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VOLUME 14 ISSUE 2



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The Journal of Aboriginal Economic Development is Canadian, multi-disciplinary, peer-reviewed and open access. It is the first journal devoted exclusively to issues and practices in the field of economic development and Indigenous peoples and their communities. The Journal, published by Cando (Council for the Advancement of Native Development Officers), offers articles that are of interest to those who teach, study, create policy and those who work in the field.

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# The Artist

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Angela Hall

Angela Hall, *Aski ka na kwa ha mo wa tam* (She Who Sings With The Earth) is a member of the Métis Nation of Alberta. She was born in Edmonton, Alberta and spent most of her youth as a foster child. She experienced the heart aches from abandonment and loss while in care. From a young age, Angela loved to create. This is what gave her hope.

After high school, Angela attended the *University of Alberta and graduated with a Bachelor Degree* in Education. Her passion was to help other Indigenous children with similar experiences. She has spent the last 30 years specializing in First Nation, Métis and Inuit education. In 2009, Angela was recognized for utilizing fine arts to strengthen learning and understanding of Indigenous cultures and was awarded the *Alberta Teachers Association Outstanding Aboriginal Educator Award*.

In 2010, Angela saw an art therapist for support as her unresolved childhood grief began to resurface and she came to understand the power of creativity in healing grief and trauma. In 2013, Angela began her studies in art therapy with Kutenai Art Therapy Institute, British Columbia and continued her graduate courses at St. Stephen's College, Edmonton. As a course elective Angela received training in Trauma Recovery with Dr. Jane Simington, which included 150 hours of internship with residential school survivors. In 2019, she received a *Graduate Certificate in Spiritually Informed Creative Arts, St. Stephen's College*.

Angela is a self-taught artist, who signs all her artwork and poetry with the name, **Aguenus**. She paints with acrylics and mixed media, and writes poetry to compliment her art. Angela received an honourable mention from the Writers' Guild of Alberta, *Kemosa Scholarship-First Nations, Métis, and Inuit Mothers Who Write* for her poetry.

Angela has been commissioned for her artwork by *Edmonton Public Schools, Edmonton Catholic Schools, Kitaskinaw School of Enoch Cree Nation, Grant MacEwan College, Ruptertsland Institute, The Town of Stony Plain, and Parkland County.*

In 2015, Angela won the *Treaty Six Art Contest* under the theme of reconciliation and her entry was gifted to Grand Chief Tony Alexis by Edmonton's Mayor Don Iveson. In 2021, Angela won first place in the *38th annual Peace Hills Trust Art Contest.*

Angela has participated in a number of exhibitions and art events including *United Way Art Fundraiser with Alberta Education, Peace Hills Trust Art Contests, Parkland County Municipal Art Collection Exhibition, Bear Claw Gallery Annual Christmas Exhibition, Our Many Paths Collective Exhibition Celebrating our Cultural Differences in conjunction with Edmonton Heritage Days, and Alberta Foundation for the Arts Travelling Exhibition Program by Art Gallery of Alberta, titled "Turtle Island" traveling from December, 2020- December, 2023.*



## The Artist's Statement About the Artwork

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### Star Horse

40" IN DIAMETER  
MIXED MEDIA ON BIRCH PANEL

The artwork **Star Horse** reflects the freedom that comes with knowing we are Star People. The horse is a symbol of great expansion as it helped humans cover farther distances across the Earth. The rainbow-coloured horses, painted on the circumference of the artwork, speaks to the properties of light (Sun & Stars), its many colours, solar power, and healing abilities. The star designs on the horse, symbolizes the common knowledge among Indigenous people around the world that we are Star People. We come from the Stars to learn, and Mother Earth is our school. Understanding where we come from gives us a broader perspective about life. The Eagle Feathers symbolizes this broader perspective as the Eagle flies high and sees far. The artwork highlights geometric designs demonstrating the structure of nature and its repeating patterns. The Earth's animals and its patterns become our teachers as we learn repeated lessons on Love and Freedom.

The Journal Committee is excited to present its second open access issue in its 25th year of publication. Wanda Wuttunee, JAED's past Editor-in-Chief for the last four years, led us on this open access journey and we are forever grateful to Wanda for her incredible leadership and hard work. We also want to thank Wanda for her 25 years of service to JAED and her 30 years of service to CANDO. Wanda has been a trailblazer and we will be dedicating an upcoming JAED issue to Wanda in honour of her many contributions to JAED, Cando, and the field of Indigenous economic development in Canada. We have some other ideas as well on how to thank Wanda for her years of dedication and service to JAED and Cando. We will keep you all posted.

In this issue, we are very pleased to present the important Indigenous economic development work being done by First Nations, economic development officers and directors/managers, communities, businesses, organizations, and institutions across the country. JAED strives to "explore ideas and build knowledge in the field of Indigenous economic development theory and practice" and we believe the articles and book reviews throughout this issue reflect this intent. We are also excited to share that the JAED Editorial Board is working on a JAED podcast and greater social media presence which will help JAED to reach a broader audience and make people more aware of the Journal and the important work of practitioners and academics in the field of Indigenous economic development.

We are very grateful to the artist, all the contributors and reviewers, the Cando staff for their ongoing support of JAED, the Journal Managing Editor, Penny Sanz, our Copyeditor, Carleigh Brady, and the entire JAED Editorial Board for their hard work and guidance. We also want to offer thanks to the Engaged Scholars Journal, Coalition Publica, Érudit, and the University of Alberta who continue to support JAED on this open access journey. We hope you enjoy this issue of JAED!

David Newhouse  
and Bettina Schneider

# Introduction

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## Bettina Schneider

This issue's Lessons from Experience provide an impressive overview of different initiatives and First Nations leaders, economic developers, and entrepreneurs who are transforming Indigenous economies throughout Canada. The first article explores the progress made by Norway House Cree Nation in Manitoba under the leadership of Chief Larson Anderson. Not only has Norway House Cree Nation's payroll doubled under Anderson's leadership, but the Nation has recently secured funding to build the largest hospital on a First Nation in Canada.

The second article shares the entrepreneurial journey of Michelle Cameron, a member of Peguis First Nation in Manitoba and owner of Dreamcatcher Promotions Company, the Indigenous Nations Apparel Company (INAC), and Dreamcatcher Executive Offices. The article explores the challenges and successes Cameron has faced on her journey, including recently signing a partnership between Dreamcatcher Promotions and the National Hockey League's Winnipeg Jets to produce its Indigenous-themed promotional products.

