white settlement, and the means (reserves, assistance, education, and so forth — all as grants from the Queen’s bounty) to ensure that Indians had the opportunity to adapt, transform, and thrive in the new circumstances” (Hall, 2015).

However, the question of “surrender of aboriginal title” remains a contested legal question (McNeil, 1997). For example, the *Grassy Narrows First Nations v. Ontario*, 2014 SCC 48, focused on whether the Province of Ontario, which was not a party to Treaty 3, had the authority to issue logging permits on Treaty 3 land. The judge upheld the Anishinaabe understanding that they had not surrendered their land, but rather agreed to share the resources of that land. On appeal, the Ontario Court of Appeal reversed the decision, awarding Ontario the authority to issue logging permits, but it did not expressly overturn the finding that both parties to Treaty 3 understood they would share the use and benefits of the land (Gunn, 2018). “The Elders stated that the white men can never repay or ever pay in full the cost of these lands. Finally, people agreed to lend it out. Land was never sold” (Gunn,

2018). In other words, the annuities and other provisions of the treaty formed the basis of a leasehold payment.

Craft (2013) offers a clear argument that Cree and Saulteaux Chiefs agreed to share reserve lands with the settlers, provided annuity payments continued. This suggests the annuities formed a leasehold payment. The notion that the annuity represents a leasehold has collateral support in the idea that First Nations share in royalties flowing from mineral and other land-based resources. Finally, the negotiation of comprehensive land claims and self-government agreements, as well as the Treaty Land Entitlement process, has extended property rights to Indigenous peoples. The fact remains that many, if not most, members of First Nations, specifically those on unceded lands, have not benefited from such an extension of property rights.

The issue of “sharing the benefits of the land” became an important element of the 1850 Robinson Huron and Robinson Superior treaties. In the early 1880s the Crown sought to encourage Indigenous people to cease traditional ways of life and, it recognized that FN families would need another source of income as settlement displaced their traditional forms of livelihood (Surtees, 1983; Venne, 1997). In this historical context, annuities served as both a livelihood support and compensation for the land.

After 1850 the increasing populations in the Huron and Superior bands meant division of the lump-sum annuity payment among more people. By 1874 the annuity had shrunk significantly. That year, the band Chiefs triggered the escalator clause, demanding an increase in the individual annuity based on booming mining developments. Without consultation with the Anishinaabe leaders, in 1878 the Parliament of Canada approved an increase from 96 cents to \$4.00 per person (Canada, 1878). It was the last time Canada increased individual annuities.

While the Hudson’s Bay Company’s practice of establishing treaties with First Nations bands, dating back to 1682 (Ray, 1990), set a precedent for the eleven Numbered Treaties west of Fort William, so did the Robinson treaties. By formalizing the granting of reserves, annuities, and the right to hunt and fish on unoccupied Crown lands, they became “an ideal template” for the Numbered Treaties (Krasowski, 2019; Canada, 2013b). The Numbered Treaties, signed between 1871 and 1921, included the livelihood provisions of the Robinson treaties, and an individual annuity payment of \$4.00 or \$5.00 (depending on the treaty). In 1870, the \$20 or \$25 in annuities for a family of five was enough for outfitting a hunter for the season (Ray, 1990). While the Numbered Treaties did not contain the Robinson “escalator clause” language, it was clear that First Nations negotiators were also seeking “economic benefits and security” (Gunn, 2018), and perpetual annuities were an important element of family security.

Canada’s federal government adopted a policy of strict monetary nominalism for Treaty annuities, which means \$5 is \$5 forever, regardless of inflation or erosion of buying power. Over the past 150 years, that policy has transferred the entire cost of inflation and the erosion of buying power of the annuities to Treaty families (Metcs, 2008).

At the time of the Numbered Treaty negotiations, only the Crown and Treaty commissioners could realistically have understood the concept of inflation, if it was considered at all (Metcs, 2008). Consider that “the Crown maintained a consistent position throughout the treaty-making era that the Queen’s representatives would assure the sustained livelihood of the First Nations” (Ray, 1990), and that “Indian livelihood was to be secured or enhanced by a treaty relationship, rather than diminished or encroached upon by it” (Metcs, 2008; Supreme Court of Canada, 1999). Beginning in 2009, some FN bands that signed on to the

Numbered Treaties did claim that their annuities should have increased, leading to a series of unsuccessful attempts to certify class-action lawsuits to claim arrears.<sup>1</sup>

No mechanism or formula was set out in the Huron and Superior treaties, none was established in 1874 when the escalation clause was first triggered, and there is still no mechanism for establishing how to value a Modern Annuity (Chute, 2009; Jones, 2018). In 2014, the Huron and Superior leaders seeking an increase in annuities filed a statement of claim against Ontario and Canada. The Ontario Superior Court of Justice ruled in December 2018 that “the Crown has a mandatory and reviewable obligation to increase the Treaties’ annuities when the economic circumstances warrant”. However, the case did not address the mechanics of valuing an increased annuity (Ontario, 2018).

Annual gift giving has a deep history in First Nations cultures. The individual perpetual annuities of \$4 or \$5 (plus \$25 and \$15 for chiefs and headmen) were powerful incentives to sign Treaties, particularly as a means of ensuring the future well-being of band members. The annual payment (Treaty Days) was, and continues to be, an affirmation of the promises made by the Crown for Treaty people, even if the loss in value of the annuity has rendered it largely symbolic.

According to FN leader Harold Cardinal, “The livelihood arrangements of treaty must be the basis for bringing back on track the treaty relationship, which seemed to have become lost somewhere in the entrails of colonial history” (Cardinal & Hildebrandt, 2002). From one view, modernizing the annuities honours the intent of the original annuity clauses in the numbered treaties as a means of livelihood support and a payment for sharing the land,

## SETTING THE DESIGN AND VALUE FOR THE MODERN ANNUITY

Having briefly sketched the historical, constitutional, and legal foundation for the Modern Annuity, this section considers its design and implementation by first discussing several principles.

### Principles of the Modern Annuity

First, reviewing the annuities specified in various treaties demonstrates the evolution of the concept, from the earliest treaties that specified annuities and the value, to more agreements that increased the obligations of Canada beyond the basic cash to the transfer to provision of health and other services.

First Nations persons of Canada live in three locales — historic treaty land, comprehensive agreement land, and unceded territories. The historic treaties, specifically the Numbered Treaties signed between 1871 and 1921, contained explicit annuity amounts of \$4 or \$5. Modern treaties, signed since 1975, contain no mention of any form of annuity and seek, rather, to extend the rights of First Nations over land management as the basis for increased Indigenous prosperity.

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<sup>1</sup> Annuity-based cases include *Soldier v. Canada (Attorney General)*, [2009] 2 CNLR 362 (Manitoba Court of Appeal); *Horseman v Canada*, 2015 FC 1149 (Proposed Class Proceeding); *Beardy’s & Okemasis Band #96 and #97 v Crown*, Special Claims Tribunal Canada, File No. SCT-5001-11, May 6, 2015; Horse Lake First Nation annuity claim denied, Special Claims Tribunal, December 7, 2011.

The annuities derive from historic treaties. Geographically, the Numbered Treaties cover all the Prairie provinces and into the Yukon and Northwest Territories. Aside from the Douglas Treaties in BC and the Robinson Treaties in Ontario, the rest of Canada is unceded land. Based on data from Indigenous Services Canada in 2018, almost 60% of Canada's First Nations population would receive an annuity, leaving 40% who would not receive any benefit from an historic treaty.<sup>2</sup> Neither First Nations leadership nor the government of Canada would support modern annuities restricted to members of First Nations that are signatories of an historic treaty.

A second challenge is developing a 21st-century foundation for the compensation of the massive land transfers involved. The history of treaty-making between Europeans and First Nations dates back to 1701, with the Treaties of Peace and Neutrality negotiated between the First Nations peoples and both France and England. For this paper, the relevant treaties are the eleven Numbered Treaties negotiated between 1871 and 1921. These treaties reflected specific circumstances of time and place. While it may seem logical to simply base the Modern Annuity on payments established in these historical agreements, adjusted for inflation, this section outlines several important impediments to this approach and offers an alternate starting point.

Third, it is important to specify the parameters for such a regular payment. The current tradition of Treaty Days, where Canada's federal government presents a cash amount to each Registered Treaty Indian, can be very symbolic, signifying and solidifying the legal relationship between Canada and a First Nation expressed in the treaties. These are important social events, attracting band members from some distance to re-establish and reaffirm communal bonds. However, the amounts contemplated in this paper are quite large, costing the federal government as much as \$9 billion by 2030 — this level of expenditure requires clear guidelines for eligibility, distribution, and accountability.

Finally, a much more substantial annuity, especially coupled with the Canada Child Benefit, the OAS supplement, and other income-conditioned payments, promises to dramatically increase the incomes of First Nations peoples. This section briefly considers the potential impacts of a Modern Annuity on the families and the federal budget.

### **Calculation of the Modern Annuity**

Calculating the Modern Annuity requires two steps. First, one must set the starting amount. Second, the annuity increments require explicit rules. The amounts offered in 1871 are laughably low in 2020, and any annuity offered now may be just as outdated in 2100 without an escalator clause.

Three possible approaches to calculating a starting point for a Modern Annuity are available:

1. Adjusting historical amounts for inflation to a current equivalency;
2. Using some share of national wealth on a proportionate per-capita basis;
3. Setting an administrative norm based on a rule subject to policy review.

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<sup>2</sup> Indigenous Services Canada reports 970,562 Registered Indians in 2016, of whom 52% live on reserve and 48% off reserve. About 275,000 (about 28%) were children aged 0–17.

### *Adjusting Historical Amounts for Inflation*

Adopting this approach requires the assumption that the original annuities in the Numbered Treaties reflected a fair value for the ceded land. No basis exists for making such an assumption; but for the moment assume that the annuity amounts and land allocations were correct, how might inflation adjustment work?

Assume the amount of \$5 for the annuity, and let's go back 100 years to 1920. Between 1920 and 2020, general prices increased by a factor of 14.2 (Statistics Canada, 2019a), implying that the present day annuity, if adjusted for inflation, should be \$71. This is still neither a *quid pro quo* for the land exchange nor an amount that contributes to individual Indigenous prosperity.

Another approach to adjusting historical compensation might be to imagine that the land allocation per family could serve as the base for calculating a Modern Annuity at the individual level. This assumes that individual families received title to the land allocation, when in fact it merely served as a way to set the size of reserves.

However, imagine that the annuity for an individual used a prorated share of the land allocation. Using 160 acres, the allocation per family of five in Treaty 1, suggests an individual allotment of 32 acres. Now, the challenge is to set a current value of land in Canada. For the moment, assume that farmland values are an appropriate standard, since many reserves were purposely located in rural areas. According to Farm Credit Canada, 2018 farmland values ranged from \$1600/acre in many parts of Atlantic Canada and \$5,010/acre in Southern Manitoba to well over \$100,000 per acre in the Okanagan wine country (Farm Credit Canada, 2018). The capital value of 32 acres ranges from \$51,200 to over \$3.2-million. One can generate an annuity amount by applying the interest rate for a secure investment, such as 3%, which produces annuities ranging from \$1,536 to \$96,000. Growing urban populations have enveloped some Indigenous communities (Tsawwassen and Musqueam, for example), even if they were never signatories to historic treaties. Including urban land values in the calculation would produce even higher and more disparate annuities, given land-values in areas such as Montreal, Toronto, or Vancouver.

Whether using historic annuities and revaluing them to match today's monetary value, or imagining that a land allocation formula originally used to set the size of reserves could be reinvented to serve as a standard for an annual payment to the individual, neither offers viable foundation for creating a Modern Annuity.

### *Using Some Share of National Wealth on Proportionate Per-Capita Basis*

Another possible basis for the starting value of an annuity in 2020 is to find a measure of national wealth, and then calculate a per-capita share. If the annuity remains rooted in the concept of an annual payment to reflect the value of the land explicit in the treaties and implicit in the unceded territories, one approach might be to use, as the basis for land wealth, the Gross Domestic Product arising from land-based activities, comprising agriculture, forestry, fisheries, and hunting plus mining, quarrying, and gas extraction — the first two categories in Table 1 (Statistics Canada, 2019b).

In 2019, Canada had 859,000 Registered Indians (Statistics Canada, 2021), which formed about 2.3% of the population. The total value of the land-based activities is 9.8% of GDP or \$19 billion. The “share” of each Canadian is simply this sum divided by the popula-

TABLE 1  
Gross Domestic Product (GDP) at Basic Prices, by Industry  
(Millions of dollars)

	Dollars	Percent
Agriculture, forestry, fishing, and hunting	40,091	2.06
Mining, quarrying, and oil and gas extraction	150,755	7.74
Utilities	44,060	2.26
Construction	138,464	7.11
Manufacturing	201,682	10.36
Wholesale trade	99,374	5.10
Retail trade	101,706	5.22
Transportation and warehousing	88,147	4.53
Information and cultural industries	62,947	3.23
Finance and insurance	129,195	6.63
Real estate and rental and leasing	246,343	12.65
Professional, scientific, and technical services	114,835	5.90
Administrative and support, waste management and remediation services	52,358	2.69
Educational services	102,811	5.28
Health care and social assistance	137,175	7.04
Arts, entertainment, and recreation	15,231	0.78
Accommodation and food services	44,032	2.26
Other services (except public administration)	37,634	1.93
Public administration	<u>131,729</u>	6.76
All industries	1,947,407	

**Source:** Statistics Canada, Gross domestic product (GDP) at basic prices, by industry, Table 36-10-0434-02

tion of 37.6 million, or \$2,238 annually, which represents a sizable increase from the \$5 in Treaty 1.

However, what is the rationale for confining the valuation of Indigenous lands to the first two categories? The largest industrial category of GDP is “Real estate, rental and leasing”, which surely is land-based. In fact, one could argue that almost all elements of GDP have some connection to the land.

But a deeper issue exists. GDP rests on much more than land or natural resources. Capital, especially human capital, and knowledge, as well innovation, have played increasingly important roles in the wealth of our nation. Further, since Confederation in 1867, our economy has transitioned from agrarian to manufacturing, and then to services. So, while land is an important element in Canada’s wealth, its role has diminished and intertwines with human capital, innovation, and technology.

### *Administrative Norm Based on a Rule Subject to Policy Review*

It appears that little prospect exists for identifying a natural basis for a Modern Annuity. One option is to link the payment to a current administrative number, such as some fraction of the current basic federal tax exemption of \$12,585. An alternative could be the



maximum Tax-Free Savings Account contribution (\$6,000) or the maximum benefit under the Canada Child Benefit (\$6,400).

Any of these numbers is completely arbitrary; governments set these as a matter of policy rooted in some assessment of what might be politically acceptable, what is affordable, and what might serve as a meaningful measure of support. This is exactly how annuities within the various treaties were determined, as the negotiations for Robinson-Superior and Robinson-Huron Treaties (1850) illustrate.

In the 1840s, the Anishinaabe leaders petitioned the Government of Upper Canada to receive compensation for land involuntarily ceded to mining companies (Canada, 2013a). Some First Nations accepted the initial offer of a one-time payment of £4000 and an annual payment of £1000 (paid to the band leadership), with others requesting an individual annuity of £10 and a large reserve tract. The negotiator for Upper Canada refused, since the government had set a budget for the entire set of treaties to stabilize control of the lands north of Lakes Huron and Superior.

The point is that the treaties were subject to negotiation, conditioned by politically set budget constraints. Little reason exists to think that a Modern Annuity can be otherwise. This leaves two approaches for arriving at a value. One can set an individual per person amount, calculate the total cost, and assess whether that number is politically acceptable. An alternative is to determine a total budget and then divide by the number of eligible recipients.

Based on all the estimates just discussed, this paper proceeds with a provisional value of the Modern Annuity at \$7,500 per eligible recipient. This number is sufficiently large to support the analysis of the fiscal implications for the national budget and the impact on families. It is also in the “ballpark” for what many families with children would receive from Canada Child Benefit. The next issues requiring resolution are escalation and implementation of the modern annuity.

## **Escalation**

To review, the annuity serves multiple purposes, including the means of compensation for access to traditional lands and for sharing the prosperity generated by development/settlement of that land. If sharing the land means anything in a modern sense, it means sharing the wealth of the land, which requires escalation. As discussed above, the courts have validated escalation of the annuity.

One obvious process for adjusting the Modern Annuity is to apply an annual cost-of-living adjustment. But this measures only the cost of consumer goods or the goods in the basket tracked by the survey of consumer finances (Statistics Canada, 2014).

We suggest that the GDP implicit price deflator tracks the changing wealth of Canada, and more closely aligns with the concepts underlying the Modern Annuity (Statistics Canada, 2018). This escalation adjustment also has less variability than cost-of-living indexes.

## **Setting Parameters for Annuity Delivery**

The idea of a Modern Annuity rests on the idea that each Registered Indian in Canada should receive an annual payment in recognition of the land ceded by First Nations peoples, regardless of whether the recipient is part of an historic or modern treaty. This would be

payable by the Government of Canada on behalf of the Settler community. The key parameters of the proposed Modern Annuity include:

1. All Registered Indians should receive this payment (payable either in an annual lump sum or monthly) starting at the age of 18 and extending to death. It is a payment to the individual and purposely bypasses First Nations governments. Registered Indians under the age of 18 are currently eligible for an annuity under historic treaties, but stacking Modern Annuity on top of the Canada Child Benefit may not be politically or fiscally feasible.
2. The payment cannot be reassigned or redirected unless legally mandated (such as payment for child support, public trustee appointed by the court, or some other judgment). No one can receive the payment or a portion of the payment on behalf of any other eligible recipient unless court directed. This ensures proper targeting of recipients unless they are incapacitated or fail to meet certain legal obligations, such as non-payment of court ordered child support.
3. The Modern Annuity is a payment from Canada (Employment and Social Development Canada (ESDC)) directly to the individual First Nations member. This is to insulate it from any other benefits received from other federal departments, such as Indigenous Services Canada or Crown-Indigenous Relations and Northern Affairs Canada). ESDC also manages the Canada Child Benefit, based on eligibility determined by Canada Revenue Agency (CRA).
4. The payment is non-taxable, but enters the calculation of net family income for other supports, such as the CCB and income assistance.
5. The Modern Annuity involves a substantial cash transfer. As with any contract, both parties have rights and obligations to ensure the integrity of the program. Recipients have three obligations:
  - (a) *File an annual income tax return.* Even though the Modern Annuity is tax-free, it affects the calculation of income-conditioned benefits, such as the CCB, income assistance, and the Guaranteed Income Supplement. The income tax return forms the basis of calculating net family income for many other programs.  
Filing a tax return will also create the information to evaluate the impact of the Modern Annuity on recipient families, immediately and in the longer term. Does it mitigate poverty? Does it support increased training and entrepreneurship? Does it encourage migration to larger centres? What is the coverage; specifically, what percentage of eligible recipients receive the benefit? Answering these questions is part of accountability, improved targeting, and validating the intent of the policy.
  - (b) *Have a deposit account with a federally or provincially chartered financial institution.* Recipients of most income security programs receive their benefits using direct deposit. Using a properly chartered financial institution ensures the recipient has legal control over the annuity and can access professional advice in the management of their money. The emergence of on-line banking

means that residents in remote communities without physical bank/credit union branches will be able to meet this standard.

- (c) *Ensure their registry is current.* The Modern Annuity must remain focused on Registered Indians. This ensures that only eligible First Nations persons receive the benefit.

## FINANCIAL IMPACT ON FAMILIES AND THE FEDERAL BUDGET

This section briefly reviews the impact of the Modern Annuity for families in different economic circumstances and the potential cost to Canada.

### Impacts on Families

The Modern Annuity promises to increase the incomes of individuals and families substantially. Examples of the impact of the Modern Annuity on specific family types appear in the Appendix, which shows how the Modern Annuity affects the incomes of various family types, much as a federal or provincial budget might illustrate the impact of a tax or social safety net program. The scenarios assume the families are situated in Winnipeg, Manitoba, and would be eligible for social assistance under the Employment and Income Assistance program. Since some 40% of Registered Indians reside in urban areas, it is helpful to use an urban location to understand how a Modern Annuity interacts with social assistance, the Canada Child Benefit, and the GST/HST rebate.

To support comparison among family types at different incomes, the scenarios make several assumptions:

- We propose that a Modern Annuity be non-taxable (federally or provincially), but be included with earnings for the purpose of calculating social assistance, Canada Child Benefit (CCB), and GST rebate. Even were the Modern Annuity taxable, including taxation in the analysis would considerably complicate the discussion since the taxation of Indigenous incomes occurs within its own unique framework.
- The calculation of the CCB assumes no adjustments due to the Universal Child Care Benefit or the Registered Disability Savings Plans.
- The scenarios do not include provincial child benefits; and finally,
- The estimates do not reflect the adjustments and in-kind benefits available to those on social assistance such as supplementary health, transit passes, training allowances, child care while taking training, and the housing support programs.

In general, the scenarios show that all families would receive a substantial income boost from the Modern Annuity, especially the social assistance programs that do not include this as earned income. A key policy decision is whether social assistance programs should include this payment as earnings. Social assistance programs impose an “earnings adjustment” that reduces the payments, reflecting changes introduced two decades ago as a result of welfare reform.

By way of explanation, prior to “Welfare Reform” social assistance programs throughout North America penalized work (Béland & Daigneault, 2015). A dollar earned triggered a dollar reduction in social assistance, effectively creating a 100% tax rate on employment income. Welfare reform resulted in programs reducing the taxation on earnings. In Manitoba, social assistance recipients can keep the first \$200 dollars earned each month, with 70% of any amount above applied directly against the social assistance payments for that month. Depending on the household composition, at some, quite modest level of earnings, social assistance payments fall to \$0. The result is that the Modern Annuity may have only a modest impact for Registered Indians who are social assistance recipients, but to reiterate — it is a policy decision whether to include it in earnings.

The Modern Annuity also affects the CCB but has much less impact on reducing benefits than social assistance, because payments extend to quite high levels of family income.

In summary, depending on the number and age of children, lower income recipients of the Modern Annuity can expect to receive income increases of over \$10,000.

### **The Cost of the Modern Annuity**

The Modern Annuity represents a significant program cost. Based on an approximate current population of Registered Indians in 2016 of 970,562 (Indigenous Services Canada, 2018), assuming 60% are over 18, about 582,000 would be eligible, for an annual cost of \$4.4 billion at \$7,500 per person. Just to set context, this is about the same as the cost of the old age tax credit (\$4 billion), and the exemption of GST payment on specified food items, and 1/6 the cost of the Canada Child Benefit (\$24.7 billion). Projections of the eligible population in 2030 are 1.070 million (Canada, 2009), assuming 30% are under 18 (due to increased average age), suggesting an eligible population of 750,000 eligible adults and a cost for the MA of \$5.6 billion (in 2020 dollars).