The third article shares the work being done by James Stevens, winner of Cando's 2023 Economic Developer of the Year, for the work he has accomplished for Millbrook First Nation in Nova Scotia. Stevens has played a major role in numerous economic development projects for his Nation, from the construction of a 68-unit apartment building in Cole Harbour, Nova Scotia to the construction of a new 39,000-square foot building serving as the home office for the Confederacy of Mainland Mi'kmaq. He has also worked with Farm Credit Canada (FCC) to establish a branch in Millbrook First Nation, FCC's first branch in an Indigenous community in Canada.

The fourth article looks at Rose Paul and her work as the economic development officer for the Paqtnekek Mi'kmaw Nation in Nova Scotia. Paqtnekek Mi'kmaw Nation's Bayside Development Corporation won the Indigenous Private Sector Business Award at the 2023 Cando Conference. The article looks at how Paul's hard work and persistence to undo past wrongdoings has led to the development of a highway interchange, connector roads, and the Bayside Development Corporation, comprised of the Bayside Travel businesses which are now attracting visitors from around the world.

The fifth article by Kelly Lendsay and Craig Hall introduces us to the important work being done by Luminary, a new initiative that aims to work with Indigenous businesses and organizations, post-secondary business schools and academic institutions, research agencies, NGOs, and private sector partners to “advance an innovation ecosystem focused on Indigenous economic priorities.”

The sixth article explores the work being done by Bert Mercer, the business manager of Sii T’ax Development Corporation, one of the longest-operating development corporations in the Nisga’a Nation. Mercer has not only contributed to existing businesses that are thriving, but is also helping to lead new business initiatives such as a new mechanic’s shop, a 20-room motel, and The Gathering Place, a two-level building where Nisga’a Nation’s home-based entrepreneurs and artisans will be able to showcase their goods and interact with visitors and tourists; the Nisga’a Nation will lease out business offices on the second level.

The seventh article by Mary Beth Doucette and Ryan Stack is an excellent summary of the keynote presentation at the 2023 CANDO Annual Conference which provides a Mi’kmaw corporate perspective of the Mi’kmaw Coalition and Premium Brand Seafoods’ acquisition of Clearwater Seafoods.

# Cree Nation in Manitoba Thriving Under Anderson's Leadership as Chief

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Sam Laskaris



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Norway House

While things aren't perfect in Norway House Cree Nation, there's no denying prospects are getting better for one of the largest First Nations in Manitoba, which has about 8,700 members, 6,500 of whom live on reserve. When a former premier asked Chief Larson Anderson what his proudest accomplishment was, he said "I was not proud of what I had done because we still had members that were unemployed and we still had some members that were homeless." But things are improving considerably under Anderson's leadership, who has served as Chief for the First Nation since 2018 and, before that, acted as his First Nation's general manager, project manager, and property manager. "Norway House has strong leadership, engaged staff and is on an upward trajectory for achieving major economic development success," said Anderson. And he is rightfully proud of the positive changes he has made since becoming Norway House's Chief. For example, the First Nation's payroll was annually about half a million dollars when he



first became Chief. But in each of the past three years, Norway House's payroll has doubled and is now about one million dollars annually. Thus, more and more people are getting to work for the First Nation in various initiatives.

The First Nation was thrust into the national spotlight in 2023 when it was selected as Community of the Year at the Cando Conference, held in Membertou, Nova Scotia. Norway House Cree Nation beat out the Red Rock Indian Band, which is located about 120 kilometres east of Thunder Bay, Ontario, to capture the Cando Community of the Year accolade. "It's a very big honour," Anderson said of the prestigious award. "You're always doing a lot of hard work and you rarely get recognized for it." That said, this was actually the second time Norway House has captured the Cando Community of the Year award. Norway House's first Cando triumph had come more than two decades earlier in 2001, a few years after Anderson had served two terms as a Norway House councillor. Anderson believes he played an instrumental role in the projects his First Nation was involved with during this time and that those initiatives helped Norway House secure its first Cando award. The Cando conference is also a great networking opportunity: fellow winner, Rose Paul, CEO of the Bayside Development Corporation, noted she had made numerous contacts at the event and was keen to explore various partnership opportunities, including with Norway House Cree Nation. Anderson is obviously pleased his First Nation was singled out again, as the national recognition will help create other opportunities for the First Nation. "Norway House is being seen as a leader now," he said. "It brings us out into the open."

Indeed, the Cando designation of being the top Indigenous community in the country cements the fact Anderson made a wise decision to become the leader of his people. "I have always believed, given the right circumstances, I could make an impact as a Chief," he said. "I had unfinished work that was needed to make Norway House the best First Nation in Canada." Anderson credits social media for his current position, as he utilized it to publicly question the previous administration's tactics. His ability to openly speak his mind and question those in charge led several Norway House members to praise Anderson and see him as a better option to lead the First Nation, ultimately resulting in community members voting in Anderson as Chief.

And Anderson's subsequent actions have proven that he is indeed a good fit for the job. Norway House now has a detailed economic plan, approved by council in April of 2023. "We didn't have an action plan on how we could get more community members into business," Anderson said. "Now we've got the finalized version of our economic development strategy." Norway House Cree Nation hired one of its own members, Rob Campbell, to spearhead the economic development plan. Campbell is also the provincial and national director of Indigenous services for MNP, one of Canada's largest full-service chartered professional accountancy and business advisory companies. Even though the economic development strategy is now complete, Anderson said Campbell will remain an advisor for the First Nation as it moves forward. "It's onward and upward," Anderson said. "We're just starting off on our big economic development plan."

Anderson is particularly enthusiastic about a high-speed fibre optic infrastructure project constructed via a partnership with Cross Lake First Nation. "That is going to

set the stage for a better future,” he said. After receiving federal funding in 2021, “We built fibre from the Highway 6 junction into Cross Lake and Norway House,” Anderson said. “We partnered with Cross Lake to build that fibre ourselves. And it was the only project in Canada that had its own First Nations management build it. All the others were contracted from existing suppliers of that fibre. We managed to get that supported by the federal government to build it ourselves. And we were within budget.” Anderson added having faster and better connectivity on the First Nation will be beneficial for all and allow members to conduct their work at home instead of leaving the reserve.

Another major accomplishment was securing the funding to build the Norway House Cree Nation Health Centre of Excellence, the largest hospital on a First Nation in Canada. During Anderson’s first year as Chief, the Canadian government announced an investment of \$100 million for the facility’s construction. It was the largest health infrastructure project ever announced by Indigenous Services Canada and Norway House Cree Nation has been committed to the project for more than a decade.