A collateral benefit for First Nations parents who file tax returns is that they become eligible for the CCB. Current estimates place the number of eligible Indigenous families *not* receiving the CCB at between 30% and 40% of families with children. This is a general issue, with estimates of between 10% and 12% of the Canadian adult population missing out on benefits such as the Canada Child Benefit, Old Age Security, etc. (Robson & Schwartz, 2020). If we assume an average CCB payment of \$5,000 per family, this means the Indigenous families are not collecting as much as \$354 million (Prosper Canada & AFOA Canada, 2018). An unintended consequence of increased tax filing is that increased spending on the CCB would raise the projected cost of the MA to almost \$5 billion. But to reiterate, this is still only about 25% of what Canada is spending on the child benefit.

## **CONCLUSION**

The modern annuity we present represents a substantial and concrete form of reconciliation. We have attempted to ground the rationale for the modern annuity in the existing treaties negotiated with the Crown of England and then the Federal government. However, the line is imperfect due to variations in the treaties that led to variation in the interpretation of the intent of treaty provisions. The Modern Annuity we propose shares these features with the annuities found in the historic treaties:

- They are payable in money to individuals,
- While it will have important economic benefits for recipients and will interact with other economic programs, the Modern Annuity is not intended to ameliorate poverty directly or serve other economic goals.
- It represents a leasehold payment from the Government of Canada to First Nations persons for the right to share the land.
- Since the current annuities cover Registered Indians connected to historic Treaty land (they need not be resident to receive the current annuity), we argue that the Modern Annuity be paid to Registered Indians currently covered by comprehensive agreements and those living on unceded lands.

Any new social or economic policy faces conceptual and logistical challenges that will require further study and debate.

1. While the amount of \$7,500 used in this paper represents a trade-off between historically rooted values, measures of national wealth, and administratively based parameters, any final value will emerge from a political calculus. The value must represent a reasonable payment for the ceded lands while being politically and fiscally feasible.
2. The final cost is only approximate. The direct cost of the annuity will be about \$4.2-billion. However, once Indigenous persons file income tax returns and start collecting the Canada Child Benefit and Old Age Security, the indirect cost will be higher. But rather than seeing that as a cost, it really is a transfer to Indigenous peoples that could substantially reduce poverty, empower individuals, and represent tangible reconciliation. Social assistance costs could decline, especially if provinces treat it as earning. The direct fiscal cost will likely result in offsetting benefits, reduced social costs, and increased spending in communities.
3. Integration of the modern annuity with other economic programs will require careful design. For example, depending on the design, a basic income stacked with the modern annuity may generate substantial payments that could prove politically tricky. The key is whether the annuity is counted as part of income, which adjusts the amount paid out of income-tested programs. This represents another detail to be resolved.
4. Arguably income inequality exists among First Nations. Some with Comprehensive Agreements (e.g., Tsawwassen First Nation) and others situated in rapidly growing areas (Musqueam Band) and those with mineral/oil agreements (Fort McMurray FN) are seeing rapidly increasing incomes. Others, particularly those in remote northern areas, remain mired in poverty. The modern annuity, as a flat payment, will have an important antipoverty impact on low-income communities, especially if recipients are required to file an income tax return and other benefits (e.g., Canada Child Benefit) flow from that. A flat subsidy will differentially benefit lower-income communities relative to higher-income communities. The Modern Annuity will reduce inequality.

5. The Modern Annuity we propose focuses on First Nations. Extensions to Métis and Inuit are possible, but must use other rationales than the annuities in the historic treaties.
6. The initiation of an entitlement raises the issue of back payments. Aside from the obvious increase in the cost of the modern annuity, the form of the back payments determines the fiscal impact. Should only those currently living receive back payments from the date of their eighteenth birthday? Or should back payments be calculated for the ancestors who have received annuities since some start date, say 1900? These are complex issues not addressed in this paper.
7. If the Modern Annuity is a leasehold for the right to share the land, the status of fee simple ownership, in which all Canadians participate (Indigenous and non-Indigenous alike) must be confirmed. In return for the annuity, First Nations may need to relinquish any prior claim on land owned in fee simple.
8. Extension of the Modern Annuity to children requires passing a political and fiscal feasibility test, and we offer no position on that.
9. Finally, with eligibility open to Registered Indians only, the process of confirming status remains fundamental to the integrity and political viability of the Modern Annuity. The reason we propose annuity payments directly to individuals is to remove incentives to increasing the numbers of Registered Indians solely to generate more revenues for First Nations governments. Also, continued support from Canadian taxpayers will require assurance that those receiving the Modern Annuity are genuinely eligible.

The Modern Annuity offers a concrete policy in support of reconciliation that promises to directly benefit the lives of almost one million Canadians. While it certainly combats poverty among First Nations members and provides families with more financial autonomy, more fundamentally the Modern Annuity goes some distance in restoring the balance in sharing the value of the lands of Canada and honours the original intent of the treaties.

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## Appendix: The Impact of the Modern Annuity on Different Families

This appendix reviews the potential impact of the Modern Annuity on different families. The scenarios are hypothetical and serve only to illustrate how this may affect different families.

### Scenario 1 — No earnings and no children

Table A1: Scenario 1 shows a “base” case with no children and no earnings. These examples show two households that have only social assistance and the Modern Annuity as sources of income. The scenario uses two calculations — one where social assistance combines the Modern Annuity with earnings to reduce the social assistance amount and the other without earnings adjustment.

A Modern Annuity of \$7,500 translates to \$625 each month. Using the Manitoba Income Assistance Regulation (Manitoba, 2020), Table A1 shows the Basic Social Assistance and the Housing Allowance for couples and singles with no children.

TABLE A1  
Scenario 1: Monthly Income — No Earnings and No Children

	1 <b>Married or Common Law</b>	2 <b>Married or Common Law</b>	3 <b>Single individual</b>	4 <b>Single individual</b>
	MA Included as Earnings	MA Excluded as Earnings	MA Included as Earnings	MA Excluded as Earnings
Earnings	\$0	\$0	\$0	\$0
MA	\$1,250	\$1,250	\$625	\$625
Soc. Assist Basic*	\$344	\$344	\$455	\$455
Soc. Assist — Housing*	\$658	\$658	\$576	\$576
Earnings Adjustment	(\$735)	\$0	(\$298)	\$0
Net SA	\$267	\$1,002	\$734	\$1,031
CCB	\$0	\$0	\$0	\$0
GST/HST Rebate	\$193	\$193	\$97	\$97
<b>Total Income (Pre-tax)</b>	<b>\$1,710</b>	<b>\$2,445</b>	<b>\$1,456</b>	<b>\$1,753</b>

Total Income = Earnings + MA + Net SA + CCB+GST/HST rebate.

\* Social Assistance computed from Manitoba Assistance Regulations (Manitoba, 1988) (Accessed March 15, 2020).

Column 1 of Table A1 shows the effect of including the MA as earnings, while Column 2 excludes the MA from earnings in the social assistance calculation. It shows that monthly income increases by almost \$735/month or almost \$9,000/year. Columns 3 and 4 show the situation for single individuals. In this scenario, recipients do not qualify for Canada Child Benefit (CCB), but they do receive the GST/HST rebate. Note that the total income calculations are all pre-tax estimates.

### Scenario 2: Earnings from work of \$6,000/year with two children under 6

Table A2 shows two households with minimal monthly earnings (\$500 per adult) and two children under 6. The presence of young children triggers the CCB. As before, Columns 1 and 3 show the effect of including the MA as income, while Columns 2 and 4 shows the MA bypassing the social assistance earnings reduction.

The earnings reduction is substantial, and including the MA in earning drops the social assistance to almost 0 (\$23/month). Including/excluding the MA from earnings has a lower impact on the single individual because earnings are quite low.

*continued on next page.*

Appendix: continued.

TABLE A2  
Scenario 2: Monthly Income — Earnings of \$500/Adult and Two Children under 6

	<b>Married/Common Law Couple</b> MA Included as Earnings	<b>Married or Common Law</b> MA Excluded as Earnings	<b>Single individual</b> MA Included as Earnings	<b>Single individual</b> MA Excluded as Earnings
Earnings	\$1,000	\$1,000	\$500	\$500
MA	\$1,250	\$1,250	\$625	\$625
Soc. Assist Basic*	\$596	\$596	\$455	\$455
Soc. Assist — Housing*	\$862	\$862	\$815	\$815
Earnings Adjustment	(\$1,435)	(\$840)	(\$648)	(\$490)
Net SA	\$23	\$618	\$623	\$780
CCB	\$564	\$564	\$564	\$564
GST/HST Rebate	\$62	\$62	\$50	\$50
<b>Total Income (Pre-tax)</b>	<b>\$2,899</b>	<b>\$3,494</b>	<b>\$2,361</b>	<b>\$2,519</b>

Total Income = Earnings + MA + Net SA + CCB+GST/HST rebate.

\* Social Assistance computed from Manitoba Assistance Regulations (Manitoba, 1988) (Accessed March 15, 2020).

### Scenario 3 — Earnings of \$2000/month and 1 eligible child for the CCB

At some level of earnings, households become ineligible for social assistance, but they remain eligible for the CCB until quite high levels of income. The combined earnings and Modern Annuity will also reduce the GST/HST credit substantially. Table A3 shows how the MA affects higher income households. The social assistance calculations remain, but neither households are eligible.

TABLE A3  
Scenario: Monthly Income — Earnings of \$2000/Adult and One Child under 6

	<b>Married or Common Law</b> MA Included as Earnings	<b>Married or Common Law</b> MA Excluded as Earnings	<b>Single individual</b> MA Included as Earnings	<b>Single individual</b> MA Excluded as Earnings
Earnings	\$4,000	\$4,000	\$2,000	\$2,000
MA	\$1,250	\$1,250	\$625	\$625
Soc. Assist Basic*	\$497	\$497	\$344	\$344
Soc. Assist — Housing*	\$815	\$815	\$815	\$815
Earnings Adjustment	(\$3,535)	(\$2,660)	(\$1,698)	(\$1,260)
Net SA	\$0	\$0	\$0	\$0
CCB	\$191	\$234	\$282	\$282
GST/HST Rebate	\$0	\$16	\$50	\$50
<b>Total Income (Pre-tax)</b>	<b>\$5,441</b>	<b>\$5,500</b>	<b>\$2,957</b>	<b>\$2,957</b>

Total Income = Earnings + MA + Net SA + CCB+GST/HST rebate.

\* Social Assistance computed from Manitoba Assistance Regulations (Manitoba, 1988) (Accessed March 15, 2020).

continued on next page.



Appendix continued.

For consistency, Table A3 retains the earnings adjustment, which, for both households, eliminates social assistance, regardless of whether the MA is included in earnings or not. The inclusion of the MA in earnings makes little difference for these households. The small difference between columns 1 and 2 in A3 reflects a slight adjustment in the CCB.

The calculation of the CCB for these examples assumes that the Modern Annuity forms part of adjusted family income. Swings of a few thousand dollars will not make a difference for household incomes below \$31,000, but they can have a larger impact as incomes exceed \$46,000.

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# Building Better Together: Exploring Indigenous Economic Development in New Brunswick Report

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Tyler Foley

JOINT ECONOMIC DEVELOPMENT INITIATIVE

## EXECUTIVE SUMMARY

This project, titled “Building Better Together: Exploring Indigenous Economic Development in New Brunswick”, sought to ask: *What does Indigenous economic development mean to Indigenous Peoples living in New Brunswick?* In doing so, it attempts to identify obstacles, opportunities, and priorities to achieve these development goals. With support from an Indigenous Research Capacity and Reconciliation Connection Grant from the Social Sciences and Humanities Research Council (SSHRC), this project brought together 130 front-line representatives from Indigenous communities, organizations, and businesses with those from academia and relevant provincial and federal departments for a *Mawi’omi* (meaning ‘gathering’ in Mi’kmaq) in May 2019 to explore these questions.

In large part, this initiative validates previous research on Indigenous economic development specifically, and Indigenous development more broadly. A majority of the participants identified that self-sufficiency and self-sustainability for Indigenous communities were the most important factors for *successful community development*, with long-term stability the second most important factor. Three factors were tied for third: revitalizing language and culture, providing employment and training opportunities to members, and improving community wellness and cohesion. *Key priorities* for economic development were the creation of employment opportunities and the development of workforce skills, as well as the development of lands and infrastructure for economic development, while *key opportunities* were the cannabis, tourism, natural resources, and renewable resource sector. And finally, *key challenges* to the pursuit of Indigenous economic development were financing, human resources, and social issues. Throughout the event, participants also emphasized the need for more meaningful and respectful relations with government and the private sector.

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Resulting from this research, several recommendations were identified that support the findings above. These recommendations target three main groups: to SSHRC, continue to offer annual grants specifically for Indigenous communities and organizations, to support the creation of diverse research products relating to Indigenous economic development, and to create or support a platform to share information and resources relating to Indigenous economic development; to the federal government, increase funding for economic development for First Nation communities and Indigenous organizations; to the provincial government, create a task force to increase the inclusion of First Nation communities and Indigenous Peoples in the tourism, cannabis, natural resource, and renewable energy sectors; and to First Nation Communities in New Brunswick: develop strategies to support self-determination, self-sufficiency, and economic development.

## INDIGENOUS ECONOMIC DEVELOPMENT

Literature on Indigenous economic development has grown considerably since the 1990s, and in doing so it has highlighted a series of tensions. Many of these relate to the unique cultures and perspectives of Indigenous Peoples who continue to place high value on personal, community, and natural relations. But many also relate to the history of colonialism, which for generations has subjected Indigenous Peoples to violence and marginalization while denying them their sovereignty, traditional territories, and ways of being. In this context, economic development is seen by some Indigenous Peoples as both a legacy of colonialism and a continuing risk to Indigenous ways of being, as well as a potential avenue to autonomy and self-determination. But regardless of these controversies, it is also clear that they face unique legal, legislative, geographic, and social barriers when trying to pursue economic development. This section will provide a brief overview of perspectives and challenges relating to Indigenous development, with a particular focus on the settler-colonial and Canadian context.

### Indigenous Peoples in the Settler-Colonial Context

There is no precise definition of *Indigenous*. There are 370 million Indigenous Peoples in the world belonging to 5,000 different groups. Each group enjoys their own distinct social, economic, and political systems, as well as languages, cultures, and spiritual beliefs. Crucially, these systems and ways of being are often tied to Indigenous Peoples' intimate relationship with their natural environment, which provides not only an understanding of how to survive, but often — particularly in Turtle Island — the foundation for their belief system and worldview (United Nations, 2006).

Unfortunately, Indigenous Peoples today are also defined by the fact that they have been subjected to physical and cultural invasion (colonization) by a dominant group (Hindle & Moroz, 2010). Driven by a desire for territory and resources, it was the Europeans who were most responsible for the colonization of Indigenous Peoples in vast portions of Africa, Asia, and the Americas. This colonization took different forms; in the countries that would eventually become Canada, the United States, Australia, and New Zealand it was settler-colonialism. In this context, the new European societies did not permanently subordinate Indigenous populations through racialized hierarchies (like Indian or South America); instead, they attempted to extinguish Indigenous difference altogether and, in doing so,

establish their own governance, economic, and cultural systems. As Lorenzo Veracini states, “whereas colonialism reinforces the distinction between colony and metropole, settler colonialism erases it” (Veracini, 2011: 3). In Canada, for example, most settlers maintained their own distinct communities under the authority of either the French or British Crown and were encouraged to engage in various forms of commerce. For their part, between the 17th and 20th centuries the French and British Crowns worked to secure Indigenous lands through conquest, treaties, or negotiation in order to facilitate more settlement, commerce, and development. As settlement increased, the British colonialists were particularly severe in ensuring Indigenous Peoples were assimilated into British society and systems. Parcels of land (reserves) were set aside for Indigenous Peoples, and they were encouraged to give up their migratory livelihoods in exchange for modern agricultural ones. Efforts were made to educate Indigenous Peoples in Christian religion, English or French, and European work habits and customs. And as the separate colonial governments of British North America joined to create the Dominion of Canada, state action toward Indigenous Peoples became more coordinated, consistent, and hostile, resulting in legislation (the *Indian Act*) that created a unique series of rules to eliminate Indigenous customs and culture and force their assimilation into European society. These efforts were ultimately unsuccessful in achieving assimilation, but successful in creating conditions of marginalization and poverty among Indigenous Peoples.

### **Indigenous Economic Development**

This brief description of Indigenous Peoples and the Canadian settler-colonial context begins to uncover the tensions that exist when exploring the idea of Indigenous economic development. In Canada, Indigenous Peoples have been dispossessed of their traditional territories, and years of state policies and public attitudes have eroded their cultures and ways of life while creating conditions of poverty and marginalization. The economic development that underpinned and empowered colonialism continues to exist today in the form of a capitalist market economy which typically promotes values and practices quite different to traditional Indigenous ones. And while settler-colonial governments like Canada’s no longer push for Indigenous assimilation, Indigenous Peoples still face unique challenges due to federal and provincial legislation and unsettled treaties and land claims. As will be demonstrated below, Indigenous economic development in this context is often multi-faceted and focuses on multiple issues of sovereignty and self-determination, as well as cultural revitalization and socio-economic improvement (Orr, 2013: xii–xvi).

Within the writings from and about Indigenous and colonized Peoples, economic development is often of minor importance compared to the larger priority of Indigenous sovereignty and self-determination. This is because, as writers like Franz Fanon (1963) have argued, colonization results in both physical and mental domination; and because the dominant actor will never allow their subordinates to achieve equality, the goal of colonized people should be achievement of autonomy and independence. For Linda Tuhiwai Smith, success by Indigenous standards is primarily about self-determination and achieving “processes of transformation, of decolonization, of healing and of mobilization as peoples” (Smith, 2001: xiii).

While many believe that self-determination should be the primary goal of Indigenous Peoples, authors like Glen Coulthard (2014) suggests that economic development — particularly capitalist economic development — works against these goals. He argues that state

structures, economic systems, and discourses reproduce colonial power dynamics in the interest of the more powerful partner. For this reason, in the pursuit of self-determination, Indigenous Peoples must reject these colonial relations and revitalize cultural land-based practices (Coulthard, 2014)

Coulthard's view touches on two inter-related points. First, it is commonly held that economic development advances a set of values, principles, and practices that are incompatible with authentic Indigenous ones. Christina Dowling, for example, states:

Traditional First Nations societies ... are essentially opposed to the very conditions of industrial development: the accumulation of wealth, growth and Westernized notions of "progress". Acceptability of these ideals, intrinsic to westernized economic success, does not dovetail with First Nations ways of life. (Dowling, 2005, p. 125)

The differences between capitalist and pre-contact Indigenous cultures are indisputable. But Coulthard's larger point is that because the Canadian state is responsible for both capitalist development and the protection of Indigenous rights and lands, it will inevitably take action to favour the former. This is because, as Michelle Mann (2000) points out, "[c]apitalism must, by its very nature, expand, seeking new markets and labour forces, in order to keep generating profit and new capital" (Mann, 2000, p. 47). Capitalism requires, among other things, private property rights to allow this investment, development, and expansion. But as previously mentioned, many Indigenous Peoples traditionally functioned as a collective and did not recognize the exclusive ownership of land or resources (Mann, 2000, p. 49). For George Manuel and Michael Posluns (1974), the issue of land is the fundamental difference between Europeans and Indigenous Peoples: for Europeans, land is viewed as a commodity that can be bought and sold, while for Indigenous Peoples it is seen as a relationship between a person and all creation. Like Coulthard, Manuel and Posluns suggest that decolonization must include revitalization of relational land-informed practices which by nature erode the power of the state and capitalism over Indigenous communities.

The Royal Commission on Aboriginal Peoples (RCAP) stated that "[s]elf-government without a significant economic base would be an exercise in illusion and futility" (Royal Commission on Aboriginal Peoples, 1996: 750). echoing the view that economic development is a necessary mechanism for Indigenous Peoples to achieve their goals of self-determination and prosperity. But as Harold Cardinal stresses, in pursuing economic development Indigenous Peoples cannot lose sight of who they are as Indigenous Peoples:

Rather than looking at economic development from the capitalistic view of making the most dollars possible, or from the socialist view of ensuring better distribution of capital, we must examine our development processes to make certain they are designed not only to help us out of our poverty, but to reinforce our identity as Indian people.... In order to accomplish this reinforcement of our cultural identity the planning for any meaningful development policy in an Indian community is going to have to involve as an integral part of the planning process, the elders, or the traditional people, who can give thrust and direction to any economic approach. (Weir, 2007, p. 9)

In this vein of thinking economic development is not necessarily incompatible with, and may even enhance, self-determination, Indigenous culture, and community cohesion. To alleviate negative risks, however, the processes by which economic development occurs involve collaboration and consensus with a diverse group of social relations (men, women, youth, elders, and knowledge keepers) to ensure alignment with community goals, priorities, and values (Orr, 2013, p. xiv). Here, the importance of participation, leadership, and

accountability are common themes in the literature on Indigenous economic development (Tulk, 2013, p. 8).

Poverty alleviation and the improvement of socioeconomic conditions are crucial themes in Indigenous economic development. Through economic development, communities hope to create sustainable employment with opportunities for career advancement and skills development for their members (Tulk, 2013, p. 8). Crucial as well are the non-human relations, particularly the relations to the natural environment, including the land, water, air, plants, and animals, which — from the Indigenous perspective — must be considered in any development decision. The concept of *Seven Generation* planning captures the essence of a popular thread in Indigenous thinking on development, which highlights the need to make decisions that will benefit *all relations* (human and non-human) for at least seven generations into the future (Jacobs, 2002, pp. 4–5).

For some, the choice between Indigenous culture on the one hand and economic development on the other is not a useful dichotomy. Alexis Celeste Bunton suggests that since so many Indigenous Peoples are engaged in for-profit economic activity and see it as a potential source of empowerment, we need an analysis of what she calls *Indigenous Capitalisms*, which reflect Indigenous peoples' shifting political relationships to settler-colonial states and international markets. The concept of *Indigenous Capitalisms* recognizes that Indigenous Peoples are “walking in two worlds” and trying to navigate between different value systems, but just because they are engaged in commerce does not mean they will be assimilated into the dominant society and culture. But at the same time, this concept acknowledges that there is no “one size fits all” solution and that some Indigenous Peoples and communities might have different sets of values and different goals (Bunton, 2011, pp. 65–68). To Bunton, the important questions are not capitalism or tradition, but “For what end do I labour? What defines happiness? Is identity individual or collective? What is the relationship of humans to the animals, plants, rocks and other elements with whom we share the planet?” and even, “What does it mean to be Indigenous in the twenty-first century?” (Bunton, 2011, p. 69).

### **Indigenous Development in Practice**

As the above paragraphs describe, the goals and nature of Indigenous development differ from mainstream approaches. It is also clear, at least across Turtle Island, that hundreds of Indigenous communities are engaging in all kinds of development activity at an accelerating rate. From the early 1990s to 2007, the number of Indigenous businesses and economic development organizations increased from 3,000 to 27,000 (Weir, 2007). And by 2016, the number of Indigenous businesses in Canada was estimated to be 43,000 (The Canadian Council for Aboriginal Business (CAAB), 2016). Yet despite this growth, it is clear that Indigenous communities face considerable barriers to reaching their development goals, as evidenced by persistently high levels of government dependence and socioeconomic concerns. Many of these can be explained in part by the legacies of colonialism, which in Canada can include settler racism and/or discrimination toward Indigenous Peoples, geography, the unique legislative environment which Indigenous Peoples and lands fall under, lack of lands and resources, and social issues.

The Harvard Project on American Indian Economic Development (1987), founded by Stephen Cornell and Joseph P. Kalt, is one of the foundational research projects looking to understand the conditions in which Indigenous development occurs in the United States. Through an analysis of 67 American Indigenous communities, Cornell and Kalt find that

“[j]ust having resources is not the key — nor even necessarily a key — to getting a reservation economy off the ground” (Cornell & Kalt, 1998). They conclude that the most important factors to success are: sovereignty, the ability for a band to make their decisions across a range of governance matters; institutions, in order for bands to adopt predictable and fair policies and procedures largely separate from political interference; leadership, people in the community — elected and non-elected — that inspire action and change; and culture, which refers to the idea that the policies and institutions of self-government and development must be in line with the communities cultural attitudes and beliefs (Cornell & Kalt, 1998).

For Cornell and Kalt, while it is difficult to separate the importance of each factor, sovereignty and self-government are particularly important because they establish the tools and policy frameworks that are necessary to plan and implement development projects. In Canada, the *Indian Act* constitutes a fundamental barrier to de facto sovereignty and decision-making for Indigenous Peoples across a range of issues. The *Indian Act* created the legal category of ‘Indian’ and separated the dozens of Indigenous Nations across the country into hundreds of individual bands, each with their own parcel of reserve land. Responsibility for Indigenous Peoples, bands, and reserve lands was then transferred to the federal government. While the *Indian Act* also created the Chief and Council system to provide another layer of governance in First Nation bands, the actual decision-making powers of Band Councils are limited in important ways.

Crucial for economic development is how the *Indian Act* restricts a band’s ability to use their lands and resources. The *Indian Act* transferred legal title for reserve lands to the federal government for the use and benefit of First Nations. By default, this means that First Nation bands and individuals living on reserve do not own their lands, and the rules and processes of allocating these lands, whether for residential or commercial purposes, are subject to ministerial approval. The fact that First Nation communities do not own their lands *fee simple* means they cannot use these lands as collateral for investment or development, and the ministerial process places additional bureaucratic obstacles to possible development projects (Jobin & Riddle, 2019). It must be mentioned that in recent years the federal government has made greater efforts to work with First Nations to move toward self-government (Anderson, Dana, & Dana, 2006). For example, they have created legislative pathways through the *First Nations Land Management Act*, which allows bands to opt out of the sections of the *Indian Act* that apply to land management, to gain full control over their lands and resources (Indigenous and Northern Affairs Canada, 2019). These are limited, however, compared to negotiated self-government agreements, which transfer a wider range of responsibilities back to First Nation bands (Crown-Indigenous Relations and Northern Affairs Canada, n.d.).

Of course, the fact that colonization involved the dispossession of large amounts of Indigenous territory means that many First Nation communities still lack a land base large or suitable to meet their economic and social needs. Many communities have tried to correct this situation by filing two kinds of land claims against the federal government: ‘specific claims’ based on allegations that the government failed to deliver specific obligations under treaties, other agreements, or the *Indian Act*; and ‘comprehensive claims’ based on a First Nations’ traditional (pre-contact) occupancy and use of a particular territory (Alcantara, 2013). In either case, the claims process is historically complex and slow moving, and comes with no guarantee of success. For example, in 1991 about 2.67 million hectares in Canada were classified as reserve land (Indigenous and Northern Affairs Canada, 1991), whereas today it is 3.5 million hectares, or 0.35% of the total Canadian land base (Indige-



nous and Northern Affairs Canada, n.d.). But a considerable portion of this increase is not from the resolution of land claims, but from the Additions to Reserves (ATR) process which allows First Nations to buy private or public land and have it re-classified as reserve land. Since 2006, 348,000 hectares have been added through this process.

The ability of a band to govern and create economic development plans is also limited by financial constraints. Most First Nation communities still require financial resources from the federal government to fund their programs and services. But across Canada, many have argued that the funds provided to First Nation communities for development, including money to pay staff, create or maintain infrastructure, or invest in businesses, are limited and often subjected to burdensome bureaucratic constraints or proposal processes (Office of the Auditor General of Canada, 2003). Bands also face limitations on accessing the revenue they generate from the sale of their surrendered lands or non-renewable resources (Capital moneys) or from the sale of their renewable resources, leases, and fines and interest on their capital (Revenue moneys) — because these funds are transferred to the government as ‘Band moneys’ and can only be accessed with ministerial approval (Indian and Northern Affairs Canada, 2018). Similar to lands, however, in recent years some bands have been able to take full control of these funds by implementing federal acts (the *First Nations Fiscal Management Act*) which opt them out of certain sections of the *Indian Act*, or by negotiating self-government agreements with the federal government (Indian and Northern Affairs Canada, “First Nations Fiscal Management”). Finally, First Nation bands have historically had a difficult time accessing financing from commercial banks. While the restrictions on their ability to predictably leverage their lands and resources for low-interest loans is one issue, it has also been recognized that a lack of awareness about Indigenous Peoples, law, and legislation affects the way that commercial banks determine credit worthiness and risk (Cafley & McLean, 2016). While these issues have declined in recent years due to both an increasing interest from commercial banks and the development of Aboriginal Financial Institutions (AFIs) across the country, it remains a barrier to Indigenous economic development.

Colonization has also had broad social impacts that potentially affect the ability of Indigenous communities to achieve their development goals. Gwen Reimer (2010) suggests that the historical experiences of Indigenous Peoples over centuries of colonial expansion have disrupted Indigenous cultural identity and manifest today as ‘historic trauma’: “[t]he trauma to which Aboriginal peoples were exposed in the past continues to be manifested intergenerationally into the present. Unresolved and cumulative stress and grief experienced by Aboriginal communities is translated into a collective experience of cultural disruption and a collective memory of powerlessness and loss” (Reimer, 2010: x). Such terms help explain the continued prevalence of social issues, such as poverty, chronic unemployment, and low educational attainment, which compete for the limited resources that are available and make it financially difficult for small communities to obtain qualified staff to oversee economic development projects.

## INDIGENOUS ECONOMIC DEVELOPMENT IN NEW BRUNSWICK

People have lived in the territories where New Brunswick is now located for approximately 12,500 years. Over time, the people living here formed different Nations that are now known as the Wolastoqiyik, Mi’kmaq, and Passamaquoddy. The *Mi’kmaq* [mig-maw], the largest of

the three, historically occupied the coasts and rivers of Eastern New Brunswick, Nova Scotia, Prince Edward Island, the Gaspé Peninsula, and parts of Western Newfoundland. The *Wolastoqiyik* [*wool-ous-took-quy-ig*] lived along the Wolastoq (Saint John River) in New Brunswick as well as the southern shore of the St. Lawrence River. And the *Passamaquoddy* [*pa-sa-ma-kwah-dee*] lived along the St. Croix River and its tributaries in Southwestern New Brunswick and into Maine. Together with the Abenaki and the Penobscot who now reside in the northeastern United States, these Nations referred to themselves as *Wabanaki*, or *People of the Dawn*.

These Nations were similar, but not identical. Ways of life, including diets, hunting and harvesting habits, and the materials used for everyday items depended on the particulars of local geography (The American Friends Service Committee, 1989, p. xi). The centre of life was family and community. Communities were fluid, separating and rejoining depending on the circumstances and the seasons. Larger communities had a leader, or Sakom, who earned his position through his age, family connections, or his ability as a hunter. Leaders ruled more by consensus and persuasion than by coercion and fear, and matters of greatest importance were brought before the adult men and/or women of the community for consideration. Communities and Sakoms also participated in larger forums and assemblies where they would discuss matters of mutual importance with leaders of other communities (The American Friends Service Committee, 1989, p. 30).

Perhaps most importantly, these Peoples shared an intimate and spiritual relationship with the natural environment in which they lived. They believed that the natural world, including plants, trees, animals, rocks, and wind, possess spirits, which are considered equal to human spirits, and therefore deserving of care and respect. If a person was to use a plant or an animal for any reason, it had to be respected through gifts, prayer, or ceremony, and any part that is not used must be returned to the Creator (Lefort & Dennis, 2014). This relational understanding of the world meant that, prior to contact, many Indigenous Peoples did not prioritize the accumulation of material goods and had a relatively light impact on their natural environments: “wealth, as it is often conceived — the accumulation of things — was to them, or would have been, a positive hindrance.” More important was their relationships with their families and communities:

One could acquire more and more of these relationships, and usefully so; and relationships did not have to be carried from place to place like a weight. They were created and maintained through the routine sharing of goods and possessions, through feasts, exchanges of gifts, and through marriages. The larger a person’s network of family and friends, the greater number of people that could be counted on to rally around, whether to share food when times were lean, to go to war, to prepare feasts, to lavish presents on allies, or to support decisions. (The American Friends Service Committee, 1989, p. 24)

Still, people utilized the land and its resources for survival and for pleasure and engaged in complex systems of trade along the many river routes and coastal systems — connecting them to Nations into the interior of the continent and beyond (Prins & McBride, 2007, p. xv). But despite occasional difficulties, there was plenty of time for leisure, as indicated in the intricacy of their clothing, materials, ceremonies, and celebrations: “work did not dominate their lives as it did the lives of the French then, and many of ours now, and yet they had all that they wanted” (The American Friends Service Committee, 23).

By the early 1500s Europeans had reached the coastal waters of northern North America, making sporadic contact with Indigenous Peoples (most likely the Mi’kmaq) during

their efforts to explore or establish fishing camps. In fact, when Jacques Cartier passed Paspébiac Point on Chaleur Bay in 1534, he noted that the nearby Mi'kmaq community used sticks on the shore to make their pelts and furs more visible from the water, suggesting they already had familiarity with European traders (Rees, 2014, p. 9). But it was in 1604 that the French established their first European settlement on St. Croix Island, on the border of what is today Maine and New Brunswick, sowing the seeds of colonization and modern Canada.

The French called the Maritime region '*Acadie*' (Acadia) and claimed it for France. The French, vastly outnumbered and interested in reclaiming saltwater marshes for agriculture and engaging in fishing and fur trade, clung to small coastal settlements in Nova Scotia and did not dramatically interfere with First Nation territories or ways of life (Gould & Semple, 1980, pp. 3–4). Still, French settlement had significant impacts. The high demand for furs in Europe created a high demand in North America, and many First Nations were eager to trade for iron and copper goods, guns, alcohol, ammunition, and other European wares. As a result, First Nation people began to dedicate more time to hunting, trapping, and commerce, placing greater stress on natural resources. New diseases for which First Nation people had little or no immunity were introduced, and it is estimated that half to three quarters of the population died in the early 1600s. The effects of disease not only weakened First Nations in terms of numbers, but spiritually and culturally as well. Struggling to understand why such a disaster was occurring and why their traditional medicines and healers were unable to help, many turned to Catholicism (The American Friends Service Committee, 1989, pp. 26–27).

Despite the dramatic changes, the relationship between First Nations and the Acadian settlers was relatively positive. This harmony would soon be interrupted as competition between the French and English brought war and conflict to the region. From the late 1600s until the mid-1700s the two colonial powers fought constantly within and over the territory. Throughout this time the Wabanaki Peoples generally sided with each other and with the French to defend their territory from British occupation.

The British were eventually able to gain a foothold in the region, but due to their weak position were unable to control or rule the more numerous First Nation and Acadian inhabitants. In an effort to improve their own relations with the First Nations, and to undermine the Acadian relationship with First Nations, the British began to enter into treaties. In the 1700s dozens of treaties were struck between the British and First Nations, with at least 40 applying to the Wolastoqey and 32 to the Mi'kmaq (Milne, 1995, p. 5). The most significant of these treaties continue to be the Peace and Friendship Treaties, which refer to five different treaties that were signed between the British and the Mi'kmaq, Wolastoqey, and Passamaquoddy Nations between 1725 and 1779. While the intention, parties, and applicability of these treaties remains contested, some facts are relatively clear: the primary goals of the Mi'kmaq, Wolastoqey, and Passamaquoddy Nations were to secure their survival and their rights to trade, to practice their culture and religion, and to hunt, fish, and pursue their livelihoods — but most importantly, when making these agreements they never agreed to surrender any of their lands to the British (Milne, 1995, p. 5).

In 1763 the British and their colonial governments defeated the French in both the French and Indian War in North America and the Seven Years' War in Europe. And despite having forcibly evicted as many as 11,500 Acadians from the Maritimes between 1755 and 1763, the British were still concerned that uncontrolled settlement by future settlers would disturb the sensitive peace between the Crown and First Nation Peoples. The British solution was the *Royal Proclamation of 1763*, the intention of which was to create rules for future British settlement (Cuthbertson, 2015). In doing so, it outlined three important principles:

first, that the Crown would have a fiduciary responsibility for Indigenous Peoples; second, that Indigenous rights would be recognized; and third, that all land was to be considered Indigenous land unless it has otherwise been ceded through a treaty with the British Crown (Gould & Semple, 1980, pp. 22–27).

The spirit of the Royal Proclamation would have little impact in the years to follow. The population in the territories of what would become Canada soon swelled as British Loyalists from New England, fleeing the American Revolution, arrived in large numbers. Prior to this point, few Acadians and even fewer British subjects settled north of the Bay of Fundy. But between 1783 and 1784, 35,000 British United Empire Loyalists arrived in Canada, with as many as 10,000 settling in the Wolastoq (St. John River) valley (Rees, 2014, p. 32). The arrival of the loyalists marked a turning point for Wabanaki Peoples, who now found themselves outnumbered and greatly disadvantaged throughout their traditional territories.

In 1784 New Brunswick separated from Nova Scotia to become its own British colony, and the new government went to work designating private and Crown lands and parcelling out lots to new settlers. The new government, for their part, did set aside land (reserves) for First Nation communities (Gould & Semple, 1980, p. 55), but they were often unable and unwilling to stop even these small parcels from being encroached upon by new arrivals. The government did not have an official Indigenous policy, but early administrators hoped that by providing reserves to Indigenous Peoples they would eventually give up their migratory lifestyles in favour of agricultural-Western ones (Rees, 2014, p. 91).

As the years passed, however, few Indigenous Peoples took up farming, but because their territories were now increasingly inaccessible their traditional livelihoods became harder to sustain, resulting in considerable poverty and destitution (Cuthbertson, 2015, pp. 13–15). By 1841 Moses Perley, the Indian Commissioner of New Brunswick, submitted a damning report to the legislature about the status of Indigenous Peoples in the province. He reported that among the estimated 1,377 Indigenous Peoples in the province:

There is an appalling state of things ... calling loudly for the interference of the Government in behalf of this unfortunate people, the survivors of the ancient possessors and lords of the country, who are fastly yielding to the calamitous fate which so often befalls uncivilized man when brought into contact with the natives of Europe and their descendants.

Perley declared that if nothing was done “a mountain of reproach will rest on those who have supplanted them as lords of the soil without imparting any equivalent, therefore supplanting only to destroy instead of to civilize and save” (McGee, 1974, pp. 82–83).

While Perley was perhaps more sympathetic than other non-Indigenous Peoples during his time, his primary concern was to protect the remaining Indigenous lands from settler encroachment while pushing for greater education and assistance to encourage assimilation into modern agricultural society (Rees, 2014, pp. 91–93). The government of New Brunswick, however, had different priorities. In April 1844, the legislature passed the *Indian Act, An Act to Regulate the Management and Disposal of Indian Reserves in this Province* (Gould & Semple, 1980, p. 55). According to this act, reserve land that was deemed unproductive or underutilized by a government agent could be auctioned off to private buyers, and the revenue from the sale of the land would be held by the government to provide financial or material aid to Indigenous communities (Gould & Semple, 1980, p. 59).

In the first decades of New Brunswick's existence, its non-Indigenous inhabitants fared considerably better. Farming started slow, but due to the province's fertile river valleys it soon provided stability and sustenance to the region's growing population. The abundant supply of fish in the rivers and coastal areas also provided food and livelihood opportunities to the growing population, although it was not a major source of revenue for the government or for fishermen themselves (Rees, 2014, pp. 95–110). It was forestry, driven primarily by high demand for white pine for the shipbuilding industries in Britain, that was New Brunswick's dominant industry in the 1800s. By 1845, New Brunswick had 640 sawmills in operation throughout the province (Provincial Archives of New Brunswick, n.d.) and a large portion of New Brunswickers — even fishermen and farmers — passed their winter months in the woods (Rees, 2014, pp. 73–81).

In the latter half of the 19th century, Indigenous Peoples began to modestly integrate into the new colonial economy and labour force. Many found easy markets for crafts like moccasins, canoes, and baskets, while others worked as hunting and fishing guides. Some joined the non-Indigenous labour force working in shipyards, construction sites, mills, and farms. In some sectors, like forestry, Indigenous men were known for their strength and stamina and were considered ideal workers. Still, few gave up their pre-contact ways of living; instead, they preferred to supplement their traditional practices with modern seasonal labour (The American Friends Service Committee, 1989, p. 37).

In 1867 the Dominion of Canada was formed which had considerable consequences for Indigenous Peoples in New Brunswick and across British North America. After Confederation, responsibility for Indigenous Peoples and lands was transferred to the new federal government. Like the provincial governments before them, they hoped to foster the assimilation of Indigenous Peoples across the country into mainstream European Canadian society. By 1876 the government had passed its landmark legislation pertaining to Indigenous Peoples — the *Indian Act*. The *Indian Act* outlined the legal definition of an 'Indian' and formalized federal jurisdiction over reserve lands. In order to foster 'good governance' they established the Chief and Council system, which held limited resources and authority relative to the federal government (Moss & Gardner-O'Toole, 1991). And over time it evolved to include a range of measures designed to criminalize, penalize, and/or eliminate Indigenous language and culture, participation in political organizations, and even commerce and movement off-reserve. A cornerstone of the assimilation agenda, however, was the Indian Residential and Day School system, a network of day schools and boarding schools funded by the Canadian government and administered by various churches, the primary purpose of which was to 'civilize' Indigenous children by teaching them domestic chores, English or French, and Christianity while restricting their ability to see their families or practice their language and culture (W.D. Hamilton, 1986, pp. 13–19).

Confederation also had a considerable impact on New Brunswick and the future of Canada as a whole. The federal government set forth on an ambitious strategy of nation-building which included the inter-related goals of territorial expansion, infrastructure projects, and economic development. To this effect, the government moved West from Ontario and engaged in treaty making and occasional military conquest with Indigenous Peoples to acquire what would become the remainder of modern Canada. In terms of national economic development policy, the government hoped to foster greater domestic production across all sectors, but particularly the industrial sector. To this end, the federal government put in place a series of tariffs, duties, and other trade barriers to restrict imports and prevent foreign competition. These new policies dramatically affected the economies of the Maritime provinces

that had for decades relied on international trade with Britain and the United States. And despite the construction of the Canadian Pacific Railway in 1885 and other ad-hoc investments, the region's economies have lagged behind those of the other Canadian provinces (Savoie, 2017, pp. 75–78, 101–103).

Following World War II the federal government began to implement changes to the *Indian Act* and experiment with ways to redesign the delivery of services to Indigenous Peoples throughout the country. In 1951 the *Indian Act* was amended to remove restrictions on Indigenous ceremonies, to allow women the right to vote in band elections, and to allow First Nations to take the federal government to court over land claims (Royal Commission on Aboriginal Peoples, 1996). And in the same year, the government of New Brunswick and the other provinces agreed to include Indigenous Peoples in their programs for old-age assistance and blind persons' allowances — establishing the foundation for similar federal–provincial agreements for the provision of education, housing, and social services (Milne, 1995).

Yet, in the 1960s, the federal government made more unpopular decisions. In 1969 the Liberal government released the *White Paper* which outlined their new proposal for Indigenous–Crown relations. It called for the elimination of 'Indian' as a distinct legal status, the elimination of all Indigenous inherent and treaty rights, and the conversion of reserve land into private land. Ultimately, it called for Indigenous Peoples to become equal Canadian citizens and incorporated under provincial government responsibilities. The *White Paper* met widespread resistance from Indigenous Peoples across Canada and was eventually withdrawn, but not before ushering in a new era of Indigenous activism and resistance. The first Indigenous organization in New Brunswick — the Union of New Brunswick Indians (UNBI) — was formed in 1967 “to foster and promote greater self-determination of the Indian people of New Brunswick in the presence of all of their aboriginal, treaty, and residual rights” and “to foster and promote human development, social development, and economic development of the Indian people of New Brunswick” (Milne, 1995, p. 63).

During the 1980s there were several events that laid the foundation for progress toward the recognition of Indigenous and treaty rights in New Brunswick, the Maritimes, and Canada as a whole. The *Constitution Act* of 1982 included section 35, which states, “The existing aboriginal and treaty rights of the aboriginal people in Canada are hereby recognized and affirmed ...” While section 35 established the recognition of Indigenous and treaty rights, it does not define them and in practice did nothing to assist Indigenous Peoples in the Maritime Provinces, whose rights under the Peace and Friendship Treaties were still being restricted by provincial and federal governments (Milne, 1995). A few years later, however, in 1985, the Supreme Court of Canada (*R. v. Simon*) recognized the validity of the Peace and Friendship Treaties. Although this case only ruled on the Indigenous right to hunt, it laid the foundation for more elaboration in the years to follow (Harris, 2003).