Norway House Cree Nation has several other major projects on the horizon. These plans include building a new school and a new business centre. Officials with the First Nation are also keen to purchase heavy equipment, improve community infrastructure, and expand the York Boat Inn, which has already reopened a diner within the Inn to provide another culinary option for community members.

While various promising projects are in the works, Anderson has noticed a significant shift in people’s thinking, including Norway House Cree Nation members. “Pre-COVID to post-COVID things have changed dramatically,” he said. “People are not as serious anymore. People are not as believing now that maybe there will be a future. I find it different. It’s harder to get people to focus on the future. Look at what happened [with COVID]. Who knows if there is going to be a future the way things are going with wars and Ukraine and the Middle East. Things are a little bit different.” But Anderson, who is 55, plans to continue moving forward, with his Indigenous perspective always in the forefront. “I’m not traditional in the sense of spiritual traditional,” he said. “But I am traditional in the sense that I value our fishing and trapping and living off the land and working around the community. I value that.”

# *Cameron's Dreams Fulfilled With Her Indigenous-Owned Dreamcatcher Promotions Company*

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Sam Laskaris



Dreamcatcher Promotions' Michelle Cameron

The fact that Michelle Cameron is in charge of the largest Indigenous-owned promotional company in Canada should not come as a surprise. After all, Cameron, the owner and CEO of Dreamcatcher Promotions, has been a curious entrepreneur since she was a tween. Her entrepreneurial spirit started when she was 12, making cookies at home and getting her mother to sell them at work. “I wanted to contribute to the family income because we grew up pretty poor,” Cameron said. “I was always looking at ways [of] helping out and having a little bit of extra money.”

Cameron, a member of Peguis First Nation in Manitoba, still has fond memories of her early business venture. “From a young age I wanted to be an entrepreneur,” she said. “So, I started it with me having a cookie company. I would make cookies fresh every night and put them in brown paper bags and send them with my mom to sell them out

at work. Every day she'd come home and they'd be all sold out. So, I got the taste of what it was like to make a little bit of extra money."

After about a month, however, Cameron realized her cookie business was not actually a financial success. When her mother asked her to start paying for her own baking supplies, Cameron quickly realized the math was not in her favour: "I really wasn't contributing. By the time I figured out all my costs, I was just covering the costs of the ingredients and not my time. So, it really wasn't a great business idea."

But the short-lived 'business' proved inspirational for Cameron. "My mom was a single mom and I always helped with my sister," she added. "My mom would work two jobs so I was always either cooking, cleaning and watching my little sister. Doing those things since I was 12 years old. It wasn't much for me to start a cookie business because I was already cooking pretty much everything homecooked that you could imagine."

Cameron would go on to raise five children herself. While her children were her priority, Cameron also had ideas of how to make a few bucks rattling around in her head. "The burning desire to be an entrepreneur has always been there and always will be there I think," she said. "So, as I got older, I always looked at different things at how can it be a business, how can I turn this into a business. So, in my 30s I had this idea that embroidery would be a good idea." Cameron noticed an embroidered item with a logo, like a jacket or a toque, everywhere she went: "I started noticing it [embroidery] at hockey tournaments. And a lightbulb went off and I thought that's a really great idea. Every year, there's going to be a new team that comes and kids grow out of their stuff so every year they're going to need a new hat, a new toque, new jackets, new pants and a new jersey. So that was my idea."

Cameron launched her company in 2011 and called it Dreamcatcher Embroidery. "I bought a used embroidery machine and watched YouTube videos for a couple of months teaching myself to embroider," she said. "Thinking about it now, I had the basic skills for embroidery but somehow I turned that into a multi-million-dollar business with one machine." Cameron changed the name of her company to Dreamcatcher Promotions in 2013 to reflect the business' expansion beyond embroidered products to include other promotional items.

But the early days of her business were not easy. Cameron worked as a daycare coordinator before getting into the embroidery business and she maintained that position while starting her business. "I was starting to work 18-hour days, every day," she said. "And I was missing so much time with my kids. I'd miss hockey games, football games and soccer games in order to keep up with my (Dreamcatcher) business because I never wanted to leave my full-time job because I knew it was income guaranteed and I knew I had to look after the kids and pay the bills and the rent. So, I never gave up my daytime job until I knew my business was going to be okay and that I had a good client base to leave my full-time job to commit to my embroidery business." Though she was getting some business, Cameron was not raking it in during the early years. "We were in debt for the first 3-5 years, for sure," she said. "We got a loan and a grant to start it up. There were many, many times I wanted to give up. I honestly thought about probably quitting, in the first three years, 20 times easy."

But during those moments when she was questioning whether to forge on, the thought of her children made Cameron persevere. “It was my kids that kept me going,” she explained. “I thought if I give up now, I missed all those things for nothing. I kept going because I was building something for my kids. I was building a future for them. I wanted to give them more than I ever got growing up. My mom was able to make ends meet every two weeks. It was pay the bills and it was gone. I wanted to do more. So, if I were to quit, I would have given all that up for nothing. There were times I was crying at my desk at the 18th hour in the day, saying I can’t do this anymore. And then I would go home and see my kids and my mom.” Another moment that put her life into perspective and motivated Cameron to carry on was when her daughter said all her friends think she’s so cool now because her mother owns a business. “Just to see the pride in her face and hearing that in her voice, how she was so excited for me, for us, that was the little push I needed to keep going,” Cameron said. “And I didn’t want to give up anymore.”

But Cameron did continue having challenges with her business. “The early years were really, really tough,” she said. “I missed a lot of time at home. It took me on the road, going into different communities and meeting people and building that client base that I needed because a lot of my clients were First Nations communities and organizations that supported an Indigenous business.” Early on, Cameron estimated that 99% of her business was coming from Indigenous clients. Even today, Cameron said about 92% of her products and services are sold to other Indigenous people.

But in early 2024, Cameron fulfilled one of her long-held wishes to work with the National Hockey League’s Winnipeg Jets. The NHL franchise signed a partnership with Dreamcatcher Promotions to produce its Indigenous-themed promotional products. “I’m at a level that I never expected to be,” Cameron said. “I wanted to be the largest Indigenous promotional company in Canada. I had two dreams when I started my company. That was one of them. And the other one was to print for the Winnipeg Jets. So, I’ve accomplished the two big dreams that I had in business. I’ve hit those two and now it’s like where do we go from here?”

Well, it seems the only direction for Cameron to go is up. In May 2021, she launched another company, the Indigenous Nations Apparel Company (INAC). INAC opened the first Indigenous-owned store in CF Polo Park, a Winnipeg shopping mall. A second INAC store has opened in Saskatoon, and now Cameron has visions of opening INAC locations in every Canadian province. Cameron also oversees another company titled Dreamcatcher Executive Offices, located in the Manitoba rural municipality of Headingly, about 20 kilometres west of Winnipeg. This business provides co-working office spaces as well as private offices and meeting rooms. And yet another Cameron-led company is expected to launch in 2025.

But while Cameron owns several successful businesses, Dreamcatcher Promotions remains the jewel in the crown, currently employing 55 employees. “Staff is a big thing for me,” Cameron said. “I love being able to create opportunities or great jobs. I also love creating opportunities for Indigenous success in business. I get asked to speak at a lot of events which is really nice because I get to share my story, my journey and inspire other Indigenous youth, entrepreneurs into going after their dreams. So, that’s probably my biggest reward. And I think for me personally, I think it [the reward] is mostly



building a successful company so that we can employ 55 staff.” A little more than half of Cameron’s employees are Indigenous and that is a big deal for her. But she’s also proud of keeping a large number of individuals employed. “I look at it as personal because there was a time when I applied for more than 30 jobs,” she said. “And I felt I was an ideal candidate for many of them. And I was passed over time and time again. I struggled to find a job and put my skills to the test. And so, when I had the opportunity to create employment, create opportunities, it was a new passion for me. I want to give someone that same opportunity that somebody gave to me. I was given the opportunity to show how good I was at the job. There are some people in this place that didn’t have that opportunity. And they applied for 30-plus jobs and they were passed up. Some of them are some of my best employees, the most committed and hard working.”

But although she has dozens of people working for her, Cameron isn’t one to sit idly by. “I’m very much involved still,” she said. “I’m the CEO. I’m here as much as I can be. I have a great management team and management structure. But I’m very hands-on still.” And she relishes the impact Dreamcatcher Promotions is making: “I like to say we are a business with purpose. We don’t do business traditionally. Everything we do, we have something in mind. Like for me, every contract, every corporation that comes on, I don’t necessarily look at it as another dollar to the account. I look at it as an opportunity to create more employment.”

Cameron can also boast about her business’ capacity to meet its goals. “For us, we’ve been in business for almost 12 years and we’re very fortunate that we have gone through the growing pains, we’ve gone through what they call ‘Death Valley,’ the first five years,” she said. “And we’ve come out of that and I like to toot our horn. We are debt free. We have no debt and everything we own in the building is owned by myself and within the company. That doesn’t happen very often. And so, it’s really nice we can say that because most Indigenous companies don’t have that.”

But Cameron is disturbed that other Indigenous businesses have major financial issues to deal with. “It’s great they’re providing funding for startups,” she said of various Indigenous funding agencies. “But where is the assistance, where is the support in the middle, in Year 1, Year 2, Year 3, when you’re going through growing pains or trying to get to the next level. Traditionally, most banks don’t want to look at you unless you’ve been in business for five years.” Thus, Cameron wonders where Indigenous entrepreneurs can find assistance (especially if traditional banks are not interested in helping) and whether Indigenous financial institutions are providing adequate support for new companies or expansion funds at the five-year mark.

These challenges make Cameron’s success all the more impressive and prompt others to ask if she had a mentor to help her along the way. “I get asked all the time who is my mentor,” she said. “And to me, the only person that comes to mind is my mother. My mother was the hardest-working woman I have ever met in my entire life. And still is. She will always be my mentor on how to work hard and how to give it everything and provide for your family.” Cameron added that it also would have been difficult to find another Indigenous business to emulate. “Twelve years ago, when I started my company, there [weren’t] very many successful Indigenous companies to look up to,” she explained. “I know some of the funding agencies want you to find a

mentor now. Indigenous businesses only make up 1.7 percent of the businesses that are active in Canada. And that's a really low number. So, if you think about that and trying to find an Indigenous mentor, how do you find one in that small, small pool?"

Cameron added another topic she is often asked about is reconciliation. "I get asked this all the time—what [does] reconciliation mean?" she said. "It means a lot of things to a lot of people. But for me, first off it means before we can look forward, before we can reconcile anything, we have to have a common ground. We need to have an understanding of what has happened in Canada, the history of it like the residential school survivors and why we are the way we are. And for me, reconciliation means a partnership. It means working together. Reconciliation in action. And I think it's important that non-Indigenous organizations start supporting Indigenous businesses for a lot of reasons."

Cameron also has a parting message for youth: "I always say chase your dream. And for me, that's what it was. It was a dream growing up. And it was still my dream until my mid-30s when I got into business. I never let that go, that passion, that drive to create my own company and that's really what drives me—that burning desire to do more. And I always tell people to dream big. I set my goals way up here so that even if I hit milestones, I'm still climbing. And I'm still trying to find more things that I can attain."

# Former U.S. Marine Captures National Indigenous Economic Development Award

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Sam Laskaris



James Stevens

Although he's not seeking a third term as a councillor for Millbrook First Nation, James Stevens is still one busy guy. While he now has only one 'main' job as the director of commercial operations for his First Nation, Stevens still has plenty of other responsibilities at home. "My family is getting older," he said. "My [three] kids are into [various sports]." His older two children are enrolled in hockey, baseball, and tae kwon do, with the eldest also playing football. As a result, Stevens is thinking of taking classes so he can volunteer as a coach for his children's teams. "I'm there all the time anyways," he notes.

But being busy isn't new for Stevens. He is accustomed to having very little spare time, as work responsibilities have kept him busy around the clock for years. As a councillor, he was attending several Millbrook council meetings each month, and he often had to utilize his vacation days to fulfill his responsibilities. And this was on top

of his other jobs: Stevens was hired as Millbrook's economic development officer in 2019, and a year later, he was named Millbrook's director of commercial operations. "During the day, from 9 a.m. to 4:30 p.m., it's all economic development," Stevens explains. "And it does go into the weekend sometimes." Economic development is his priority. "I just want to focus on that," Stevens said, partly explaining his decision not to seek another term as a councillor.

Though he is a Millbrook First Nation member, Stevens was born in the United States, in the New Hampshire city of Manchester. He served in the United States Marine Corps from 2000-2004. He believes many of the skills he acquired during his military life are transferrable to his current position. "It definitely helped me with my discipline and my people skills," he said. "I can speak in front of people." Stevens added that his time spent in the military helped prepare him for the commitment required in his post-secondary studies, and he graduated in 2010 with a commerce degree from Dalhousie University in Halifax.