In the late 1980s the New Brunswick government became more purposeful in their relationship with Indigenous Peoples in the province and began to verbalize their official support for Indigenous autonomy and self-determination. In 1989 they released a discussion paper entitled “A Provincial Policy Framework on Aboriginal Affairs”, which they hoped would advance self-government and help Indigenous Peoples share more fully in the benefits of the New Brunswick economy. It issued policy statements on four key areas: economic development, social development; aboriginal languages and culture; and aboriginal self-government. Economic development and self-government, however, were the provincial government's top priorities because “aboriginal people must have the opportunity and the

responsibility for their own development, both as peoples and as individuals ...” (Milne, 1995, p. 30). The UNBI opposed the working paper on grounds that it was created without consultation with Indigenous Peoples, that it lacked specific details on land or treaty rights, and failed to acknowledge the provincial role in Indigenous–Canadian relations. As the official response from UNBI to the government of New Brunswick made clear, “[o]ur trust relationship with Ottawa does not mean that you are ‘off the hook’ ” (Milne, 1995, p. 34).

The 1990s was a decade of considerable change for Indigenous Peoples in New Brunswick in terms of economic development, as communities began to establish their own for-profit businesses in greater numbers. The rise of on-reserve businesses, particularly retail operations (gasoline, convenience stores, tobacco) and gaming, eventually led to conflict with the Government of New Brunswick. This occurred for at least two reasons: first, the government perceived First Nation businesses operating on reserve as having an unfair advantage over non-Indigenous business because the application of provincial sales taxes to Indigenous Peoples in the province was waived for most items since the 1970s; and second, they believed that since First Nation peoples use some public services and infrastructure, they should pay some taxes on commercial activity. It was the view of UNBI that the provincial government should waive provincial taxes on Indigenous Peoples altogether, but in the end the provincial government and bands in the province negotiated limited taxation agreements on goods like tobacco and gasoline (Milne, 1995, pp. 51–55).

In the 1990s events were also in motion that would give greater clarity to Indigenous treaty rights in the Maritimes. In 1993 Donald Marshall Jr. of Membertou First Nation was arrested in Nova Scotia for fishing out of season and without a licence. The case went to the Supreme Court of Canada, and in September 1999 the court ruled that according to the Peace and Friendship Treaty signed between the British Crown and the Wolastoqiyik, Passamaquoddy, and Mi’kmaq in 1760/1761, First Nations in the Maritimes (communities, not individuals) have a treaty right to “earn a moderate livelihood” catching and selling fish. “Moderate” in this context, meaning only enough to secure the “necessaries” (*R. v. Marshall*, [1999] 3 SCR 456). The Marshall decision quickly led to violent conflicts in the region. In Yarmouth, Nova Scotia several hundred non-Indigenous fishermen, some of them armed, blockaded the local port to prevent access by Indigenous fishermen. And around Miramichi, New Brunswick, non-Indigenous fishermen destroyed lobster traps and accosted Mi’kmaq fishermen who were operating outside the regular season. As tension escalated the Supreme Court issued a clarification on the case in November 1999, stating that Indigenous rights were not unlimited and that Indigenous fisheries could fall under federal or provincial regulation if justified for conservation or other public objectives. It also clarified that the Indigenous right to gathering did not include logging, minerals, or offshore natural gas deposits (Cooper et al., 2010, pp. 15–16).

Although the Supreme Court ruling placed limits on the Indigenous right to fish, it opened up First Nation commercial fisheries in the region. The ruling meant that the Crown had a fiduciary responsibility to assist First Nations in realizing this opportunity, and as a result they began to negotiate Interim Fisheries Agreements (IFAs) with First Nation communities in the Maritimes. They also implemented the Marshall Response Initiative (MRI), which by 2007 had invested \$589.9 million to assist the development of First Nation fisheries in the region. As a result of these actions, fisheries comprise one of the most important economic drivers for First Nation communities in the Maritimes, bringing in tens of millions in revenue per year (Johnson, 2015, pp. 4–5).

In other key sectors, however, Indigenous involvement is more modest. In 2006 the Supreme Court of Canada ruled on the *R. v. Sappier; R. v. Gray* case that Indigenous Peoples have a right to harvest wood, but unlike fisheries, only for domestic use (New Brunswick, 2006). Still, since 1998 the New Brunswick government, through the Department of Natural Resources and Energy Development, has allocated 5% of the Annual Allowable Cut on provincial Crown lands to First Nation bands and has issued royalties from these volumes to each community. In 2014–2015, for example, the royalties paid to all bands for forestry was \$3.28 million (New Brunswick, n.d.). Still, it can be argued that for a province with a \$1.7 billion forestry industry (Forests New Brunswick, 2018), Indigenous involvement remains modest.

Forestry and other issues relating to Indigenous rights highlight the importance of land and land claims, which remains one of the most outstanding problems for First Nation Peoples in New Brunswick today. For example, while New Brunswick has approximately 6 million hectares of forested land (half of it Crown land) (Mann, 2000), First Nation communities own only 16 to 17,000 hectares in the province (Bartlett, 1986, pp. 19–20). In recent years there has been some movement on the issue of specific land claims over the loss of old reserve lands. In 2016, for example, Negootkook First Nation reached an agreement with the federal government for compensation for 10,000 acres of former reserve land (Hazlewood, 2016). And in 2017, Madawaska First Nation settled their specific claim for 3,200 acres that their community has lost since 1787 (City of Edmunston, 2017). In both cases these claims have opened up resources for communities to pursue development opportunities; but given that no lands in the Maritimes were formally surrendered to the Crown, the issue continues to loom large.

Case studies in New Brunswick and the Maritimes confirm that Indigenous communities face similar economic development challenges to others across the country in terms of funding, human resources, social issues, and land (Orr et al., 2011), but evidence also suggests that they are experiencing some success in economic development. In 2019 a report found that there were at least 850 band and privately owned Indigenous businesses in the Atlantic region that, as of 2016, generated \$1.6 billion in revenues — a 137% increase from 2012. The report also found that these businesses were engaged in a range of sectors, although in New Brunswick most appeared to be involved in the retail, service, and natural resource sectors (Bergman, 2019).

The increase in Indigenous economic development is not surprising considering the fact that there are now 16 First Nation communities in New Brunswick and a fast-growing population of 29,000 Indigenous Peoples. There are also a number of Indigenous organizations at the provincial and national level that work with, support, or represent these communities and individuals in matters relating to economic development. Crucial among these are the three tribal councils (the North Shore Micmac District Council (NSMDC), Mawiw Council, and Wolstoqey Tribal Council), which together support 15 of the 16 First Nation communities in the province; the New Brunswick Aboriginal Peoples Council, whose membership encompasses both status and non-status individuals living in the province, and who operate several businesses under their mandate; the Joint Economic Development Initiative (JEDI), a non-political organization that works to provide workforce and economic development opportunities for all Indigenous Peoples and communities in New Brunswick; Ulnooweg Development Group, an AFI that provides loans and business services to Indigenous entrepreneurs and communities in the Maritimes; UNBI, who continue to represent several First Nation communities in the province; the Atlantic Policy Congress of First Nations Chiefs Secretar-



iat (APCFNCS), who provide regional advocacy as well as research specifically focusing on Indigenous economic development. This list does not involve the numerous national Indigenous organizations, like the Canadian Association of Native Economic Development Officers (CANDO), the Assembly of First Nations, and many others.

Yet while there are numerous voices and perspectives, it is clear there is something of a holistic view of economic development held among many Indigenous Peoples in the region. In 2017 First Nation Chiefs from across the region endorsed a *Strategic Plan for Sustainable Development* which was created through the Atlantic Policy Congress of First Nations Chiefs Secretariat. The plan identified four strategic priorities: building net worth through the valuation and acquisition of knowledge, land, equipment, resources and agreements; increasing ownership, income and employment from businesses so as to be comparable to national rates; building workforce capacity and increasing participation in the regional economy; and tracking and maintaining evidence of socio-economic progress and opportunities. The plan also identified four guiding principles to underpin this strategy: self-sufficiency and self-sustainability, self-determination, long term stability, and integration with community well-being. In doing so, their vision for economic development highlights the importance of economic, environmental, social, cultural, and spiritual well-being (Atlantic Policy Congress of First Nations Chiefs, 2017).

## FINDINGS

Today, there are 29,380 Indigenous Peoples living in New Brunswick on 16 First Nation communities and off-reserve in urban or rural areas of the province. There are also several Indigenous organizations involved in all sectors, including five with some involvement in economic development. First Nation communities have established a range of economic operations, particularly in the natural resource and retail sectors; and individuals, too, are forming their own businesses in larger numbers. And while Indigenous Peoples fall behind non-Indigenous Peoples in key socioeconomic indicators in the province, New Brunswick itself falls behind the national average and has continued to struggle to foster both economic and population growth. With so many people, communities, organizations, and needs, this project sought to explore: *what Indigenous economic development means to Indigenous Peoples living in New Brunswick, and attempt to identify obstacles, opportunities, and priorities to achieve these development goals.*

With support from the Special Call: Indigenous Research Capacity and Reconciliation Connection from the Social Sciences and Humanities Research Council, the Joint Economic Development Initiative (JEDI) hosted a 1.5 day *Mawi'omi* (meaning 'gathering' in Mi'kmaq) on May 14–15, 2019, in Fredericton, New Brunswick, to explore these issues. Titled "Building Better Together: Exploring Indigenous Economic Development in New Brunswick", this event brought together approximately 130 people involved in economic development from First Nation communities, Indigenous organizations, businesses, all levels of government, and academia to hear community and expert presentations and to participate in group discussions, surveys, and other activities around the themes of Indigenous development in New Brunswick.

The themes of the *Mawi'omi* were developed primarily by JEDI staff based on working knowledge and research relating to Indigenous development, while the specific content of the sessions was developed independently by the specific presenters. Select themes included

relationship building, what is Indigenous economic development, best practices in community development, the landscape of economic development in the Maritimes, recent initiatives in Eel River Bar First Nation, the role of economic development officers, economic development corporations, and business service officers, recent initiatives in Madawaska First Nation, Indigenous entrepreneurship in New Brunswick, and a keynote presentation by Chief Clarence Louie of Osoyoos Indian Band on his community's success in economic development.

The surveys and group presentations were designed exclusively by JEDI staff, and included a multiple choice and long answer survey, a group SWOT analysis, and group discussions. Throughout the event, JEDI staff circulated and collected the surveys and took notes for the various group activities.

The findings of the 1.5 day *Mawi'omi* largely confirm what others have written about development from the Indigenous perspective. As the presentations, comments, and survey results show, development from the Indigenous perspective in New Brunswick is intimately tied to Indigenous autonomy, community needs, and well-being. Indigenous participants ranked self-sufficiency and self-sustainability as the most important consideration for Indigenous development, followed by long-term stability, while factors like community health and wellness and language and culture revitalization were tied to profitability and growth. For the same question, participants suggested that environmental health and protection, improved community services, and reputation were least important. Similarly, when Indigenous participants were asked what they believed should be the priorities for their community's development, the number one response was creating employment opportunities for members, followed by the developing land and improving workforce skills. For the same question, participants suggested that enhancing environmental protection, improving public infrastructure, and growing already existing businesses were least important.

Findings relating to the challenges of Indigenous economic development also confirmed previous research. When participants were asked in the survey what were the top three challenges their community faced in terms of economic development, they cited financing as the top issue, followed by social issues and human resources. And when asked what services or supports could help foster community economic development, participants cited strategic planning as the top issue, followed by financial management and grant writing/proposal development. Participants suggested that many issues could be resolved through more long-term and predictable funding (with less bureaucratic constraints) for economic development projects and staff.

During the SWOT analysis, presentations, and group discussions, other issues like governance, leadership, shifting government policies, social issues, and location were also highlighted as key challenges. It should also be noted that governance and leadership were equally highlighted as a strength — emphasizing the diversity of opinions and perspectives within the province. Participants were also interested to learn more about high level issues such as taxation agreements, the *First Nations Land Management Act*, land codes, the *First Nation Fiscal Management Act*, and different governance models to organize economic development on reserve. It became clear throughout the event that there is no one single strategy to organize community development.

Findings relating to Indigenous development priorities in New Brunswick were more surprising. When asked in a survey what participants believed were most important for their community's future, they cited tourism, natural resources, and cannabis as the top three answers, followed closely by renewable energy. With the exception of natural resources,

these industries currently have limited participation from Indigenous Peoples and communities in the province, although they have been highly visible in recent years. These same sectors were also the most commonly cited in both the SWOT exercise and group discussions.

Partnership was a key theme of this event, and questions and presentations centred around how to build effective partnerships between communities, government, organizations, and institutions to better foster Indigenous development in New Brunswick. What is clear is that Indigenous Peoples at this event felt that there is a considerable distance between themselves, government, and the private sector, and that more needs to be done to reconcile these relationships. Interestingly, however, there was a strong interest from Indigenous participants to form partnerships with the private sector for potential business opportunities, mentorship, services, and investment. Participants suggested various measures to improve relations, including clearer and more frequent communication on programs and services, more effort by government and the private sector to learn about Indigenous issues and communities, and more effort by government and the private sector (including management) to visit Indigenous communities and organizations on a regular basis.

Returning to the research question: *What does Indigenous economic development mean to Indigenous Peoples living in New Brunswick?* Based on this *Mawi'omi*, it is clear that *economic development* is seen as a tool to increase the autonomy and self-sufficiency of Indigenous communities while simultaneously revitalizing language and culture and improving community wellness. *Key priorities* for economic development were the creation of employment opportunities and the development of workforce skills, as well as the development of lands and infrastructure for economic development, while *key opportunities* were the cannabis, tourism, natural resources, and renewable resource sector. And finally, *key challenges* to the pursuit of Indigenous economic development were financing, human resources, and social issues.

The following section provides details on the activities and exercises conducted as part of this event.

## **Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis**

During the gathering, an hour was set aside to perform a SWOT analysis with participants. SWOT stands for Strengths, Weaknesses, Opportunities, and Threats and is an exercise commonly used by businesses and organizations to help them create strategies to reach their goals. The strengths and weaknesses refer to things that are 'internal' to the organization or community, such as population growth or infrastructure, while opportunities and threats refer to things that are outside of the organization or community's control, such as investment dollars or policy change. After a brief explanation on the exercise, participants split into groups according to community — either a First Nation or city. Non-Indigenous participants or those not represented by any of the options were asked to assist other groups to brain storm answers and place them on the flipchart paper provided.

### *SWOT Results*

In this section we looked at the combined top answers for each category with the number corresponding to the number of responses, whereas individual responses found in the survey results are reviewed in the next section. Unsurprisingly, as shown in Table 1, respon-

TABLE 1  
SWOT Results

Strengths	Weaknesses
Language and Culture (8)	Social issues (4)
Location (6)	Leadership, governance, and administration (4)
Businesses (6)	Location (3)
Leadership, governance, administration (6)	Relationship with municipality (3)
Community (3)	Culture and language loss (3)
Opportunities	Threats
Hemp and cannabis (9)	Political instability and change (7)
Tourism (6)	Community wellness (7)
Natural resources (4)	Climate change and flooding (4)
Land development (3)	Resistance to change (3)

dents overwhelmingly emphasized language and culture, and to a lesser extent community, as one of the key strengths. Location and existing businesses were also identified as strengths, although these were also popular answers for weaknesses as well — demonstrating the varied opinions of participants. Social issues, culture and language loss, and relationships with the neighbouring municipality were also identified as weaknesses. Social issues during this session was used broadly to refer to poverty, poor physical and mental health, and dependence. Relationships was also repeatedly highlighted as a concern by participants who felt that municipalities, as well as provincial and federal governments, created plans and opportunities behind the backs of Indigenous Peoples and communities.

For opportunities, the most common answers were hemp and cannabis, tourism, natural resources, and land development. These first three also correspond to the most popular priorities for economic development in the survey results below. While natural resources has long been a priority and popular sector for Indigenous economic development in the province, hemp and cannabis and tourism are relatively new. However, with the legalization of marijuana in 2018 a few high profile companies have expanded their operations in Quebec, and a few retail stores (band and privately owned) have recently opened in First Nation communities in the province. Tourism, too, has become a high priority of the provincial government. And nationally, the Indigenous Tourism Association of Canada (ITAC) has been active in promoting Indigenous tourism across the country, taking steps to formalize a New Brunswick chapter. Considering the fact that participants highlighted language, culture, and community as key strengths, there appears to be belief among Indigenous Peoples in New Brunswick that this will be a competitive advantage in the tourism market.

Responses for the threat section were mixed, with several of the most popular answers (community wellness, resistance to change) being more appropriate for the weaknesses section. Still, this demonstrates the concern participants had regarding their communities' well-being and how that might be an obstacle in trying to move forward with development goals. Political instability and change referred primarily to provincial and federal government change, but here it included change to internal First Nation community government as well. As has been noted elsewhere, constant government change can make it difficult for First

Nation communities to advance economic development plans or negotiations over land claims or rights. Participants also highlighted the fact that turnover in provincial and federal administrative departments is also a key concern, as relationships and understanding can take years to develop.

## Survey Results

Throughout the event participants were encouraged to fill out the following questionnaire, resulting in 43 responses. The numbers below indicate the number of people who identified that line item as one of their priority responses.

1. *What are the top three challenges your community faces in terms of economic development?*

Financing	24
Social issues	16
Human resources (finding qualified staff)	15
Lack of land (or access to good land)	11
Federal or provincial policies, regulations	11
Developing business plans and proposals	11
Infrastructure	10
Governance structure	9
Information (statistics, labour market information, economic forecasting, etc.)	5
Other	2

As noted above, the top three challenges facing First Nation communities in terms of economic development for attendees at the sessions were financing, social issues, and human resources or finding qualified staff. Financing is hardly surprising, considering that many First Nation communities report receiving little support for economic development, with many of the smaller communities not even receiving enough to fund an economic development officer (EDO) position. Social issues and human resources are both inter-related issues found elsewhere in literature relating to Indigenous development in Canada. Regarding human resources, this issue in part relates to funding, as many communities cannot support a large economic development staff; additionally, a good economic development officer is not always easy to find.

2. *What are the top three challenges that entrepreneurs in your community face?*

The top three challenges that entrepreneurs face were in fact five. Access to financing topped the list with 30 responses, but business plan and/or entrepreneurship training and social issues were tied at 19 responses for second, with financial and digital literacy along with marketing capacity ranked third with 11 responses. Participants also pointed out that both resources and staff for community economic development are limited, leaving little to support individuals in the community with their business ideas or operations.

TABLE 3  
Survey Results on Question 2

Access to financing	30
Business plan and/or entrepreneurship training	19
Social issues	19
Financial and digital literacy	11
Marketing capacity	11
Mentorship access	9
Legal information	8
Accounting skills	8
Physical space to work	6
Other	2

3. *What are your top three priorities for your community's economic development?*

The top three priorities for a community's economic development selected by participants were creating employment opportunities for members (top on the list with 20 responses), developing land and/or building for industrial and business parks (a distant second of 12 responses), and improving workforce skills (workforce education and training capabilities) with 11 responses. In group discussions and sessions, many participants identified creating opportunities for members as particularly important because of high unemployment, which they perceived to be at least in part due to discrimination in the local labour market. For those who appeared to be actively involved or interested in the development of land, many made reference to the acquisition of more marketable retail land through the Additions to Reserves process.

4. *Which sectors are the most important for your community's future economic development?*

The most important sectors for a community's future economic development were tourism, natural resources (i.e., forestry and fishing), and cannabis, with renewable resources close behind. With the exception of natural resources these are relatively new industries for Indigenous Peoples in the Maritimes; however, the legalization of cannabis and widespread expertise in retail has resulted in some stores (band and privately owned) opening in the province. Tourism has also been actively promoted in New Brunswick by the government as well as by the ITAC, which has increased their involvement in the province in recent months.

5. *Which of the following factors would you rate as most important to successful community development?*

The factor rated as most important to successful community development was self-sufficiency and self-sustainability, which also had the highest response of all questions (32 responses). Long-term stability was second, with community health and wellness, profitability and growth, and language and culture revitalization tied for third.

TABLE 4  
Survey Results on Question 3

Creating employment opportunities for members	20
Developing land and/or buildings for industrial and business parks	12
Improving workforce skills (workforce education and training capabilities)	11
Developing entrepreneurs	10
Forming joint ventures with industry partners	9
Participating in major projects	9
Increasing tax revenue	9
Protecting language and culture	8
Diversifying the economy	7
Enhancing environmental protection	7
Improving public infrastructure (water, sewer, roads, etc.)	6
Growing already existing businesses	5
Other	1

TABLE 5  
Survey Results on Question 4

Tourism	22
Natural resources (Forestry, Fishing, etc.)	20
Cannabis	17
Renewable Resources	16
Retail	11
Manufacturing	9
Construction	5
ICT	4
Agriculture	2
Other	2

TABLE 6  
Survey Results on Question 5

Self-sufficiency, self-sustainability	32
Long-term stability	22
Community health and wellness	15
Profitability and growth	15
Language and culture revitalization	15
Improved education and training	8
Environmental health and protection	5
Improved community services	5
Reputation	2
Other	0

6. *Which of the following do you think are most needed to support your community's economic development?*

TABLE 7  
Survey Results on Question 6

Strategic planning	24
Financial management	19
Grant writing and proposal development	18
Project management	17
Information about economic opportunities	17
Marketing	11
Other	3
Information about labour market	2

Strategic planning was the item that respondents identified as most needed for a community's economic development, followed by financial management and grant writing and proposal development.

7. *Which of the following services do you think are most needed to support your community's entrepreneurs?*

TABLE 8  
Survey Results on Question 7

Financing	27
Business plan training	22
Community support	19
Marketing training	11
Leadership training	11
Mentorship program	9
Human resources	8
Physical space	5
Other	2

Services identified as most needed to support entrepreneurs were financing, as number one, with business plan training and, then, community support as two and three, respectively.

8. *How could federal, provincial, and/or municipal governments better support Indigenous economic development goals and priorities?*

For this question, respondents were given the opportunity to provide their own thoughts on how federal, provincial, and/or municipal governments could better support Indigenous economic development goals and priorities. The responses for this question can be grouped in the following inter-related themes: funding, bureaucracy, connection and partnership, and programs and services.