Stevens' current responsibilities include serving as his First Nation's leasing agent for its properties. He's also in charge of property and client relations management, meaning he frequently meets with tenants to ensure things are running smoothly and to address any concerns. And sometimes he just pops in to say a quick hello to tenants, maintaining a constant friendly presence.

Happily, Stevens' efforts have not gone unnoticed. In fact, he was chosen as the winner of the 2023 Economic Developer of the Year award handed out by Cando, a national organization that promotes economic development in Indigenous communities across Canada. He received the award at the Cando Conference, which was held last June in the Nova Scotia community of Membertou. The other finalist for the award was Thomas Benjoe, who was serving as the president and CEO of File Hills Qu'Appelle Developments, a Saskatchewan corporation representing the economic interests of a tribal council comprised of 11 First Nations in the province. Stevens and Benjoe both gave presentations about their careers at the conference, although Benjoe was forced to do a virtual presentation due to travel difficulties. "It was a pretty good experience," Stevens said of his participation at the event. "At the end of the day, to get to present in front of your peers and to be in the presence of all these other economic development officers from across the country was pretty great." And while Stevens had previously won a regional award for his economic development efforts, "it's nice to win the national award." He notes that "for the next 3-4 months I was still getting congratulated," adding that kudos were being directed his way from other delegates at a 2023 conference he attended in Gatineau, Quebec.

Working for his First Nation is a big deal for Stevens. "It's everything to me," he said. "I took a 10 percent pay cut from the position I was at before," when he was the business development officer for the Nova Scotia-based Ulnooweg Development Group, an Indigenous financial institution. He was with Ulnooweg for almost five years, assisting Indigenous entrepreneurs from across the province with term financing solutions and helping them to establish, acquire, or expand their businesses. Besides taking a salary cut when he was hired by Millbrook First Nation, Stevens also gave up the benefits he had been receiving with his previous employer. But he relishes working

for Millbrook. “It’s interesting,” he said of his current position. “There is something new that happens every day.”

Stevens is thrilled his First Nation is now thriving in terms of economic development. “I think it’s an amazing story,” he said. “We’ve come a long way.” And he can certainly take some credit for this uptick in economic development. For example, he was instrumental in the construction of a 68-unit apartment building that is now complete and housing tenants in Cole Harbour. “It was fully leased before construction,” Stevens said of the building. Stevens also played a role in the construction of a new 39,000-square foot building serving as the home office for the Confederacy of Mainland Mi’kmaq. “Bringing them along under one roof is a game changer,” he noted.

Another massive victory under Stevens’ leadership is the establishment of a Farm Credit Canada branch in Millbrook First Nation, the business’ first branch in an Indigenous community in Canada. “I think it’s huge,” Stevens said of this initiative. “It shows we can be a place where a crown corporation can locate to and be in our community ... And it will help in attracting Indigenous talent for them.”

Speaking of firsts, Stevens can also boast that his First Nation is home to Cedar House, a Nova Scotia Native Women’s Association residency centre. “It’s the first of its kind in Canada,” he said. Cedar House offers temporary housing to Indigenous women and 2SLGBTQQIA+ fleeing interpersonal violence and experiencing homelessness: Cedar House’s mission, besides offering temporary housing, is to reduce the risks associated with trauma by providing a safe space for healing and recovery through support services and educational opportunities.

Finally, with an upcoming inland shipping terminal project near Truro, Stevens is looking toward future success. Stevens said his First Nation has entered into a partnership with Canadian Rail Equipment Works and Services to build the terminal. The facility, which will be called We’kokekitk, will be built on land the First Nation purchased in 2020. “We’re just working through the process of identifying the land and working on a timeline,” Stevens said in early 2024. The facility is scheduled to begin construction later in the year.



# *Mikmaw Corporation From Nova Scotia Captures National Business Award at Cando Conference*

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Sam Laskaris



Bayside Development  
Corporation's Rose Paul

Rose Paul has a lot of perseverance. A year into her position as the economic development officer for the Paqtnkek Mi'kmaw Nation, Paul uncovered paperwork that would impact her work responsibilities for years to come. "It was something I actually stumbled on in storage," Paul said. The 'something' Paul discovered were meeting minutes and other documents from the provincial and federal governments about a breached agreement involving her First Nation.

Back in the early 1960s, the construction of Highway 104 divided Paqtnkek in half. As a result, the southern portion of the First Nation was not developed since it was not easily accessible. Paul was keen to change that. "I'd seen their wrongdoing on my community," Paul said of government officials who had initially downplayed the developmental impacts on Paqtnkek but then fought against any construction on the south side. "I wanted to rectify it." Despite numerous obstacles, including funding

problems and layers of bureaucracy, Paul never gave up her hope of seeing businesses thriving on the south side of her First Nation. She kept plugging away to make her dream a reality, even as various chiefs and council members came and went over the years. “It was a very long process, very difficult and a lot of barriers we had to go through,” she said. But it was a necessary process, and ultimately, Paul’s persistence led to the development of a highway interchange and connector roads funded by the federal and provincial governments. The highway interchange opened in 2019, along with the Bayside Development Corporation, which is comprised of the Bayside Travel Centre’s businesses—yet another development credited to Paul.

As a result, people are no longer just driving through Paqtnkek. Ideally located just 20 minutes from the town of Antigonish and 25 minutes from Cape Breton, the Bayside site attracts visitors from around the world for its first-class cultural, historical, and recreational experiences. “It’s known as the destination to be,” Paul said. “The project is a very victorious moment for us.” The site includes By the Bay (a tourism and gift centre) and the first provincially sanctioned Nova Scotia liquor store in a Mi’kmaq community. And that’s not all. The first phase of the 12-acre site’s development also included the construction of a Husky diesel cardlock, an Esso gas station, a convenience store, a Tim Hortons, and a Mary Brown’s restaurant. Having various businesses start welcoming customers at the Bayside Development Corporation was a pleasant sight for Paul and others. “It was a journey to achieve such a milestone for a community,” she said.

Indeed, the Bayside Development Corporation has garnered national recognition. It captured the Indigenous Private Sector Business Award at the 2023 Cando Conference, held in Membertou, Nova Scotia. Cando is the national organization that promotes economic development in Indigenous communities across the country, and Paul was ecstatic when her First Nation garnered this prestigious accolade: “I was very emotional and proud to see how far we have come. It was deeply heartfelt to know we made it.” Paul, however, believes she should not be the only one receiving credit. “I had a strong team,” she explains. “The community trusted me. And the leadership trusted me to lead.” That’s why Paul was pleased to have various Paqtnkek members join her when she accepted the Cando award. “Everything was so moving bringing the team together on stage,” she said. “It gave us more empowerment and more motivation.”

The Bayside Development Corporation was one of the three major award winners at the Cando Conference. The other finalist in its category was IRP Consulting, a Whitehorse-based company owned by Davida Wood and Tosh Southwick, two Indigenous women. Meanwhile, James Stevens of Millbrook First Nation in Nova Scotia was chosen as the Economic Developer of the Year, while Norway House Cree Nation, located in Manitoba, was chosen as the Indigenous Community of the Year. Paul said attending the Cando Conference was a positive experience—and not just because of the accolades for the Bayside Development Corporation. “There [were] a lot of connections made, even between the winners,” she said. Paul said Paqtnkek and Norway House Cree Nation officials are keen to collaborate on ventures in the future. “We’re talking to them to see what we can do together,” she said. “Those connections were made at the Cando Conference.”

Paul continues to lead the Corporation, and she's hoping it won't be long before she can discuss additional new businesses that have opened up in her First Nation. Initiatives currently being explored in her community include battery storage, two rapid EVP charging stations, and a microgrid project to support net-zero initiatives with solar development. Paul has additionally acted as the CEO of Paqtnkek's economic development arm and the CEO of the Bayside Development Corporation since their inception in 2016 and 2019, respectively. "We've been developing a lot of new ways I guess to undo wrongdoings in the past and just getting back into driving our economic development vehicle," Paul said. "So, we've been doing a lot of planning around the Fiscal Management Act and taking our resources and utilizing them."

Part of Paul's task of addressing past wrongdoings involves articulating and applying her Nation's traditional principles to new economic policies and initiatives. Paqtnkek Nation follows eight foundational principles: Creation, Wisdom, Courage, Healing, Commitment to the Seven Generations, Responsibility, The Way We Are, and Sustaining Ourselves. These elements are all considered sacred gifts. As Paul explains,

They teach us about the delicate balance of life, the harmony that must be maintained, and the responsibilities we hold as stewards of these precious resources. In every economic initiative we undertake, we strive to honour these gifts, ensuring that our present actions nurture and preserve their sanctity for the generations yet to grace this world. This philosophy of living in harmony with and nurturing these fundamental elements of life is the bedrock upon which we build our economic future.

Paul also notes that Mi'kmaw customs have "matured through centuries of oral storytelling, a cherished practice where every narrative shared is a strand in the tapestry of our collective identity. They hold the laughter and tears of our ancestors, their trials and triumphs, and through them we celebrate our resilience, our culture, and our connection to this land, long before the first European footprints marked our soils." And when it comes time to implement economic policies and initiatives, her Nation's principles are purposely included: "We are not only revitalizing our own community but also offering a model of development that is holistic, just, and deeply respectful of the intricate web of life. This is the path we walk as Mi'kmaw, as stewards of our land, and as global citizens in an ever-changing world."

Paul also said the past decade has brought widespread awareness to the importance of reconciliation. "For me and my Nation, governance and economic reconciliation are not static concepts, but a reawakening of our traditional laws," Paul said. "Our customs are not simply a set of rules. They are a living testament to the process of reconciliation, evolving from shared examples and models of conduct. Rooted in oral traditions, they reflect our daily life, encapsulating our shared experiences of hardship and joy. They are a celebration of our heritage, expressive in its nature, and deeply performative." But she added economic reconciliation is not something that can be achieved by just one party. "It is a collaborative voyage that beckons all who reside in and cherish this land to join hands in solidarity," she said. "This journey calls for more than mere acknowledgment. It demands active participation, a unification of efforts and aspirations. It is a path that

requires courage to confront past injustices, wisdom to navigate through complexities, and a shared commitment to forge a future rooted in mutual respect and prosperity.”

Finally, Paul notes that it is important to think beyond the present. “The world in which we engage economically is not a series of isolated islands but a vast interconnected ecosystem,” she said. “Every decision we make, every partnership we form, and every project we embark upon is evaluated through the lens of this deep interconnectedness. Our economic practices are not just about ensuring the financial well-being of our people today. They are about maintaining ecological sanctity and ensuring the prosperity of those yet to walk this earth.”

*Indigenous Works' Luminary  
Initiative Receives Five-Year  
Federal Funding to Address  
Innovation Gaps*

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**Kelly Lendsay**

PRESIDENT, INDIGENOUS WORKS  
CTO – CHIEF TRANSFORMATIONAL OFFICER, LUMINARY

**Craig Hall**

SENIOR VP STRATEGY, INDIGENOUS WORKS



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Kelly Lendsay



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Craig Hall

For the past twenty-five years, Kelly Lendsay has served as the inaugural President and Chief Executive Officer of Indigenous Works (formerly the Aboriginal Human Resource Council). Established in 1998, the not-for-profit Indigenous organization is a response to the 1996 Report on the Royal Commission on Aboriginal Peoples' recommendation to increase Indigenous employment and engagement in the Canadian economy: it was rebranded as Indigenous Works (IW) in 2016.

Prior to joining IW, Lendsay spent fifteen years in lifeguard and aquatic management and, in 1994, launched the first Aboriginal Business Education program in Canada at the University of Saskatchewan. He has deep roots in the Council for the Advancement of Native Development Officers (CANDO) and was a CANDO director and chair of the CANDO Education Committee in the mid-1990s. Lendsay also helped usher in the Journal of Aboriginal Economic Development and the Certified Economic Developers Program.

Lendsay's views on leadership are captured by the words of economist John Kenneth Galbraith: "All of the great leaders have had one characteristic in common: it was the willingness to confront unequivocally the major anxiety of their people in their time. This, and not much else, is the essence of leadership." Lendsay believes today's great anxiety is Canada's relationship with Indigenous Peoples—but he has plenty of positive examples of Indigenous and non-Indigenous peoples and organizations overcoming adversity, growing social and economic capital, and building a renewed relationship, thanks, in no small part, to committed leadership. As he notes,

It's been over 25 years at Indigenous Works and there are many things that I'm proud of. One accomplishment has been the opportunity to make an impact with a considerable number of partners and projects. To make a difference in real-life social and economic challenges, you must address the major anxieties, challenges, and issues facing people. You must be courageous and take risks to do things differently. I am proud of IW's board and employer partners who are committed to doing things differently to make an impact. IW's culture is very entrepreneurial. We design, develop, and test new training, consulting, and tools with private and public sector companies and with Indigenous people. Over the years, we have been able to innovate leading-edge workplace systems, employer of choice certification programs, and diagnostic tools as our leadership commitment to advance Indigenous employment and workplace inclusion.