Regarding funding, respondents called for better funding for community economic development initiatives, including recommendations to make resources available for entrepreneurs and to fund economic development officers in each community. The issue of funding overlapped considerably with calls for better services and programs: set asides for procurement, mentorship programs for entrepreneurs, and strategic planning and business development support. Regarding bureaucracy, respondents highlighted how government services need to be more flexible and predictable (less grant-based) to encourage long-term planning according to local needs. And finally, respondents suggested that relationships with government (specifically the federal government) could be improved through building better trust; to this effect, respondents highlighted the need for government to visit communities more regularly, to ensure the ‘right people’ from government are brought to the table, and to make information regarding programs, services, and other activities more easily available to Indigenous Peoples.

9. *In your opinion, how could the private sector better support Indigenous economic goals and priorities?*

For this question, respondents were given the opportunity to provide their own thoughts on how the private sector could better support Indigenous economic goals and priorities. The responses to this section can be grouped according to the following themes: partnership, support, and education.

While respondents provided few details, many felt that the private sector should be more open to partnership with Indigenous communities, particularly through the formation of joint ventures. Many also highlighted the need for the private sector to become more aware of Indigenous issues through educational initiatives. These included broad Indigenous issues relating to treaties, land claims, and federal legislation, as well as more local information about neighbouring communities and culture. The opportunity for the private sector to provide particular services, including mentorship, advice, and even investment was also highlighted as a desirable goal.

10. *What are your department or organization’s priorities relating to Indigenous economic development in New Brunswick?*

This question was intended for participants representing government, institutions, or the private sector, but received too few responses to draw any conclusions.

## RECOMMENDATIONS

At the centre of this research project was a desire to explore *what Indigenous development means to Indigenous Peoples living in New Brunswick*, and to attempt to *identify obstacles, opportunities, and priorities to achieve these development goals*. The findings of this report confirm those found in other research: that economic development from the Indigenous perspective is intimately connected to the desire for self-determination, self-sufficiency, the revitalization of language and culture, economic and training opportunities, and community cohesion. Individuals highlighted a greater desire to create work and training opportunities for their members, develop lands and infrastructure, and pursue opportunities in the tourism, cannabis, natural resource, and renewable resource sectors. In furthering these goals, partici-

pants identified financing, social issues, human resources, and poor relationships with the government and private sector as key constraints.

What follows are several recommendations based on these findings.

## **Recommendations for the Social Sciences and Humanities Research Council (SSHRC)**

1. *Continue to offer annual grants specifically for Indigenous communities and organizations*

This and pre-existing research confirms that economic development from the Indigenous perspective is multi-faceted and includes inter-related goals to improve socioeconomic outcomes, language and culture, self-sufficiency, and community cohesion. And while each Indigenous community faces unique obstacles, many have human resource and financial constraints. For this reason, it is recommended that SSHRC continued to offer annual research grants specifically for Indigenous communities and organizations that will allow them to explore issues in line with their priorities and be able to provide opportunities for their members while building capacity in research and project management. While Connection Grants may be appropriate for communities and small organizations, larger grants could be made available to those like the Atlantic Policy Congress of First Nations Chiefs, who have more experience managing complex research projects.

2. *Support the creation of diverse research products relating to Indigenous economic development*

Participants did not specifically identify a great need for research or information; however, participants had considerable interest and discussion around the processes through which First Nation communities acquire greater self-determination (land code development, referendums, *First Nations Land Management Act*, the *First Nations Fiscal Management Act*). These are relatively recent and complex issues, for which there is little publicly available information. Another prominent issue identified by participants was the perceived unwillingness or inability of the provincial and federal governments and private sector to engage in meaningful partnerships with Indigenous Peoples and communities. Exploring why this reluctance persists and how it can be overcome could be worthwhile. For these reasons, it is recommended that SSHRC support the creation of diverse research products relating to Indigenous economic development. As much as possible this information should be made available in various formats so that they are accessible to all levels of learners.

3. *Create or support a platform to share information and resources relating to Indigenous economic development*

Relating to the last recommendation, the resources that exist concerning Indigenous economic development are scattered and not easily accessible. For this reason, it is recommended that SSHRC create or support a platform to share information and resources relating to Indigenous economic development or Indig-

enous. Possible examples of existing platforms include the Atlantic Aboriginal Economic Development Integrated Research Plan (AAEDIRP) hosted by the Atlantic Policy Congress of First Nations Chiefs Secretariat, and the Indigenous Studies Portal Research Tool hosted by the University of Saskatchewan.

## Recommendations for the Federal Government

### 4. *Increase funding for economic development for First Nation communities and Indigenous organizations*

Like other research, this project found that Indigenous Peoples in New Brunswick believe funding is their number one barrier to economic development. Without funding, communities have difficulty investing in new and existing businesses and hiring qualified staff. This dilemma is compounded by the fact that many communities are rural or have small land bases, making the generation of own-source revenues to invest in economic expansion difficult. For this reason, the federal government should increase funding for economic development for First Nation communities and Indigenous organizations. At a minimum, these funds should ensure that even the smallest communities are able to hire and train an economic development officer (EDO) and to begin investing in market research and proposal development. Separate moneys should also be earmarked for individual entrepreneurs, the management of which could go to communities or a third-party Indigenous organization. As much as possible, money for economic development should be long-term, predictable, flexible, and not proposal based.

## Recommendations for the Provincial Government

### 5. *Create a task force to increase the inclusion of First Nation communities and Indigenous Peoples in the tourism, cannabis, natural resource, and renewable energy sectors*

Participants identified tourism, cannabis, natural resources, and renewable energy as priority sectors for economic development. The Government of New Brunswick has also identified tourism and cannabis as priorities, while natural resources already constitutes a major sector in the province. These overlapping interests create opportunities for mutually beneficial relationships and economic reconciliation, but the only forum in the province relating to Indigenous–provincial economic development is the newly struck Chiefs and Ministers economic roundtable. For these reasons, it is recommended that the Government of New Brunswick support the creation of a task force to increase the inclusion of First Nation communities and Indigenous Peoples in the tourism, cannabis, natural resource, and renewable energy sectors. This taskforce should include Indigenous and non-Indigenous representation from the government and private sectors and create common goals with clear targets and measurable indicators in order to ensure progress and accountability.

## Recommendations for First Nations in New Brunswick

### 6. *Develop strategies to support self-determination, self-sufficiency and economic development*

First Nation communities have identified the need and desire for increased self-determination, self-sufficiency, and economic development opportunities. Identifying appropriate human and financial resources will be vital to developing strategic goals and objectives to achieve these factors. First Nation communities may have various economic development opportunities, such as hemp and cannabis, tourism, natural resources, land development and other opportunities. Aligning these opportunities with a strategic plan will be important for successful economic development in First Nations in New Brunswick.

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# *Indigenous Business Support Services: A Case Study of the Quebec Entrepreneurial Ecosystem in Canada*

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Émilie Fortin-Lefebvre

UNIVERSITÉ DU QUÉBEC À MONTRÉAL

Sofiane Baba

UNIVERSITÉ DE SHERBROOKE

## **ABSTRACT**

Support services — also known as accompaniment practices and advisory services — are essential for the development of small businesses. In terms of support services specific to Indigenous businesses, the literature is rather silent. Yet, one can expect that the recent and growing market-related entrepreneurial trend in Indigenous communities will generate increasing accompaniment needs in those contexts. The objective of this research is to better understand the entrepreneurial ecosystem and its current synergy, as well as identifying the challenges of Indigenous entrepreneurship. To do so we rely on a qualitative methodological approach, focusing on the Indigenous entrepreneurial ecosystem in Quebec, Canada. Overall, our research highlights the need to adapt support services to Indigenous-related entrepreneurial issues. This research paves the way for a broader discussion related to how local governments, economic development organizations, funding agencies, and business support services organizations can work together for a comprehensive economic development strategy within Indigenous contexts.

## **INTRODUCTION AND RESEARCH OBJECTIVES**

Despite the efforts made by successive governments, the Indigenous populations of Quebec and Canada are still experiencing difficult socio-economic situations, such as high unem-

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The term “Aboriginal” refers to First Nations and Inuit peoples. For information purposes, First Nations are made up of 11 distinct nations (Abenaki, Algonquin, Attikamekw, Cree, Huron-Wendat, Innu, Maliseet, Micmac, Mohawk, and Naskapi).

ployment, food insecurity, and lack of local capacity (Canadian Human Rights Commission, 2013; Gerber, 2014; Kulchyski, 2013). Faced with these significant socio-economic problems, entrepreneurship in Indigenous communities has recently emerged as an effective vector for sustainable development, empowerment, and improvement of living conditions, particularly in a context where young people make up 70% of the First Nations population (Kulchyski, 2013). National and international experiences have shown that Indigenous entrepreneurship stimulates the development of local capacities and social innovation and enables Indigenous communities to take charge of their destiny (Peredo & Anderson, 2006; Peredo et al., 2004).

However, the development of Indigenous entrepreneurship faces several challenges that hinder its development, especially in the pre-startup stage (FNQLEDC, 2013). For example, while in Quebec there are many public, parapublic, and private structures designated to help entrepreneurs in their business creation process, their services are not well adapted to the realities of Indigenous peoples (Niska, n.d.). Consequently, these services are not used up to their potential by Indigenous entrepreneurs (FNQLEDC, 2013). In addition to this significant issue of mismatch between supply and demand in terms of services to entrepreneurs, a significant issue arises in terms of entrepreneurial support in the Indigenous context. In this sense, while support services for entrepreneurs are crucial, it is as important to ensure its cultural fit within the context in which it takes place (Chabaud et al., 2010).

The literature tends to agree that Indigenous entrepreneurship is characterized by unique features that may influence the way support services should be designed. In Quebec, for instance, three specific features arise. First, each Indigenous community has its own social, economic, and geographic context, which in turn influences the entrepreneurial ecosystem. Most of Quebec's 42 communities are in rural or remote regions and have fewer than 500 inhabitants (FNQLEDC, 2013). Second, distance from major centres, the presence or absence of road links, and the schooling rate (Secrétariat aux affaires autochtones, 2011), for example, influence the presence or absence of economic opportunities and, therefore, the way economic players are structured and operate. Third, the Indigenous economy is characterized by the multiplicity of objectives pursued, insofar as the contribution of business creation generally exceeds individual economic benefits and tends to benefit the community (Lindsay, 2005; Peredo et al., 2004).

Given these specific features, the central dilemma arises between the standardization of accompaniment approaches, practices, and evaluation tools, and the need for adaptation and flexibility required by Indigenous contexts and realities. In addressing this conundrum, our research builds on the case study of Quebec's Indigenous entrepreneurial accompaniment ecosystem. With these considerations in mind, our research has three objectives: (1) map the profile of Indigenous businesses in Quebec, (2) unveil the barriers that Indigenous entrepreneurs are facing, and (3) analyze the support services' ecosystem synergy. These three objectives allow us to draw broader contributions and insights for Indigenous accompaniment needs.

This paper is structured as follows. First, we present an overview of the literature on entrepreneurial support services and entrepreneurial ecosystems. Second, we introduce our qualitative methodology highlighting the research design, data collection, and analysis processes. Third, we discuss our findings based on the analysis of Quebec's situation from an Indigenous business standpoint. Fourth and last, we draw useful contributions to the literature on accompaniment services and Indigenous entrepreneurship, as well as practical recommendations for local governments and economic development organizations.



## LITERATURE REVIEW AND THEORETICAL BACKGROUND

### Entrepreneurial Support Services

In recent years the literature on entrepreneurship has shown a growing interest in support services (Messegheem et al., 2013; Schmitt et al., 2016). Two main levels of analysis have been investigated. On a micro level, research has been directed towards entrepreneurs, their needs, and the way in which accompaniment meets their needs (Chabaud, Messegheem & Sammut, 2010; Schmitt et al., 2016; Verzat & Gaujard, 2009). On a macro level, entrepreneurship support services have focused on ecosystems, their components (Spigel, 2015), the interactions between them (Isenberg, 2010), and their overall dynamics (Mack & Mayer, 2016).

Entrepreneurial accompaniment is mostly approached as a technique, combining legal, financial, and organizational support services (Chabaud & Brenet, 2019). They can be tangible, like equipment and technology access, or intangible, like knowledge, training, and advice (Vedel & Stepgany, 2011). According to Chabaud and Brenet (2019), accompaniment's success can be understood as the knowledge acquired by entrepreneurs, its instrumentalization into concrete implementation, and the legitimacy and credibility of its integration into the environment. As Verzat and Gaujard (2009) explain it, for the professionals offering accompaniment support services, it involves using their economic knowledge and experience in marketing, sales finance, technical, and sectoral offers, as well as using their professional networks to help for business plan validation and funding mobilization. It also entails that professional support helps entrepreneurs to structure their project ideation in prioritizing their objectives and structuring their process and resources put into it (Verzat & Gaujard, 2009). Therefore, taking into account the fact that accompaniment depends so much on the experience of the person doing it, there is no one form of accompaniment, but a diversity of them influenced by the professionals as well as by the entrepreneurs' profiles, their culture, and the local, regional, and national social and economic contexts (Chabaud et al., 2010).

This adds to the fact that focusing solely on entrepreneurs to measure entrepreneurial dynamism neglects the importance of environmental factors, as well as economic development potential (Schmitt et al., 2016). This is why, since Indigenous institutional, social, geographic, and economic context is different from the non-Indigenous context (Fortin-Lefebvre, 2018), it is not surprising that entrepreneurial coaching norms and practices developed "outside" the Indigenous context will tend to convey values and standards that are closer to those of non-Indigenous, in terms of worldview, nature, and relationships with oneself and others (Chabaud et al., 2010). This gap leads practitioners to mobilize tools developed in the literature on non-Indigenous entrepreneurship and to apply them in the Indigenous context, which creates inconsistencies. For example, support measures for Indigenous entrepreneurs tend to promote "economic development" that is closer to that of the non-Indigenous perspective (growth) than to that of Indigenous culture (emancipation, sharing with the community, and harmony between growth and nature) (Peredo & Anderson, 2006; Peredo et al., 2004).

Thus, for the adequation of accompaniment, it is essential to understand better the institutional premises — formal and informal — underlying the context that issues accompaniment norms and standards. This analytical deconstruction process fosters a better

understanding of adaptation needs in terms of entrepreneurial support (Mack & Mayer, 2016). In doing so, support services can be more coherently adapted to the cultural reality of Indigenous businesses.

### **From Support Services to Entrepreneurial Ecosystems**

Studies on entrepreneurship support systems generally agree that consistency and interaction between attributes of an ecosystem positively influence its impact on business development (Spigel, 2015). Furthermore, this impact should focus not only on outcomes, such as the number of businesses being launched, but also at the results on a local, cultural, and social level (Spigel, 2015). In terms of the environment in which entrepreneurship takes place, research mainly describes it as an ecosystem consisting of interacting components which foster regional entrepreneurial activities, including new businesses and organizations (Cloutier et al., 2014; Isenberg, 2010; Mack & Mayer, 2016). Entrepreneurial ecosystems are generally recognized as being composed of six general domains (Cloutier et al., 2014; Isenberg, 2010): enabling policies and leadership (e.g., harmonization of programs, pooling of services, alleviating constraints); availability of appropriate finance (e.g., facilitating access to financial resources, diversifying funding sources); quality of human capital (e.g., education, attraction, and retention of workforce measures, financial incentives); a conducive culture (e.g., community identity, cooperation); a range of institutional and infrastructural supports (e.g., networking, training, management tools); venture-friendly markets (e.g., local products and local business promotion).

Although any society's entrepreneurship ecosystem can be described using the same six domains, each ecosystem is unique, being the result of elements interacting together in situated contexts (Isenberg, 2010). Quebec, as for the rest of Canada, is no exception with regard to socio-economic disadvantages faced by Indigenous populations (Delic, 2009). These include political and structural obstacles, such as underfunding of social services, cultural elements, such as racism, and economic hardships, such as unemployment. Added to this is the accelerated sedentary life of Indigenous peoples, which, over the past 60 years, is believed to be at the root of multiple social and economic changes (Canadian Human Rights Commission, 2013; Coates & Crowley, 2013; Kulchyski, 2013). These factors occupy an essential role in entrepreneurial activities. For example, communities located near major centres are generally more integrated into urban and regional life than remote communities, and this urbanization provides them with opportunities to develop commercial relationships with the rest of society (Secrétariat aux affaires autochtones, 2011). In fact, the economic development of communities would vary according to three main factors: proximity to major centres, road links, and the school enrolment rate (Secrétariat aux affaires autochtones, 2011).

This highlights the importance of contextualizing our view of entrepreneurship ecosystems, especially because an entrepreneurial ecosystem is not a fixed state, but something to be built within an environment in which entrepreneurs can be identified and guided through available resources and accompaniment services (Barès & Chabaud, 2012). In this sense, many authors argue that the elements of an ecosystem, taken separately, cannot guarantee an entrepreneurial dynamism, but that a synergy between them is necessary (Barès & Chabaud, 2012; Isenberg, 2010; Schmitt et al., 2016). Building on the idea of the necessity of synergy, Barès and Chabaud (2012) suggest paying attention to the collaboration and coherence between elements of an ecosystem: diversity of entrepreneurial needs and difficulties; a collaboration between components of an ecosystem; and duration and types of accompaniment

services. Therefore, by taking these elements into our analysis, we aim for a better understanding of Indigenous entrepreneurial specificities, challenges, and the diversity of actors that make up the ecosystem (Philippart, 2016).

## METHODS

In this section we present and justify the methodological choices used to conduct our research. We mainly focus on defending our research strategy, presenting the empirical context and its relevance, outline our data collection process, and explain how we analyzed our qualitative data and identified our findings.

*Research strategy.* The objective of this research was to co-create knowledge (Sharma & Bansal, 2020), in collaboration with the First Nations of Quebec and Labrador Economic Development Commission (FNQLEDC), on entrepreneurial accompaniment services directed towards Indigenous communities in Quebec, Canada. This constructivist approach, combined with the exploratory nature of the research, led us to adopt a qualitative and inductive strategy (Patton, 2002). We believe that this approach is consistent with the need for understanding the underlying issues and mechanisms of the Quebec entrepreneurial accompaniment ecosystem. As is common in collaborative research with practitioners, FNQLEDC contributed to all phases of the research, especially its conception and realization (Dumais, 2011). FNQLEDC is the main actor in terms of support for Indigenous entrepreneurs in Quebec. It represents the interests of more than 90,000 Indigenous peoples. Its role is vital in two regards. First, it acts as a liaison agent for the actors of the Indigenous entrepreneurial ecosystem, while supporting the support service structures offered in all communities. Second, it is in charge of a significant challenge for Quebec: the socio-economic development of First Nations, which is increasingly recognized — by First Nations as well as by public authorities and global institutions — as an essential vector of local capacity development and social progress (Proulx, 2012). Therefore, this research partnership developed with FNQLEDC is particularly relevant — it enabled us to study a ‘revelatory’ case (Yin, 1994), since, to our knowledge, entrepreneurial accompaniment services directed towards Indigenous communities in Quebec have never before been studied.

*Data sources.* To conduct our study, we relied on several data sources to ensure the trustworthiness of our qualitative research (Lincoln & Guba, 1994). We triangulated sources of information by combining primary and secondary data. Secondary sources were first collected to understand the context and identify the main actors of the ecosystem. Information for the identification of organizations offering entrepreneurial accompaniment services in Quebec was collected, focusing especially on their services, geographic coverage, and admission conditions. Using documentary research on the Internet, we collected newspaper articles, reports, and archives on the topics of indigenous entrepreneurship in Quebec, as well as the accompaniment services. We then completed this data with primary data collected during two focus groups with a total of 21 community economic development officers (hereinafter CEDO). These officers work on entrepreneurial accompaniment and are active within the ten First Nations of Quebec. The objective was to gather information on the nature of coaching practices, the challenges specific to the indigenous context, and the nature of collaboration with other organizations of the ecosystem. Finally, we also consulted the FNQLEDC’s directory of indigenous businesses. This gave us access to important,

relevant information on indigenous businesses in Quebec. In total, 995 businesses' profiles were analyzed. The second round of primary data collection occurred during May–October 2019 using individual interviews with 4 CEDOs and 11 entrepreneurs, representing four different communities. A survey was also conducted which gathered data from 15 CEDOs and 26 indigenous entrepreneurs across Québec. Finally, a third focus group was held with 20 professionals involved in indigenous economic development (CEDOs, representatives of economic development organizations).

*Data analysis.* To analyze our qualitative data, we followed three steps through an inductive process. First, we identified the specificities of Quebec's Indigenous context and what it meant in terms of accompaniment practice challenges. To do so, we analyzed the profiles of 995 Indigenous entrepreneurs in Québec as listed by the FNQLEDC. Here, we were particularly interested in understanding the dynamics of Indigenous entrepreneurship in Quebec in terms of industries, size of companies, spoken languages, the composition of their workforce, and finally, their geographic positioning in relation to the major urban centres of Quebec. Second, we mapped the critical stakeholders of Quebec's entrepreneurial accompaniment ecosystem. This led us to identify the mission and activities provided by each stakeholder, as explained in the findings section. We also used this to clearly distinguish the stakeholders that offer exclusive services for Indigenous people, from those who accompany both Indigenous and non-Indigenous entrepreneurs. Third, building on this distinction, we qualitatively assessed the synergy between the stakeholders, trying to understand the nature of their interactions and collaborations.

## FINDINGS

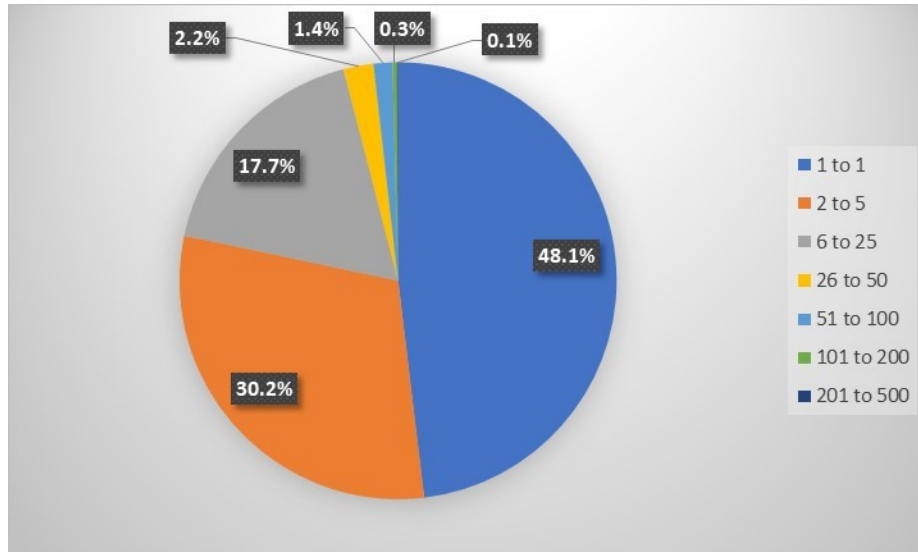
Our empirical findings are structured in three main sections. The first presents a detailed portrait of the entrepreneurial ecosystem in Quebec. The second section delves into the specific challenges and barriers that Indigenous entrepreneurs from Quebec are facing. The third and last section illuminates the synergy in the Indigenous entrepreneurial ecosystem of Quebec. Overall, these foci allow us to understand the areas of improvement better to make this ecosystem more efficient.