Indigenous Works is celebrating its 25th anniversary at Inclusion Works National Management Forum from October 8-10, 2024, in Nanaimo, British Columbia. It will be an opportunity to bring together people from across Canada to engage in deep management and executive learning and to celebrate its achievements over the past 25 years.

### ***A New Initiative to Address the Innovation Gap***

Lendsay still continues to innovate. Over the past few years, he has been building support for Luminary, a new initiative that will draw on research and innovation to accelerate economic transformation, job growth, and wellbeing. For example, in December 2023, Luminary successfully obtained five years of federal funding to create a new Indigenous-led institutional approach to advance an innovation ecosystem focused on Indigenous economic priorities. The funding came from Innovation, Science and Economic Development's new Strategic Science Fund (SSF) and Luminary was the only Indigenous-led initiative to receive this federal program funding. Overall, Luminary will support Indigenous businesses and organizations, post-secondary business schools and academic institutions, research agencies, NGOs, and private sector partners in their quest to develop Indigenous student and research talent and to foster new research and innovation collaborations that focus on Indigenous economic priorities and employ Indigenous-led approaches and models.

During the 2020-21 Covid years, more than 150 Indigenous and non-Indigenous organizations signed up as Luminary Charter Partners. They co-created the Luminary Strategy through a series of regional and national online forums and incorporated eight impact themes into its strategic focus:

- (i) growing Indigenous research talent;
- (ii) Indigenous curriculum, knowledge, and student support;
- (iii) growing research collaborations;
- (iv) increasing innovation awareness, education, and skills;
- (v) building Indigenous leadership and institutional capacity for research and innovation;
- (vi) creating knowledge transfer and mobilization strategies;
- (vii) identifying and supporting Indigenous business innovation needs, priorities, and clusters, and;
- (viii) economic transformation, employment, and wellbeing: evaluation and measurement.<sup>1</sup>

### ***Innovation Is Second Nature to Indigenous People***

Lendsay understands the importance of innovation. As he points out,

Innovation is not new to Indigenous people. Just think of snowshoes, kayak, canoe, suspension bridges, medicines, Inuk snow goggles, igloo, teepee, longhouses, medicine wheel, governance, spear, bows and arrows and thousands of other examples of Indigenous innovation that generated social, economic, [and] community wellbeing for people and the land. Today, however, there is a gap between post-secondary business schools and our Indigenous economic business community and by closing this gap we will be able to grow Indigenous business talent and focus multi-disciplinary research and innovation on Indigenous economic priorities that will generate economic benefits for all Canadians.



Indigenous Peoples can innovate the same way their ancestors did before them for thousands of years.

Lendsay credits the new federal SSF as a significant opportunity to create Indigenous-led approaches in Canada's research and innovation space. "To date, the only players that could obtain institutional research and innovation program funding in Canada were universities and colleges," he says. The SSF opens a new door for Indigenous-led strategies to advance Canada's research and innovation agenda. While there has been considerable research activity in the social sciences, law, education, and health, the same is not true for Indigenous business and economics. This is why Luminary will focus on business schools and Canada's research community and the role they can play in growing Indigenous business talent and fostering multi-disciplinary Indigenous-led research and innovation with Indigenous businesses and economic organizations.

Ray Wanuch, Executive Director of CANDO, is a Luminary Charter partner and was among those who provided a letter of support for the Luminary SSF application. Luminary will grow the knowledge, capacity, and networks among Economic Development Officers (EDOs) and researchers to focus on Indigenous-led research activities, which is relevant to CANDO's own EDOs. Currently, the greatest challenges facing EDOs and the Indigenous business community are capacity related. The Luminary project will bring new management resources, knowledge networks, and systems to support Indigenous businesses and their connections to the business school community. Luminary will serve as a facilitator, connector, and advocate focusing on the potential of Indigenous-led research and innovation to grow Indigenous economies, drive employment, create new products and services, deepen multi-sectoral collaboration, and achieve new wellbeing outcomes. Luminary's strategy will focus on the measures needed to strengthen the Indigenous research and innovation ecosystem, and partners like CANDO play a vital role in this task.

### ***Luminary Is About Indigenous Innovation for Economic Development and Wellbeing***

What are the economic priorities that Luminary will focus on with its partners? According to Lendsay, "The Indigenous business community is already informing on areas such as artificial intelligence, food security, traditional knowledge, energy, carbon markets, land use, climate change, labour markets, financing systems, leadership, and governance. Every Indigenous economic priority has the propensity to generate multi-disciplinary research opportunities and create Indigenous-led approaches and models to research and innovation."

To this end, in 2021 Lendsay engaged Elder Albert Marshall in the co-creation of the Luminary strategy: it is based on the philosophy of Two-Eyed Seeing, which promotes using both traditional and Western knowledge to create new ways of knowing and doing that can benefit everyone and everything. Luminary recognizes that the approaches and drivers for Indigenous innovation are different than those of non-Indigenous businesses and institutions. The opportunity ahead is to create a distinct Indigenous-led ecosystem that builds on the best that both Indigenous and non-Indigenous

businesses and institutions have to offer. Indigenous-led research and innovation will create opportunities for Indigenous economies to make inroads in the newest and most strategic sectors of the economy.

The SSF acknowledges the importance of creating an Indigenous-led research ecosystem, and federal officials' discussion of Luminary's key strengths highlight the generational impact of this strategy:

First, the focus on building Indigenous business school curriculum and pedagogy as a way to attract more Indigenous business students and researchers. Second, to grow the knowledge, capacity and cultural competency of the research community and Indigenous business community to develop new research and innovation initiatives and collaborations. Third, to foster knowledge mobilization and networks and advance the Indigenous innovation eco-system and fourth, to create the first "engagement survey" of business schools to identify the current state of activity, strategy and practices and to affirm how best to support the efforts of business schools and the Indigenous community.