### **Axis 1: Investigating and Mapping the Profile of Indigenous Entrepreneurs in Quebec**

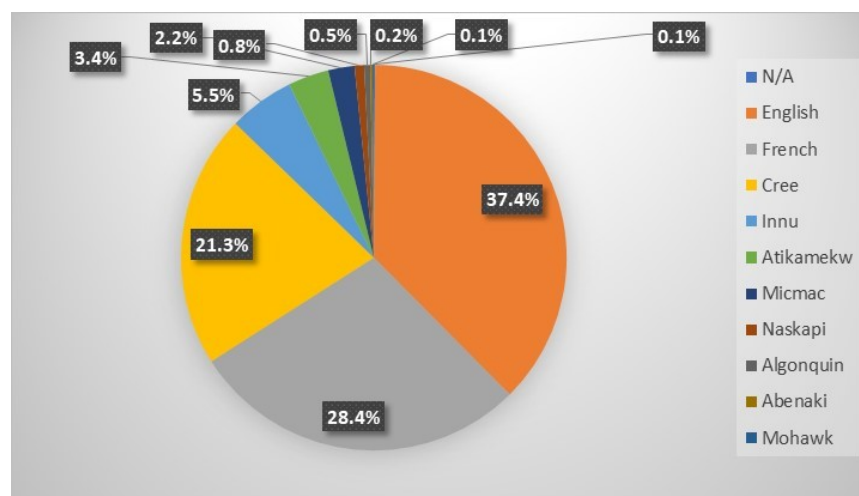
#### *Businesses profile*

In analyzing FNQLEDC's Indigenous business repertoire, we came with five insights regarding characteristics that can influence accompaniment needs. The figures below (1 to 5) summarize the details of Quebec's Indigenous businesses. First, 48.1% of Quebec Indigenous entrepreneurs are self-employed, highlighting that Indigenous businesses are mostly small businesses and self-employed income. Another 30.2% of Indigenous businesses employ two to five people. Since small businesses generally need to be multi-functional in their day to day tasks, this could mean a need for general business knowledge and accompaniment services.

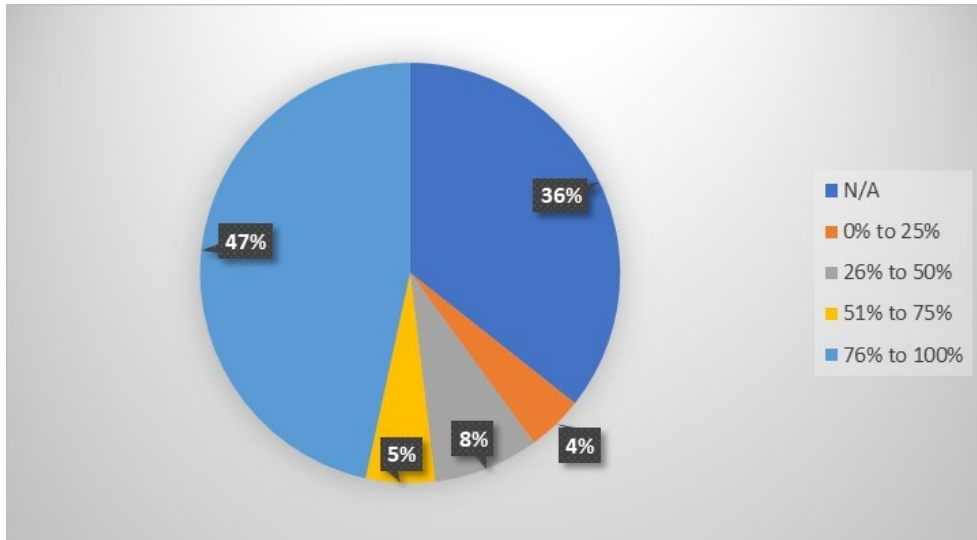
**FIGURE 1**  
Size of Indigenous Businesses in Terms of Employees



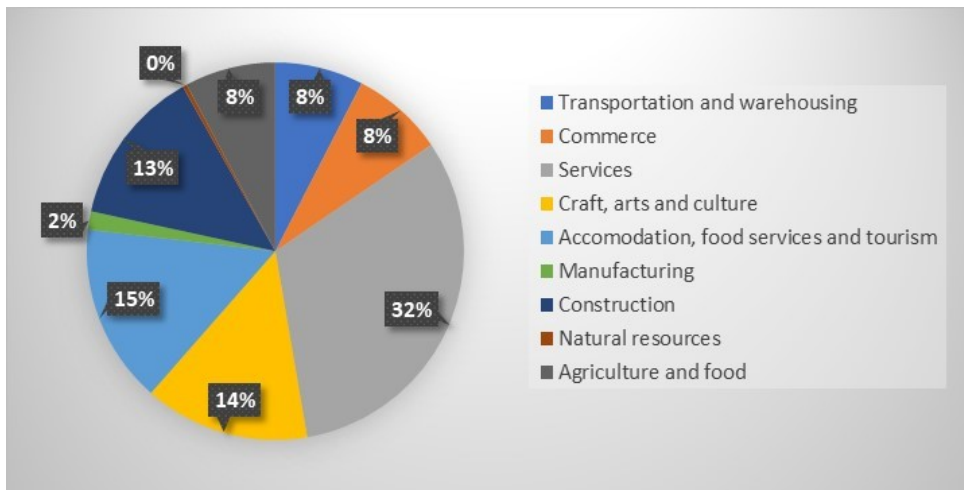
**FIGURE 2**  
Main Languages Spoken and Used Within Indigenous Businesses of Quebec

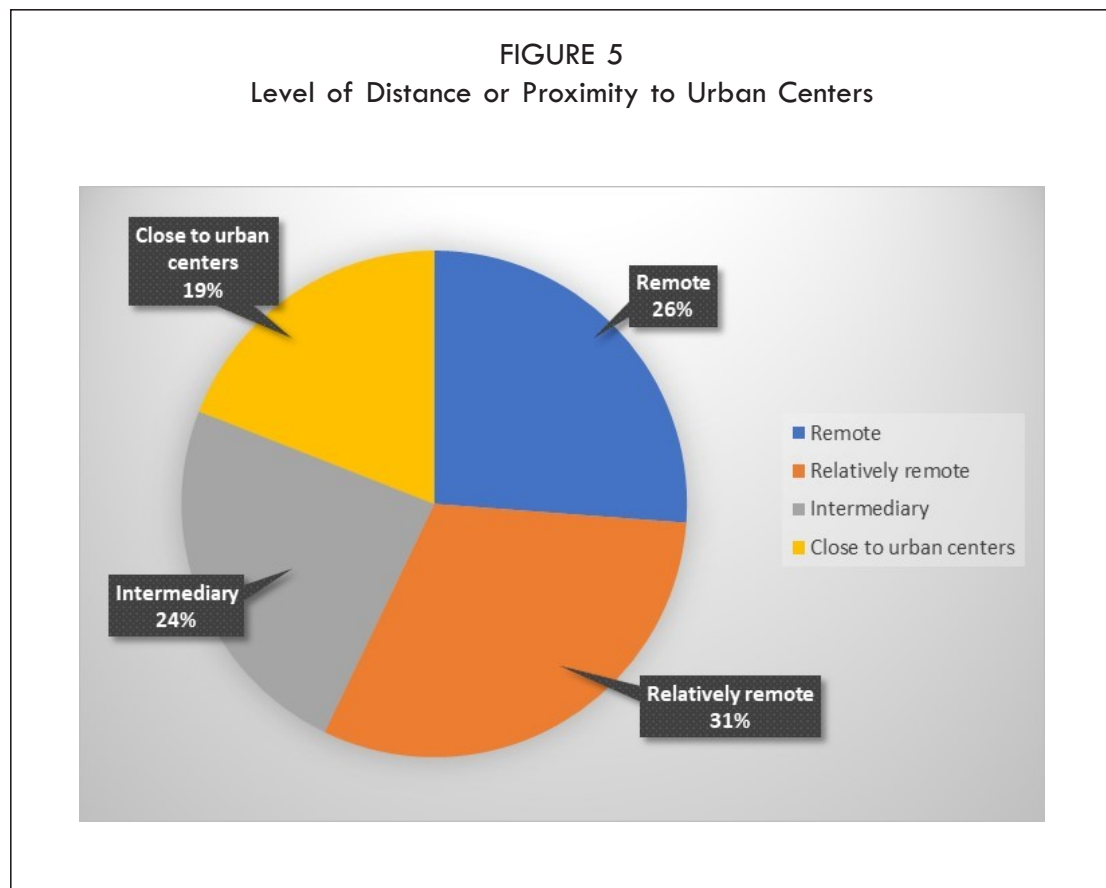


**FIGURE 3**  
Proportion of Natives In the Workforce



**FIGURE 4**  
Activity Sectors in Which Indigenous Businesses Operate





Second, in terms of main languages spoken within Indigenous businesses, 37.4% of Quebec's businesses rely on English as the primary language, while 28.4% use French. In sum, a total of 65.8% of Indigenous businesses can receive accompaniment services in one of the two languages. The remaining businesses (34.2%) declared their traditional language as the language mainly used. This shows the importance of considering local languages as essential vectors for sharing information with entrepreneurs. Then, regarding administrative bureaucracy, this raises questions about the ability of entrepreneurs to understand and complete official documents in an informed manner.

Third, 52% of businesses have at least 51% of their workforce occupied by Indigenous people. This highlights that culture and ways of doing things are probably omnipresent in Indigenous businesses. In this sense, in their interactions with suppliers and business partners coming from varied cultural horizons, the probability that issues of cultural understanding arise increases. This should be taken into consideration within accompaniment services in terms of cross-cultural training.

Fourth, it is interesting that Indigenous businesses operate in a variety of sectors. Our analysis showed that 32% of Indigenous businesses operate in industries related to finance, educational services, repair and maintenance, professional and technical services, support services, waste management, and healthcare services. Then, 14% of Indigenous businesses

operate in craft, arts, and culture, while 15% operate in accommodation, food services, and tourism, and another 13% in the construction industry. This shows a great variety in terms of activities and therefore, it translates into a need for support services that are diversified and in accordance with the specificities of each industry.

Fifth and last, in terms of geographic localization, we found that 26% of Quebec's Indigenous entrepreneurs are situated in remote regions, 31% in relatively remote regions, 24% in intermediary regions, while 19% are close to urban centres. This typology is based on the following criteria: remote regions are difficult to access by road and are not close to any village or community of 500 inhabitants or more. Relatively remote regions are classified as such by Quebec public authorities:<sup>1</sup> either less than 90 minutes of driving from a village or town with less than 2,500 inhabitants, or more than 90 minutes of driving from a city between 2,500 and 35,000 inhabitants. Intermediary regions are situated less than 30 minutes from cities with more than 2,500 inhabitants or one hour or more from a city of 30,000 inhabitants or more. Lastly, close to urban centres, communities are usually 30 minutes away from driving from a city of more than 20,000 inhabitants. In terms of accompaniment and support services, this means that 57% of Indigenous businesses can face difficulties getting access to suppliers, costumers, potential partnerships, and support services.

### *The Entrepreneurial Ecosystem*

With respect to the analysis of the entrepreneurial ecosystem, our literature review enabled us to classify the services according to their target: exclusively to an Indigenous clientele or to the entire Quebec population. Table 1 summarizes the main services currently available.

*Exclusive service for Indigenous people.* Regarding services intended exclusively for Indigenous populations, an initial observation reveals the fact that the offer is mainly focused on business financing. Only the FNQLEDC has a mandate focused on entrepreneurial accompaniment without a financing offer. Its mandate is thus to support the work of the CEDOs spread throughout almost all 10 First Nations and to offer support services directly to entrepreneurs. Otherwise, other organizations offer both accompaniment and financing services. This is the case of First Nations of Quebec Investment, which, in addition to its role as a venture capital investor, offers consulting and coaching services to community or private businesses for all First Nations of Quebec. In addition to financing and assistance in drafting the business plan, Native Commercial Credit Corporation (NCCC) offers several First Nations<sup>2</sup> of Quebec financing in the form of loans, consulting services, support for the development of the business project, and assistance in drafting the financial package and follow-up for the company. For its part, Aboriginal Tourism Quebec offers a financing and project support service in the field of tourism for the 10 First Nations and the Inuit nation. In a more targeted manner for the Cree Nation, the *Eeyou Economic Group* offers loans to entrepreneurs, in addition to support in the drafting of the business plan. Also, for the Cree Nation, the Société de développement de la Baie James (SDBJ) offers business support services in the post-financing phases (growth, repositioning, diversification).

<sup>1</sup> For this specific category, note that the Quebec government labels them as "intermediary communities", a term that we use for another category to clearly distinguish the remoteness of communities.

<sup>2</sup> Nations Abénakise, Algonquine, Atikamekw Crie (PDEA seulement), Huronne-wendat, Malécite, Micmaque, Alliance Autochtone du Québec.



TABLE 1 Accompaniment Services Offered to Indigenous Entrepreneurs	
Indigenous Exclusivity	Indigenous and Non-Indigenous People
<p><b>Coaching</b> FNQLEDC: Support for Community and Economic Development Officers (CEDOs) in First Nations communities</p>	<p><b>Wage subsidies</b> Local employment centers, Local development centers, Youth employment centers, Some Chambers of Commerce.</p>
<p><b>Coaching and financing</b> First Nations of Quebec Investment (FNQII): venture capital; consulting, coaching. Native Commercial Credit Corporation (NCCC): loans, consulting, start-up support and follow-up. Aboriginal Tourism: financing and support. Eeyou Economic Group: loans and start-up support. Société de développement de la Baie James (SDBJ): loans, investments, support for growth.</p>	<p><b>Funding and support</b> Canada Economic Development; Société d'aide au développement de la collectivité Côte-Nord; Entrepreneurship Foundation; Regional Centre for Adult Education</p>
<p><b>Financing</b> Cree Nation Government Department of Commerce and Industry: Start-up and Growth; Corporation for the Economic Development of Montagnais (CDEM): loans. Aboriginal Affairs Secretariat: multiple funding</p>	

In terms of organizations that only offer financing services, we have identified the *Cree Nation Government Department of Commerce and Industry*, which offers financing for business start-ups and growth, as well as a special fund for sustainable businesses and cooperatives. As for the Innu Nation, the Corporation for the Economic Development of Montagnais (CDEM) offers loans to entrepreneurs in the nine communities on the North Shore and Saguenay-Lac St-Jean. On the government side, the Secretariat for Aboriginal Affairs offers financial support in several forms to economic, social, or community projects through the Aboriginal Initiatives Fund III.

*Services for Indigenous and non-Indigenous clientele.* Certain services intended for the general Quebec population are also accessible to Indigenous entrepreneurs. These include wage subsidies at Emploi Québec, through Local Employment Centres, regional organizations such as Local Development Centres, and Youth Employment Centers, as well as some chambers of commerce. Funding and support services are also provided through Canada Economic Development, the Société d'aide au développement de la collectivité Côte-Nord, the Foundation for Entrepreneurship and its mentoring program. Otherwise, the Regional Centre for Adult Education in several regions offers the opportunity to contribute to workforce training for start-up projects. It should be noted that the ecosystem also includes accounting firms, specialized consultants, and financial companies. These services are also available to Indigenous entrepreneurs.

## Axis 2: Unveiling the Barriers to Indigenous Entrepreneurship

To better understand the Indigenous entrepreneurial ecosystem of Quebec, our analysis also focused on the barriers to Indigenous entrepreneurship. We have identified three barriers: technical, human, and financial. Each barrier is explained and illustrated below.

### *Technical Barriers: When the Context Matters*

Our research suggests that Indigenous entrepreneurs of Quebec are facing significant technical barriers that limit their entrepreneurial potential. Those barriers are particularly linked to the context in which they operate and are related to five specific challenges: language, access to information, availability of commercial space, and business management knowledge, as well as geographic isolation.

*Language.* First, the language challenge seems to be an important one for the Indigenous entrepreneurs we met. Because many of them only speak their native language or are not fluent in another language, relying on one of the two national languages (French and English) for external collaborations was a hindrance. This was particularly the case for vital activities such as writing emails for collaborations, preparing business plans for financial institutions, and obtaining the required permits to operate their businesses.

*Access to information.* Having the right information is essential for the proper functioning of organizations. Yet, due to their geographic remoteness and poor knowledge of the entrepreneurial ecosystem, Indigenous entrepreneurs face a critical issue related to access to relevant information for their venture. For instance, many Indigenous entrepreneurs emphasized their lack of awareness of the existence of specific governmental procedures and financial opportunities. They also regularly suggest that they do not know the stories of successful Indigenous businesses, which could lead them on the right path to follow.

*Availability of commercial space.* While it is recognized that access to retail space is vital to businesses, the Indigenous entrepreneurs we have interviewed reveal that the availability of commercial space is a significant issue for them. This is particularly true in small communities, where the legal area (recognized by the federal government) is limited, leading to increased competition between commercial and residential land-use. Moreover, the process through which Indigenous entrepreneurs obtain retail space—through band council approval—is deemed to be complicated, lengthy, and sometimes corrupted. In fact, commercial space is a broad issue because of its political implications. It is the federal government, through its Minister of Aboriginal and Northern Affairs, that has authority over the use of these lands on each of the reserves (the “communities” as defined in the *Indian Act*). Band councils do not have the authority to sell, surrender, or lease reserve land, other than to the federal government (André-Grégoire, 2017). However, most of the land allocated to the communities is used for housing and community infrastructure, such as schools and sports centres. There is virtually no commercial space for rent on the communities and practically no land available for building individual businesses. This situation is a major obstacle for entrepreneurs, since it is often difficult for them to find space to establish their businesses and carry out their activities.

*Business management knowledge.* Entrepreneurial and managerial competencies are another issue facing Indigenous entrepreneurs. For instance, many of them suggested that they wish they could develop a deeper understanding of accounting, taxation, and other vital activities, such as marketing and human resources management. These are the fundamental skills allowing the proper functioning of organizations. Perhaps a bit more surprising and unsettling, CEDOs themselves are also lacking business management and entrepreneurial knowledge. Yet, they are in the frontline to support entrepreneurs in their ventures. Many CEDOs we interviewed have themselves pointed out that they do not necessarily feel competent in what they do. There is great inconsistency between the tasks that these CEDOs must accomplish and the skill profile of several of them. The consequence is that the CEDOs become mere administrative transmission chains, rather than agents of change.

*Geographic isolation.* Finally, the geographic isolation of those Indigenous entrepreneurs, living far from urban centres, is a vital barrier insofar as it considerably reduces the market opportunities for businesses. Moreover, it makes any business model quite tricky because of the difficulty of accessing reliable and quality suppliers. Ultimately, when transported to remote communities, raw materials tend to be very expensive due to transportation costs.

#### *Human Barriers: Socio-Cultural Issues at Play*

The second category of barriers identified in our analysis is related to socio-cultural issues. These barriers are less numerous than the previous one, but no less critical. They may even be more delicate in the sense that they represent a set of implicit values and beliefs that is difficult to undo and rooted in historical realities. Three specific challenges are identified here: relationships with non-Indigenous peoples, reluctance to engage in non-Indigenous behaviours, and local competition.

*Relationships with non-Indigenous peoples.* A significant challenge that Indigenous entrepreneurs face is related to their relationships with non-Indigenous peoples, whether they are customers, partners, or suppliers. Overall, the Indigenous entrepreneurs we have interviewed agree that their relationships with non-Indigenous peoples are mostly built on distrust and fear of judgment, thus leading to great hindrances in developing and nurturing sustainable partnerships and networking. Entrepreneurs are continually suspicious of being scammed, so to speak. These concerns are clearly fuelled by the tragic history of the Canadian First Nations, who have long been stigmatized and discriminated against institutionally (Dussault & Erasmus, 1996). It is for this reason that we argue that this fear is a crucial issue — because it is invisible and based on deep-rooted values and beliefs.

According to many Indigenous entrepreneurs, there is still a mistrust stemming from the legacy of residential schools. It is reported that residential schools forced people to abandon their personality traits that are necessary for entrepreneurship (boldness, risk tolerance, ability to speak in public, confidence in the future, etc.). As a result of these conditions, the entrepreneurial spirit is repressed in Indigenous communities and instead left in the hands of the band council, whose responsibility is to see to the economic and social well-being of the community. In the same vein, several participants pointed out that there is still a lack of trust among non-Indigenous towards Indigenous. While partnerships between Indigenous and non-Indigenous businesses are promoted and desired, many business opportunities are not explored because of this mistrust. It should also be noted that such partnerships can

be complicated from a fiscal and regulatory point of view, since laws and rules can be different for businesses on reserve.

*Reluctance to engage in behaviour considered non-Indigenous.* Another important barrier related to socio-cultural issues is linked to the fact that many Indigenous entrepreneurs experience significant tensions and paradoxes inherent in their entrepreneurial activities. These are associated with a generalized reluctance to engage in certain behaviours considered as ‘non-Indigenous’. Among those, Indigenous entrepreneurs we interviewed constantly ask themselves how to succeed without compromising their Indigenous identity? How to reconcile business with traditional Indigenous values? For example, the notion of profits is negatively perceived, while private enterprise itself is stigmatized and seen as individualistic. The idea of competition among the same members of a given community is seen as contradicting the values of unity, cohesion, and collaboration inherent in Indigenous cultures. Entrepreneurs mentioned an incompatibility between Indigenous collaborative and community values that are inconsistent with the values promoted by the entrepreneurial ecosystem organizations and the criteria of the funding programs: “First Nations are told ‘*Be proud*’, but their access to funding is being forced outright [based on] their values.” Taken together, these tensions relating to ‘appropriate’ behaviour tend to paralyze entrepreneurial action. In other instances, they even tend to distance entrepreneurs from the economic sphere.

*Local competition and the role of the local government.* A final barrier in this category is related to the opposing views and logic regarding economic development within Indigenous communities. More precisely, the issue of local competition between local governments — as an economic agent for collective value — and private enterprises is critical. Due to the asymmetry of power and resources, many Indigenous entrepreneurs encountered are discouraged by this competition, which is considered unhealthy. The broader question here is, what place can private entrepreneurs occupy in the entrepreneurial ecosystem of communities? Are individual entrepreneurs on an equal footing with businesses managed by local governments, or are they relegated to the background? These questions generate significant doubts among the Indigenous entrepreneurs we interviewed. Moreover, since the support of local governments greatly facilitates the development of an entrepreneurial project, it was also reported to us that this could lead to fears of going into business for entrepreneurs who would not succeed in convincing the local government Council, or who would already be on bad terms with one of its members. Since the Council is called upon to support different projects, there may also be difficult choices between various private entrepreneurship projects, and between collective and individual projects as well. The fear of having one’s idea stolen by the board was also mentioned. As in other circles, favouritism, antipathies, and conflicts of interest can prevail, and project holders are not necessarily on an equal footing when it comes to garnering official support. Local governments can, therefore, have a significant influence on the professional development of an individual and the setting up of a business.

### *Financial Barriers: Dealing with the Legal-Institutional Burden*

Finally, financial barriers, especially those relating to the legal-institutional legacies, are also essential hindrances to Indigenous entrepreneurship in Quebec. Here, two specific challenges are raised: the taxation system and financing.

*Taxation system issue.* Similarly, the taxation of an Indigenous business differs from that of a non-Indigenous business. First, under the *Indian Act*, the income of Indigenous individuals

and businesses is considered personal property and, therefore, is not taxable. However, for the exemption to apply, the activities must take place in the territory of the community. As soon as these conditions change, the Quebec and Canadian rules apply. The factors then to be considered are the place of residence of the entrepreneur, the type of work performed, the place where the work was performed, and the nature of the benefit derived by Indigenous. Second, Indigenous people are also exempt from paying taxes on goods purchased on a reserve or delivered to a reserve by the vendor. For Indigenous entrepreneurs, this means that they must deal with different rules depending on whether they sell to an Indigenous or non-Indigenous clientele and whether they operate exclusively within communities. Specially trained professionals (e.g., accountants, lawyers) are therefore often needed to overcome this complexity; this can represent additional costs or delays, as these professionals are rare to find.

*Financing.* Access to funding is undoubtedly a vital element of any entrepreneurial project. However, in the Indigenous context a major obstacle is the impossibility of using one's home as collateral for a loan from a financial institution (Quesnel, 2019). Indeed, under the *Indian Act*, property on the reserve is exempt from seizure, which prevents Indigenous entrepreneurs living on reserve from using this form of security to finance their business projects. While non-Indigenous entrepreneurs commonly use this formula, the obstacle posed by the *Indian Act* to Indigenous entrepreneurs is experienced as a very significant problem in the communities. However, as discussed in the previous section, programs exist to circumvent this problem by explicitly targeting Indigenous entrepreneurs. Also, there are loan guarantees that band councils provide on specific occasions. However, the critical difference between Indigenous and non-Indigenous identified by the *Indian Act* is unanimously viewed by the respondents as a distinction of pejorative treatment.

### **Axis 3: Analyzing the Ecosystem's Synergy Issues**

In this third and final analysis step, we focused on the support services ecosystem, trying better to understand the nature of the synergy between its actors. We mainly focus on the synergy of the support services ecosystem, the collaboration among actors, and across different regional entities, as well as the nature and duration of support services.

*Synergy of the support services ecosystem.* To obtain an understanding of the existing dynamism of support services for Indigenous entrepreneurs, we directed our attention to three elements. First, we analyzed the perceptions of the support services offered by comparing EDOs and entrepreneurs' perceptions to see how the entrepreneur's needs are met (Verzat & Gaujard, 2009). Second, we investigated the state of collaboration between actors of the ecosystem to get a better understanding of its dynamism (Spigel, 2015). Third, we paid attention to the process and duration of support services (Barès & Chabaud, 2012; Verzat & Gaujard, 2009).

To get a better understanding of the adequation between entrepreneurs' needs and the support services offered, we compared perceptions of entrepreneurs and CEDOs on entrepreneurship in Indigenous context. Table 2 illustrates three elements that particularly caught our attention: financial resources, business knowledge, support services. First, as Table 2 shows, financial resources are considered challenging to acquire for Indigenous entrepreneurs. Because Indigenous people living on communities do not own the land they live on (as dictated by the *Indian Act*), they cannot give their houses as a guarantee to financial institu-

TABLE 2  
Comparison of Perceptions of Support Services

	Financial resources	Business knowledge	Support services
<b>According to EDOs</b>	Entrepreneurs lack the necessary capital investment	Entrepreneurs lack business knowledge and need business plans to be drafted for them	Our job is to support entrepreneurship
<b>According to entrepreneurs</b>	Every entrepreneur interviewed in this study used their own capital to start their business	EDOs lack business knowledge and need help from consultants	EDOs spend their time on band council business
<b>Elements of analysis</b>	One of the main difficulties for EDOs is to help entrepreneurs get access to funding, mainly due to lack of down payment money. Access to funding is hard for entrepreneurs who do not already have enough money to launch their business on their own.	Entrepreneurs and EDOs often lack basic business knowledge. Consequently, money is often spent to find outside help to fill this need. Help from consultant is often generic and does not consider cultural differences.	EDOs spend most of their time working for the band of Council and have less time for entrepreneurs. In most communities, there is no long-term economic development strategy that take entrepreneurship into account.
<b>Element of solution</b>	Funding programs should consider that due to the <i>Indian Act</i> , Indigenous entrepreneurs living in communities cannot put their house as a guarantee, as entrepreneurs outside of communities often do.	Educational programs should focus on basic economic and business knowledge for Indigenous entrepreneurs. Those business education programs should be adapted to Indigenous realities.	Two economic development model are in competition inside communities: There is a need for communities to develop long-term economic strategies that take entrepreneurship into account.

tions. Therefore, that explains why entrepreneurs say they started their business with their own money, while CEDOs say Indigenous entrepreneurs generally do not have enough personal money.

Second, business knowledge is lacking in both entrepreneurs and CEDOs. From the entrepreneur's point of view, CEDOs tend to hire consultants because they lack the knowledge to do the work themselves. These consultants are professionals who give assistance to CEDOs on matters relating to economic development, specific fields like forestry or industries, and government tender notices. From the CEDOs point of view, entrepreneurs usually have difficulties in carrying out their business projects. According to CEDOs, entrepreneurs tend to expect CEDOs to write business plans for them, either because they lack writing literacy or basic business knowledge. Consequently, many abandon their project or choose to hire consultants to write for them. In either case, these situations have a negative impact on entrepreneurial and business knowledge of CEDOs and entrepreneurs that are not developed in the process of developing the business opportunity. Entrepreneurs do not learn when the

business plan or other documents are written for them, and EDOs do not learn if they do not have the opportunity to work closely with entrepreneurs.

Third, support services from CEDOs are mostly directed towards the needs of local governments. According to CEDOs, support services to entrepreneurs are part of their job description. Still, they agree that they do so in a lesser way than they do for the community's local government projects. By contrast, most entrepreneurs were not aware CEDOs could offer them services and thought CEDOs worked only for the local government and not for individuals. As we realized during our interviews, there is a general lack of communication between EDOs and entrepreneurs in every community we visited.

*Collaboration.* At a regional level, new businesses tend to benefit from an environment where there is a continuous collaboration, learning (Malmberg & Maskell, 2002) and channels of communication (Verzat & Gaujard, 2009). This type of social climate, combined with resources such as a shared regional labour pool, local knowledge, and connection with nearby research universities, contributes to a robust entrepreneurial culture (Spigel, 2015). Unfortunately, our results with Indigenous entrepreneurs showed that entrepreneurs and CEDOs perceive these elements to be lacking.

In terms of collaboration, knowledge, and resources at a local level, CEDOs play a major role in terms of advising entrepreneurs and sharing information. Nonetheless, according to CEDOs, there are few channels of communication that permits collaboration between them. They also mention collaborating mostly with outside government agents and consultants to help with market research, business plans, and other tasks. Although CEDOs have access to ongoing training through FNQLEDC, government programs, and regional resources like chambers of commerce (for non-isolated communities), many of them say they feel isolated and believe they would benefit from exchanging best practices among themselves and other economic development actors. Furthermore, both CEDOs and entrepreneurs say CEDOs spend a major part of their time working on local government business and have less time for entrepreneurs. As a result, there are very few collaborations between them to develop knowledge about business opportunities at the local level (Spigel, 2015).

On a more global level, for an ecosystem to be considered dynamic, a diversity of actors and strategies is necessary, as well as structures that link entrepreneurs with the outside environment. According to these criteria, our results show that the Indigenous entrepreneurial ecosystem cannot be qualified as dynamic. Our research identifies only a few channels of communication and collaboration between actors. Rather, we found that the responsibility lies with FNQLEDC to ensure coordination between the local and regional level. FNQLEDC, as the main support organization, offers technical and advisory resources to both CEDOs and First Nation's entrepreneurs directly. It also engages in networking activities — for example, by working in collaboration with First Nations of Quebec Business Network. FNQLEDC appears to have taken the central position in the First Nations entrepreneurial ecosystem, and it tends to channel and centralize efforts to educate and promote an entrepreneurial culture within First Nations. Furthermore, according to CEDOs, most First Nations communities do not have a strategic economic development plan that takes entrepreneurship into account (excluding businesses launched by local governments), thereby reinforcing the centralized role of FNQLEDC.

Ultimately, for an entrepreneurial ecosystem to be considered dynamic, the information should be fluid and decentralized, and new actors, such as mentors, and emerging networks should be freely connecting with entrepreneurs and CEDOs. According to Spigel (2015),

investment capital within local regions should also be available in a way to reinforce and help create more local entrepreneur success stories, thus contributing to normalizing entrepreneurial activities, risk-taking, and innovation, all components of a supportive entrepreneurial culture (Spigel, 2015).

*Nature and duration of support services.* In terms of services to Indigenous entrepreneurs, our results show that the offer is mainly based on helping to find funding and assistance in writing business plans. Some CEDOs also mentioned they have helped entrepreneurs in the ideation phase and involved in developing market study and obtaining legal and other specific or specialized service providers' documentation, including exportation. No CEDOs mentioned working with entrepreneurs on the growth phase of their business, and none of their services are set to be particularly adapted to cultural specificities, like considering how entrepreneurial activities can contribute positively to the community. This means that support services offered in Indigenous communities are mostly generic, centred on the first stages of business launch, and not culturally adapted.

## DISCUSSION AND CONCLUSION

As a reminder, the objective of this research was to deepen our understanding of the Indigenous entrepreneurial ecosystem in Quebec, Canada. We offer three specific contributions to the literature on this topic. First, our research offers a portrait of Quebec's Indigenous entrepreneurial ecosystem by highlighting companies' and entrepreneurs' profiles and by describing support services available to Indigenous entrepreneurs. By doing so, our study contributes to an understanding of the specificities of Indigenous entrepreneurship activities and how support services could address them. Second, this study contributes to research on Indigenous entrepreneurship by unveiling specific technical, human, and financial barriers that hinder entrepreneurship. Third, our research also provides insights into the entrepreneurial ecosystem by comparing entrepreneurs' needs and support services, revealing a lack of synergy due to few channels of communication and collaboration between actors of the ecosystem. Also, it reveals that support services are almost solely focused on financial needs. Furthermore, our findings show that the accompaniment is shared between local governments and individual entrepreneurs, creating a situation of competition between these two forms of entrepreneurship. All in all, our research framed the issue of entrepreneurial accompaniment and support services with the idea of understanding adaptation needs to the Indigenous context.

### **Implications of Indigenous Entrepreneurs' Reality for Accompaniment Services**

By revealing the specificities of the Quebec Indigenous context, our study highlights five implications for support services.

First, this research emphasizes the fact that 78% of businesses have five or fewer employees. This can have an impact on what is needed in terms of support services. For example, entrepreneurs with very few employees might not have on hand help for book-keeping, marketing, training, or other management tasks. Therefore, we think there might be a need for support services on those matters.



Second, our results show that 34.2% of companies operate in a language that is neither French nor English. What this situation shows us is the possibility that those companies might be less at ease to interact with government bodies, write or read official documents, collaborate with non-Indigenous companies, and nurture partnerships outside of their nation. Support services should take these needs into account.

Third, our data reveals that 52% of companies mostly employ Indigenous people. This can have consequences for the need for cultural adaptation when dealing with non-Indigenous customers, other businesses, or government officials. Accompaniment could, therefore, include the cultural dimension of how to do business with other cultures. In international business, for instance, cross-cultural training is frequent and is useful in doing business in different cultures. Similar training could be done in Quebec, bridging various practices and perspectives through cultural training.

Fourth, our findings show that the Indigenous economy is mainly composed of businesses in the service industry. Together, they make up 61% of all businesses. This includes businesses in craft, arts, and culture, as well as in accommodation, food services, and tourism. What this tells us is that these businesses operate mostly locally, and their clientele is a mix of Indigenous and non-Indigenous people. This could imply the need for specific training, like customer service courses and online marketing. Interestingly, these sectors are mostly culturally driven, and therefore, we argue that support services should be able to address the puzzle of promoting traditional culture without compromising it. More importantly, support services should consider the diversity of industries and businesses and the different issues and challenges it implies.

Fifth, our research highlights the remoteness of Indigenous entrepreneurship. As shown in our results, 57% of companies are situated in geographic areas qualified as remote or relatively remote, indicating that accessibility to supplies, customers, and services can be difficult.

Therefore, not only support services should address these specific challenges, but should also adapt its own availability with online services when possible, local training from professionals and teachers who would travel from one community to another, as well as partnerships between local schools and universities for the development of joint training.

## **A Facilitating Posture of Entrepreneurial Accompaniment**

Our research suggests that the Indigenous context presents several challenges that are specific to it — for example, the impossibility of securing housing, the scarcity of commercial space, and the influence of non-Indigenous businesses as partners and clients. While our research paid attention to the specific needs of entrepreneurs, it also reveals that support services seem to respond only to a lesser extent to these needs, for they generally imitate the standards of the rest of Quebec society. The service offer is mainly based on financing and assistance in writing the business plan. The support is mostly technical and not focused on prior business knowledge. Furthermore, except for the accompaniment services offered by CEDOs in each community and of FNQLEDC at the provincial level, the proposed assistance consists mostly of venture capital-type financing. This situation seems particularly problematic, as it limits access to services for entrepreneurs with little basic business literacy, which is a characteristic of many Indigenous people living in communities.

Regarding the synergy of the entrepreneurial ecosystem, our research reveals that the main channel of collaboration between organizations and elements of the ecosystem is provided by CEDOs, whose job is to refer entrepreneurs to the appropriate resources. To our knowledge, apart from the work of the FNQLEDC and CEDOs, there is no global strategy to link Indigenous specific challenges, support services, entrepreneurial activities, and overall economic development. In doing so, relying mainly on the work of CEDOs and FNQLEDC without further collaboration between the other actors, the ecosystem remains fragmented and static (Moroz & Hindle, 2012). As a result, economic development is guided by so-called “traditional strategies” (Mack & Mayer, 2016), centred on a market and competitive logic (Schmitt et al., 2016).

Overall, these results suggest that rethinking Indigenous support services and the overall entrepreneurial ecosystem could benefit from an integrative strategy that would consider the specificities of the environment and aim at creating a sense of meaning for Indigenous entrepreneurial activities. As Schmitt et al. (2016) explain it, in doing so, the role of accompaniment would be to co-construct with other actors of the ecosystem. In what they call the “facilitating posture”, the authors suggest that instead of focusing solely on the entrepreneurs and their business plans, an integrative accompaniment strategy would consider the business opportunity, meaning the integration of the business idea into its environment. For example, accompaniment methods would aim at helping entrepreneurs be aware of their implicit knowledge (who they are, what they know, their strengths and weaknesses), and how to express it and value it (Chabaud et al., 2010; Schmitt et al., 2016). Doing so would “not lead to technical answers, but rather to answers in relation to the entrepreneur’s own background, desires, ambitions, understanding of the environment, etc.” (p. 9).

In short, within the Indigenous context, we believe a facilitating posture could help to reinforce the entrepreneurial ecosystem and support services that situate the entrepreneur (knowledge, background), and the business opportunity (how to gather resources, access the market, make partnerships), with the environment (what are the challenges, what are the facilitating elements of the ecosystem). From such a systemic perspective, it is not only each component of the entrepreneurial situation that needs to be worked on, but above all, the interaction between these different dimensions. As Schmitt et al. (2016) put it, a facilitating posture means considering actors of an ecosystem more as partners (partnership logic) than as potential competitors (competitive logic) in the traditional vision. In this sense, our results pave the way for a broader discussion relating to how local governments, economic development organizations, funding agencies, and business support services organizations can work together for a comprehensive economic development strategy within Indigenous contexts. Such a nation-wide strategy could be the first step in this sense.

## Concluding Remarks

All in all, our research sought to analyze the current support services ecosystem targeting Indigenous entrepreneurship, which has been little researched in Quebec, and never, to the best of our knowledge, within Indigenous contexts. This is important insofar as several studies show the uniqueness of Indigenous businesses as hybrid forms that differ from more traditional entrepreneurship — by having more collective, social, and ecological objectives at the core of their mission (Dana & Anderson, 2007; Peredo & Anderson, 2006). What we have found is that entrepreneurial accompaniment in the Indigenous context presents a strong need for flexibility with respect to the challenges of the context and the uniqueness of

Indigenous cultures, businesses, and entrepreneurs. Through this research, we hope to have achieved a deeper understanding of the realities and needs of Indigenous entrepreneurs in Quebec in terms of accompaniment services.

Ultimately, our research raises several unanswered questions that we believe are fundamental. First, we need to develop our understanding of how economic development and entrepreneurial support can contribute to meeting the basic needs of Indigenous populations, such as food security and health. Second, another exciting avenue would be to quantitatively document Indigenous entrepreneurial dynamics and realities by assessing how individual, community, and organizational dynamics differ across institutional and geographic contexts. Third and last, another avenue could adopt an ethnographic approach to “live” the Indigenous entrepreneurial experience as its members live it and, in so doing, plunge into the Indigenous imagination through an entrepreneurial adventure. This experience would thus make it possible to better grasp the social, political, and symbolic realities relating to Indigenous entrepreneurship, and therefore the need to adopt policies and support structures in these contexts.

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## Introduction

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Robert Oppenheimer

The State of the Indigenous Economy as measured by employment measures was mixed. In 2019 wage rates increased for Aboriginals, their unemployment rates remained the same, while their employment and participation rates decreased. In contrast, all four of these rates improved for non-Aboriginals. In the following article, employment, unemployment, and participation rates are examined by gender, age, economic sector, and education level for Métis and First Nations. Historically these rates have been better for non-Aboriginals than for Aboriginals, and this was still the case in 2019. However, the employment rate is higher for Aboriginals who completed high school and post-secondary education than for non-Aboriginals who attained the same level of education. Thus, there appears to be a clear relationship between the education level attained and the employment rate. A reasonable conclusion is that adopting strategies that increase education levels of Aboriginals would improve the state of the Indigenous economy.

# *A Review of Unemployment, Employment, Participation, and Wage Rates for Aboriginals and Non-Aboriginals — 2007–2019*

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Robert J. Oppenheimer

PROFESSOR EMERITUS, JOHN MOLSON SCHOOL OF BUSINESS, MONTREAL, CANADA

## **ABSTRACT**

For Aboriginals in Canada, their employment and participation rates decreased, and their unemployment rate remained the same in 2019. In contrast, non-Aboriginals' unemployment, employment, and participation rates improved. These rates and wage rates are and have historically been more favourable for non-Aboriginals than for Aboriginals. These rates are examined by gender, age, and sector, as well as for Métis and First Nations.

## **INTRODUCTION**

Employment data for Aboriginals 15 years and older living off reserves and for non-Aboriginals is presented for 2007 through 2019 to enable the reader to assess the changes over time. The focus will be on the changes from 2018 to 2019. The next section presents an overview of employment measures.

## **EMPLOYMENT, UNEMPLOYMENT, AND PARTICIPATION RATES DEFINED**

The employment rate is the percent of those working in the total population who are over the age of 15. The participation rate is the percent of those employed and those seeking to be employed over the same population. The higher these rates, in general, the better the economy is thought to be doing. In contrast, the lower the unemployment rate, the better the economy is considered to be doing. The unemployment rate is the percent of those seeking employment divided by those employed and those seeking employment. The combination of those employed and those unemployed (i.e., those seeking employment) is considered the labour force. Therefore, another way of defining the unemployment rate is the percent of



those unemployed in the labour force. Similarly, another way of defining the participation rate is the percent of the labour force in the population. It may be helpful to note that the employment and unemployment rates are not directly related, as they are measured in different ways.

## **EMPLOYMENT, UNEMPLOYMENT, AND PARTICIPATION RATES**

The unemployment rate has been at least 67.1% higher (worse) for Aboriginals than for non-Aboriginals since 2007. It was 83.6% higher in 2019, which is the largest difference since 2007. Aboriginals' unemployment rate was unchanged in 2019 from 2018 at 10.1. The non-Aboriginal unemployment rate of 5.5 in 2019 improved from 5.7 in 2018 (a decrease of 3.5%).

The participation rate has been consistently lower (worse) for Aboriginals than for non-Aboriginals. For Aboriginals it was 64.1 in 2018 and 63.9 in 2019, a decline of 0.3%. In contrast, for non-Aboriginals it increased (improved) by 0.5%, going from 65.4 in 2018 to 65.7 in 2019.

The employment rate for Aboriginals in 2019 was 57.5, and in 2018 it was 57.6, a decrease of 0.2%. For non-Aboriginals it increased (improved) by 0.6%, from 61.7 in 2018 to 62.1 in 2019. Similar to the participation rate, the employment rate has been consistently lower (worse) for Aboriginals than for non-Aboriginals.

In summary, the participation, employment, and unemployment rates improved for non-Aboriginals in 2019, while for Aboriginals their participation and employment rates worsened, and their unemployment rate remained the same. See Table 1.

## **COMPARING RATES FOR FIRST NATIONS AND MÉTIS**

In 2019 the unemployment, participation, and employment rates for First Nations worsened, while these rates improved for Métis.

First Nations' unemployment rate increased in 2019 to 11.7 from 11.2, a 4.5% change. Their participation rate decreased from 61.8 to 60.9, a decline of 1.5%, and their employment rate decreased from 54.9 to 53.8, a 2.0% decline from 2018. These rates moved in the opposite directions for Métis. Their unemployment rate decreased from 8.7 to 8.3, a decline of 4.6%, while their participation rate increased from 66.7 to 66.9, or 0.3%, and their employment rate improved from 60.9 to 61.3, a 0.7% increase in 2019 from 2018.

The Métis's unemployment, participation, and employment rates have, since 2007, been consistently better than for First Nations. In 2019 these rates were better for the Métis than for First Nations by 41%, 9%, and 12.2%, respectively. See Table 2.

## **EMPLOYMENT RATES BY AGE AND GENDER**

In 2019 employment rates improved for everyone in the 25–54 age group. This includes both Aboriginal and non-Aboriginal men and women. Employment rates also increased for non-Aboriginal men over 55, but declined for non-Aboriginal women 55 and over. They

**TABLE 1**  
**Employment, Participation, and Unemployment Rates**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**  
**15 Years and Older**

	Aboriginals											% Change 2019/2018		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		2018	2019
Unemployment rate	10.7	10.2	13.7	14.1	13.1	12.9	11.7	11.2	12.4	12.4	11.3	10.1	10.1	0.0
Participation rate	65.0	66.3	65.7	62.2	63.4	64.7	64.1	64.2	63.0	64.4	64.4	64.1	63.9	-0.3
Employment rate	58.1	59.6	56.7	53.5	55.1	56.4	56.6	57.0	55.2	56.5	57.1	57.6	57.5	-0.2
<b>Non-Aboriginals</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Unemployment rate	5.9	6.0	8.2	7.9	7.4	7.2	6.9	6.8	6.8	6.8	6.2	5.7	5.5	
Participation rate	67.5	67.6	67.1	67.0	66.8	66.5	66.5	66.0	65.9	65.7	65.8	65.4	65.7	
Employment rate	63.5	63.5	61.6	61.7	61.8	61.8	61.9	61.5	61.4	61.2	61.7	61.7	62.1	
<b>% Aboriginal vs. non-Aboriginal</b>														
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Unemployment rate	81.4	70.0	67.1	78.5	77.0	79.2	69.6	64.7	82.4	82.4	82.3	77.2	83.6	
Participation rate	-3.7	-1.9	-2.1	-7.2	-5.1	-2.7	-3.6	-2.7	-4.4	-2.0	-2.1	-2.0	-2.7	
Employment rate	-8.5	-6.1	-8.0	-13.3	-10.8	-8.7	-8.6	-7.3	-10.1	-7.7	-7.5	-6.6	-7.4	

**Source:** Statistics Canada, Labour Force Survey, 4ct\_abo\_main\_AN.iwt

**TABLE 2**  
**Employment, Participation, and Unemployment Rates**  
**First Nations and Métis**  
 In thousands, except for rates

	First Nations											% Change 2019/2018		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		2018	2019
Population	303.8	324.2	344.5	364.8	383.2	394.3	405.5	417.3	428.9	449.6	472.0	486.1	501.2	3.1
Unemployment rate	12.5	12.5	15.9	17.1	16.8	15.7	13.5	12.1	14.7	15.0	13.5	11.2	11.7	4.5
Participation rate	62.4	63.5	62.5	58.3	59.7	62.5	60.9	61.2	59.5	61.7	62.0	61.8	60.9	-1.5
Employment rate	54.6	55.5	52.5	48.3	49.6	52.7	52.6	53.8	50.7	52.4	53.6	54.9	53.8	-2.0
<b>Métis</b>														
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	
Population	320.7	334.7	349.8	361.6	373.2	387.3	402.3	417.5	428.8	442.7	457.6	468.8	480.5	2.5
Unemployment rate	9.2	8.0	11.6	11.4	9.8	10.5	10.1	10.2	10.2	10.0	9.1	8.7	8.3	-4.6
Participation rate	67.3	69.0	68.9	66.2	67.4	67.1	67.3	67.5	66.4	67.4	67.1	66.7	66.9	0.3
Employment rate	61.2	63.5	60.9	58.7	60.8	60.0	60.5	60.6	59.7	60.7	61.0	60.9	61.3	0.7
<b>% First Nations vs. Métis</b>														
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	
Population	-5.3	-3.1	-1.5	0.9	2.7	1.8	0.8	0.0	0.0	1.6	3.1	3.7	4.3	
Unemployment rate	35.9	56.3	37.1	50.0	71.4	49.5	33.7	18.6	44.1	50.0	48.4	28.7	41.0	
Participation rate	-7.3	-8.0	-9.3	-11.9	-11.4	-6.9	-9.5	-9.3	-10.4	-8.5	-7.6	-7.3	-9.0	
Employment rate	-10.8	-12.6	-13.8	-17.7	-18.4	-12.2	-13.1	-11.2	-15.1	-13.7	-12.1	-9.9	-12.2	

also declined for Aboriginal men and women 55 years and over. The employment rates for Aboriginal men and women 25–54 have been consistently lower than for non-Aboriginals. They have been higher for Aboriginal women 55 and over, except for 2011 and 2012. In contrast, the employment rate has been lower for Aboriginal men 55 and over since 2013. See Table 3.

## UNEMPLOYMENT RATES BY AGE AND GENDER

In 2019, for those in the 25–54 age group, unemployment rates declined for Aboriginal women by 5.6% but increased for Aboriginal men by 1.0%. Unemployment rates for Aboriginal women 55 and over declined by 13.6% and increased for Aboriginal men 55 and older by 27.6%. It decreased for non-Aboriginal men 55 and over by 3.6% and remained the same for non-Aboriginal men 25–54. For non-Aboriginal women 25–54 the unemployment rate decreased by 8.3%, and for non-Aboriginal men 55 and over it remained the same.

The unemployment rate for Aboriginals is 83.6% higher than for non-Aboriginals in 2019. For Aboriginal men the unemployment rate is 100% higher, that is, twice as high. For Aboriginal women it is 59.6% higher than for non-Aboriginals in 2019. These unemployment rates have been significantly higher for Aboriginal men and women in both of these age groups, and this has been the case every year since 2007. See Table 4.

## EMPLOYMENT BY INDUSTRIAL SECTOR

Industrial sectors are divided between goods-producing and services-producing sectors. The percent of Aboriginals employed in the goods-producing sectors increased to 23.0% in 2019 from 22.5% in 2018. It declined for non-Aboriginals to 20.7% in 2019 from 21.0% in 2018. There were corresponding changes in the services-producing sector.

The services-producing sector was where 77.0% of Aboriginals were employed in 2019, versus 77.5% in 2018. In 2019, 79.3% of non-Aboriginals worked in the service-producing sectors, which increased from 79% in 2018.

A higher percentage of Aboriginals have worked in the goods-producing sector than non-Aboriginals in every year since 2007, except in 2009. The goods-producing sector includes agricultural, mining, oil and gas extraction, utilities, construction and manufacturing. See Table 5.

## WAGES — AVERAGE WEEKLY EARNINGS

The inflation rate in Canada in 2019 was 1.9%, and the average weekly earnings for Aboriginals increased by 4.2% from \$907 in 2018 to \$945 in 2019. This compares to the 2018 average weekly earnings of \$986 for non-Aboriginals and \$1,018 in 2019, an increase of 3.2%. Non-Aboriginals have consistently earned more than Aboriginals. The difference in average weekly wages ranged from 6.9% in 2015 to 11.7% in 2007. In 2019 the gap between Aboriginal and non-Aboriginal earnings is the second smallest that it has been since 2007 at 7.2%. See Table 6.

TABLE 3

Employment Rates by Age and Gender, Canada  
Aboriginals Living Off of the Reserves and Non-Aboriginals

	Aboriginals Living Off of the Reserves											% Change 2019/2018	Aboriginal vs. Non- Aboriginal 2019 %				
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017			2018	2019		
<b>Both Sexes</b>																	
15 years and over	58.1	59.6	56.7	53.5	55.1	56.4	56.6	57.0	55.2	56.5	56.5	57.6	57.5	-0.2	-7.4		
25-54 years	69.9	70.8	68.8	65.8	67.3	69.3	69.2	69.3	67.5	69.1	69.1	71.3	72.6	1.8	-13.2		
55 years and over	32.5	33.4	34.3	29.8	32.4	34.5	33.2	34.8	34.4	35.4	35.4	37.3	35.4	-5.1	-1.9		
<b>Men</b>																	
15 years and over	62.9	65.4	59.7	55.4	58.0	60.5	59.2	59.7	58.3	58.5	58.7	59.7	59.6	-0.2	-9.7		
25-54 years	75.5	77.0	72.8	69.5	70.9	73.8	72.8	72.9	72.1	71.8	73.0	74.4	75.4	1.3	-13.4		
55 years and over	38.7	38.5	36.9	29.7	37.0	41.2	34.8	37.0	35.3	39.7	36.4	40.1	37.2	-7.2	-10.8		
<b>Women</b>																	
15 years and over	53.7	54.3	54.0	51.7	52.4	52.6	54.3	54.6	52.3	54.5	55.6	55.7	55.4	-0.5	-5.0		
25-54 years	64.6	64.7	65.2	62.4	64.1	65.2	65.8	66.1	63.2	66.7	67.8	68.5	70.0	2.2	-12.7		
55 years and over	27.3	29.4	31.8	29.9	28.3	28.6	31.7	32.8	33.7	31.3	34.4	34.6	33.8	-2.3	9.0		
Non-Aboriginals														% Change 2019/2018			
2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019					
<b>Both Sexes</b>																	
15 years and over	63.5	63.5	61.6	61.7	61.8	61.8	61.9	61.5	61.4	61.2	61.7	61.7	62.1	0.6			
25-54 years	82.5	82.6	80.6	80.9	81.3	81.7	82.0	81.6	81.8	81.7	82.7	83.1	83.6	0.6			
55 years and over	31.7	32.4	32.7	33.6	33.9	34.4	35.0	35.1	35.1	35.4	35.7	35.8	36.1	0.8			
<b>Men</b>																	
15 years and over	68.0	68.0	65.1	65.5	65.9	65.6	65.7	65.5	65.5	65.0	65.6	65.5	66.0	0.8			
25-54 years	86.5	86.8	83.7	84.2	85.1	85.4	85.5	85.4	85.6	85.4	86.3	86.7	87.1	0.5			
55 years and over	38.1	38.5	38.3	39.4	39.6	39.9	40.4	40.6	40.8	40.6	40.9	40.8	41.7	2.2			
<b>Women</b>																	
15 years and over	59.1	59.1	58.1	58.0	57.9	58.0	58.2	57.7	57.5	57.5	57.9	58.0	58.3	0.5			
25-54 years	78.5	78.3	77.4	77.5	77.6	78.1	78.5	77.8	78.0	78.1	79.0	79.5	80.2	0.9			
55 years and over	26.0	27.1	27.7	28.4	28.8	29.5	30.1	30.1	29.9	30.7	31.0	31.3	31.0	-1.0			

Source: Statistics Canada, Labour Force Survey, 4c1\_abo\_main\_AN.ivt

**TABLE 4**  
**Unemployment Rates by Age and Gender, Canada**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**

	Aboriginals Living Off of the Reserves												Aboriginal vs. Non-Aboriginal 2019 %		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		2019	% Change 2019/2018
<b>Both Sexes</b>	10.7	10.2	13.7	14.1	13.1	12.9	11.7	11.2	12.4	12.4	11.3	10.1	10.1	0.0	83.6
15 years and over	8.9	9.1	11.5	12.1	11.1	10.8	10.1	9.8	11.0	10.8	9.6	8.4	8.3	-1.2	80.4
25-54 years	8.4	6.3	10.4	11.7	11.3	9.3	9.3	8.3	9.6	9.6	10.3	7.7	8.5	10.4	70.0
<b>Men</b>	11.2	10.3	15.2	15.7	14.9	13.2	12.8	11.9	13.1	13.9	13.2	11.5	11.8	2.6	100.0
15 years and over	9.1	9.1	12.6	13.0	12.5	11.1	11.1	10.3	11.2	12.2	10.8	9.8	9.9	1.0	106.3
25-54 years	9.6	0.0	13.3	14.5	12.5	10.5	11.0	9.6	11.5	10.7	13.7	8.7	11.1	27.6	109.4
<b>Women</b>	10.1	10.0	12.1	12.4	11.1	12.6	10.6	10.4	11.7	10.8	9.4	8.6	8.3	-3.5	59.6
15 years and over	8.7	9.2	10.3	11.1	9.6	10.5	9.1	9.4	10.9	9.3	8.5	7.1	6.7	-5.6	52.3
25-54 years	0.0	0.0	7.0	9.2	9.8	7.7	7.6	6.8	5.6	8.3	6.7	6.6	5.7	-13.6	26.7
Non-Aboriginals															
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	% Change 2019/2018	
<b>Both Sexes</b>	5.9	6.0	8.2	7.9	7.4	7.2	6.9	6.8	6.8	6.8	6.2	5.7	5.5	-3.5	
15 years and over	5.0	5.0	7.0	6.8	6.2	5.9	5.8	5.7	5.7	5.8	5.3	4.8	4.6	-4.2	
25-54 years	4.8	5.0	6.5	6.2	6.2	5.9	5.9	5.7	5.7	6.0	5.6	5.1	5.0	-2.0	
<b>Men</b>	6.3	6.5	9.4	8.7	7.8	7.6	7.4	7.3	7.3	7.5	6.6	6.0	5.9	-1.7	
15 years and over	5.3	5.3	8.0	7.3	6.3	6.2	6.0	5.9	6.1	6.3	5.5	4.8	4.8	0.0	
25-54 years	4.9	5.2	7.4	6.9	6.7	6.2	6.3	6.3	6.1	6.6	5.9	5.5	5.3	-3.6	
<b>Women</b>	5.6	5.6	6.9	7.1	6.9	6.7	6.5	6.3	6.1	6.1	5.7	5.4	5.2	-3.7	
15 years and over	4.7	4.7	6.0	6.3	5.9	5.6	5.5	5.4	5.3	5.3	5.1	4.8	4.4	-8.3	
25-54 years	4.7	4.6	5.4	5.4	5.7	5.5	5.4	5.0	5.2	5.2	5.1	4.5	4.5	0.0	

**Source:** Statistics Canada, Labour Force Survey.

**TABLE 5**  
**Employment by Industrial Sector, Canada, in thousands (persons)**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**

	Aboriginals Living Off of the Reserves												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total employed	370.7	400.6	400.7	395.9	425.7	449.9	466.8	484.8	483.7	514.8	541.7	563.1	578.4
Employed in goods-producing sector*	97.1	101.4	87.3	92.2	102.1	112.8	115.6	114.4	118.4	119.7	124.1	126.8	132.8
Employed in services-producing sector**	273.6	299.2	313.4	303.7	323.6	337.1	351.2	370.4	365.2	395.1	417.6	436.3	445.6
Aboriginals employed in goods-producing sector (%)	26.2	25.3	21.8	23.3	24.0	25.1	24.8	23.6	24.5	23.3	22.9	22.5	23.0
Aboriginals employed in service-producing sector (%)	73.8	74.7	78.2	76.7	76.0	74.9	75.2	76.4	75.5	76.7	77.1	77.5	77.0
Aboriginals vs. non-Aboriginals: % difference goods-producing sector	2.6	2.0	-0.5	1.4	2.0	2.9	2.7	1.8	3.0	2.1	1.9	1.5	2.3
	Non-Aboriginals												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total employed	16390.5	16602.3	16318.7	16555.1	16781.7	16976.7	17219.9	17310.4	17451.8	17553.7	17864.0	18085.3	18463.4
Employed in goods-producing sector	3871.3	3877.0	3630.0	3630.7	3695.8	3759.2	3793.5	3780.7	3750.3	3710.9	3749.2	3799.3	3820.1
Employed in services-producing sector	12519.1	12725.3	12688.6	12924.4	13085.9	13217.5	13426.4	13529.7	13701.5	13842.8	14114.7	14286.0	14643.3
Non-Aboriginals employed in goods-producing sector (%)	23.6	23.4	22.2	21.9	22.0	22.1	22.0	21.8	21.5	21.1	21.0	21.0	20.7
Non-Aboriginals employed in service-producing sector (%)	76.4	76.6	77.8	78.1	78.0	77.9	78.0	78.2	78.5	78.9	79.0	79.0	79.3

\* Goods-producing sector includes agricultural, mining, oil and gas extraction, utilities, construction and manufacturing.

\*\*Service-producing sector includes education, health care, social assistance, public administration, insurance, leasing, wholesale and retail trade, transportation, finance, insurance, leasing, information, culture, recreation, professional, scientific, technical, management, administration, support, accommodation, food and other services.

Source: Statistics Canada. Table 14-10-0367-01 Employment by geography, Aboriginal group and industry (x 1,000).

**TABLE 6**  
**Average Weekly Earnings (Current Dollars) Canada**  
**Aboriginals Living Off of the Reserves and Non-Aboriginals**

	Aboriginals Living Off of the Reserves													% Change 2019/2018
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Total — average weekly earnings	665	715	726	743	760	796	816	832	861	855	881	907	945	4.2
	<b>Non-Aboriginals</b>													
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Total — average weekly earnings	753	783	804	819	838	865	883	899	924	943	958	986	1018	3.2
% Aboriginal vs. non-Aboriginal	-11.7	-8.7	-9.7	-9.2	-9.4	-8.0	-7.6	-7.5	-6.9	-9.3	-8.1	-8.0	-7.2	-10.5

2019 Average Inflation Rate for Canada

1.9

Inflation rate based upon Statistics Canada site: <https://www150.statcan.gc.ca/n1/daily-quotidien/200122/dq200122c-eng.htm?indid=9305-1&indgeo=0>

**Source:** Statistics Canada, Labour Force Survey, 4ctl\_abo\_wage\_AN.ivt.



## EDUCATION LEVEL ATTAINED

One explanatory factor as to why the employment rate is and has been lower for Aboriginals may be found in the education levels attained. Aboriginals have achieved lower levels of education than non-Aboriginals, based upon data from 2016. Employment rates as well as other rates are directly related to the education level attained. Aboriginals have a higher percent of their population with lower levels of educational attainment than non-Aboriginals. This appears to partially explain why Aboriginals have a lower employment rate. Aboriginals with less than high school completion were 16.6% of their population, in comparison to 8.5% for non-Aboriginals. The percent of Aboriginals that completed post-secondary education was 51.7%, versus 65.8% for non-Aboriginals. When the employment rates are examined by the level of education attained, a different picture emerges.

Aboriginals who are high school graduates, have a post-secondary certificate or diploma and those with a university degree had higher rates of employment than non-Aboriginals with similar educational levels. (Oppenheimer, 2019)

Thus, if we compare the employment rates for those with similar levels of education, Aboriginal employment rates are higher for those with higher levels of education than for non-Aboriginals. However, the unemployment rates are still higher for Aboriginals, even when they have similar levels of education as non-Aboriginals (Oppenheimer, 2019). See Table 7.

TABLE 7  
Highest Level of Education Attained — 2016  
Percent Aboriginals Living Off of the Reserves and Non-Aboriginals

	Aboriginals	Non-Aboriginals
Less than High School	16.6	8.5
Completed High School	23.5	19.0
Some Post-Secondary Education	8.1	6.7
Completed Post-Secondary Education	51.7	65.8

Source: Statistics Canada, Labour Force Survey, custom tabulation 4ctl\_abo\_wage\_AN.ivt.

## SUMMARY

The employment data for Aboriginals in Canada in 2019 provides a mixed, but not a very positive, picture. Employment and participation rates decreased, which was negative, while their unemployment rate remained the same, which at best could be considered neutral, given the positive economy in 2019. On the positive side, wages increased more than twice the inflation rate and by a larger percent than for non-Aboriginals. In contrast, all four rates improved for non-Aboriginals, which are the unemployment, employment, participation, and wage rates.

Métis unemployment rates have been consistently lower, and their employment and participation rates have been consistently higher than, for First Nations.

Employment rates for both Aboriginal men and women decreased, while these rates increased for non-Aboriginal men and women in 2019. Unemployment rates for Aboriginal men increased, while they decreased for Aboriginal women. In contrast, the unemployment rate decreased for non-Aboriginal men and increased for non-Aboriginal women in 2019.

The services-producing sector employs more than three times as many people as the goods-producing section. Percentage-wise, 23% of Aboriginals were employed in the goods-producing sector, compared with 20.7% for non-Aboriginals in 2019.

Aboriginals' wages were 7.2% lower than for non-Aboriginals in 2019, which is an improvement over the 8.0% difference in 2018 and the 11.7% gap that existed in 2007. Historically, Aboriginals' wages have been lower than for non-Aboriginals.

Employment rates are higher for Aboriginals who attained higher levels of education than for non-Aboriginals who achieved the same levels of education. This is not the case for unemployment rates.

## CONCLUSIONS

The employment data for Aboriginals are, and have historically been, more negative than for non-Aboriginals. This has been the case since 2007 when these data were first available, and it applies to all four of the rates examined, which are unemployment, employment, participation and wages. The Métis rates of unemployment, employment, and participation are more favourable than for First Nations. This also has been the case since 2007.

The answer to the question of how to close the gaps in the rates between Aboriginals and non-Aboriginals is complex and multifaceted. However, one part is to develop and implement strategies that encourage and enable our youth to pursue and attain the highest level of education that is appropriate for each individual.

Education is critical. The higher the level of education completed the higher are wages, the lower the rate of unemployment and the higher the employment rates. This is the case for both Aboriginals and non-Aboriginals. Education appears to be a key determinant of employment and wage rates. (Oppenheimer, 2019)

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# Journal of Aboriginal Economic Development

## Call for Papers Volume 12, Issue 2

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 Indigenous economic development. Published yearly, the Journal is a unique resource for anyone interested in Indigenous community economic development. Its intent is to explore ideas and build knowledge in the field of Indigenous 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.

Volume 12, Issue 2 of JAED will be published in Fall 2021 in preparation for the Cando 28th Annual National Conference & AGM. Papers should relate to one of the following areas:

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Submissions may be forwarded to

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c/o Svitlana Konoval  
Council for the Advancement of Native Development Officers  
9635 — 45th Avenue  
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E-mail: skonoval@edo.ca  
Phone: 1-800-463-9300, ext. 231  
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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 12, Issue 2, is April 30, 2021.** 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 12, Issue 2. Should you require further information please contact Svitlana Konoval, Cando Manager, Administrative Services 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.

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