The Luminary strengths noted by the SSF reflect important priorities. Lendsay states that there are just a handful of Indigenous people pursuing a PhD, DBA (Doctor of Business Administration), MA or similar advanced degrees, but many more Indigenous business students are needed to grow the economy and advance Indigenous business research. The root of this issue, he notes, is the prevalence of curriculums and pedagogy with little to no Indigenous business content and voices: "While some business schools have attracted Indigenous undergraduate and MBA students, there are many schools that have only a handful or no Indigenous students at all. The academic research community sometimes has little to no relationship with the Indigenous business community and consequently, no focus on Indigenous innovation and research opportunities. Luminary will support partners' efforts to turn these gaps into opportunities via new programs, tools, and relationship networks." As part of this process, in 2024 Luminary will conduct an engagement scan of business schools in Canada. As Lendsay notes,

There is no clear picture on what business schools are currently doing. For example, we do not know the current number of Indigenous business students; what kind of student support programs exist? Would they like to develop support programs? There is no inventory of Indigenous curriculum and courses. Do they have an Indigenous strategy? Would they like to develop an Indigenous strategy? What kind of connections are there to Indigenous businesses or economic organizations? Has the business school adopted TRC Calls to Action and the National Indigenous Economic Strategy Calls to Actions? What kind of Indigenous-focused research has been achieved or is underway? What are their research areas and interests that could be aligned with Indigenous business community? The engagement scan data, information, and insights will

support the development of more targeted programs and supports for business schools and Indigenous businesses. Moreover, in the next five years, we can measure the change and gains through meaningful and purposeful strategies and practices.

By now, the importance of innovation should be clear, but Canada needs to step up if it is to become a global innovation leader. The Global Innovation Index reports that for the 13th year in a row, Switzerland is the most innovative economy in 2023, followed by Sweden, the United States, the United Kingdom, and Singapore. Canada ranks 15th. For Canada to become one of the most innovative economies, our Indigenous business community, business schools, and academic community must work together to create innovations that will impact generations to come. The business school engagement scan will create a baseline of people, programs, and services. It will serve as a benchmark for the Luminary partners over the next five years as they produce new outcomes and impacts, and it has the potential to increase Canada's ranking in the Global Innovation Index.

### ***Luminary Has Already Started to Grow and Mobilize New Knowledge Networks***

In addition to the business school engagement scan, the Luminary project will also build a new Knowledge Keepers website with various portals and resources, creating a place for Luminary partners to showcase and share their practices and expertise. "This will be a sharing place," says Lendsay. "The knowledge will help build the capacity and cultural competence of both the Indigenous and academic communities to grow everything from knowledge networks to new knowledge approaches to facilitating strategies which mobilize talent and grow business opportunities in research platforms." The growth of knowledge networks will help Indigenous people further extend their economies and advance the research and innovation needed to expand economic development horizons.

The Knowledge Keepers website builds upon existing efforts to expand Indigenous knowledge networks. By way of example, Lendsay notes that funding from the Social Sciences and Humanities Research Council was used to conduct sharing circles with Master's and PhD students to better understand their career and education journeys. This research with the Levene Hill School of Business (University of Regina), the Ted Rogers School of Business (Toronto Metropolitan University), the Sprott School of Business (Carleton University), and others has produced important insights into the supports needed to ensure Indigenous students advance into research positions and conduct research that is led by community needs and interests. Armed with this information, Luminary views its research activities with students as a strategic investment. As students advance their careers in university, college, and polytechnic institutions, it is important that they create the kinds of research and innovation ecosystems where Indigenous students will thrive. The interviews conducted to date underscore the perspective that students are often not provided with the supports needed to grow Indigenous-led

research and innovation. In response to this problem, Luminary developed a report for the Natural Sciences and Engineering Research Council (NSERC) called *Flight Paths ~ Engagement Plans to Grow Research Partnerships for Innovation with Indigenous Businesses and Post-Secondary Research Institutions*. The report focuses on five key sectoral priorities for Canada, with concept engagement plans for five sectors. The concept plans are organized into a framework that NSERC can use to develop future and deeper engagements. Another example of a knowledge network developed by Luminary is its work in agribusiness and food security. In 2020-21, Luminary received almost a half a million dollars from Protein Industries Canada, Agriculture and Agrifood Canada, and Nutrien. Collaborating with a wide array of partners, including experts at the University of Saskatchewan and University of Regina, Luminary produced a profile of the Indigenous agriculture and agrifood sector that included a report and strategies focused on innovation opportunities in this sector. Finally, Luminary engaged the First Nations University of Canada and its business school to examine how to design and develop a Lab2Market program concept for the Indigenous community and economy.

But that's not all. "More recently," says Lendsay, "Luminary will be doing some further exploration in a variety of economic sectors which hold promise for Indigenous people. Again, the idea is to establish knowledge networks which can collaborate on ways of merging academic and Indigenous interests to produce new vantage points for research and innovation which grow Indigenous economies." One example is Luminary's interest in the seaweed industry. Globally, seaweed generates \$17.5 billion annually. It is being farmed for food, fertilizer, and value-added products, and is utilized for its carbon-trapping properties: it offers many opportunities for Indigenous investment to meet the growing demand in the conventional market for sea plant extractions, functional foods, and other end uses while balancing the goals of sustainable, climate-smart agriculture. There are abundant supplies of seaweed species on all three Canadian coasts, and several Indigenous communities and organizations have direct experience and investments in seaweed. However, many of these activities are isolated, meaning development on the east coast may have little relationship with development on the west coast. Documentation about current development and activities on a national and global level has not been systematically assembled. The broadening of seaweed industry knowledge and purview could help Indigenous businesses to learn more about opportunities and where and how they could be started and scaled. This, too, is the work of Luminary: to be a catalyst for new and exciting economic growth opportunities.

Ultimately, developing an industry strategy in this area could identify the pathways for Indigenous people to pursue employment and business and economic development, as well as potentially achieving a competitive commercial position. As interest in the seaweed sector gains momentum globally, it will be important to consider how Indigenous people in Canada could stake their own claim and identify the unique areas of the industry where they can secure a differentiated niche and a competitive advantage.

## ***Inclusion and Innovation: Game Changers for Economic and Wellbeing Transformation***

### **Inclusion**

When it comes to workplace inclusion, Lendsay believes that non-Indigenous businesses have had a different line of thinking in recent times. “I’ve seen a change in the last 5-6 years,” he says, “and reconciliation has helped in part. We are supporting employers and businesses to go beyond the romantic and cosmetic approach to reconciliation. They need to progress from activities and events to deeper engagement, employment, procurement, and business strategies. We need to advance an economic reconciliation agenda.” In the same way that Indigenous Works and its Employer Partner members are credited with numerous accomplishments over the last 25 years, the Luminary partners will grow the Indigenous innovation ecosystem.

### **Innovation**

Likewise, when it comes to Indigenous innovation, the new Luminary Strategic Science Fund will generate new knowledge, networks, research, and economic benefits for Canada and the world. Lendsay reminds us that we are building upon the ancient wisdom and experience of those before us: “Both Indigenous Works and the new Luminary initiative can have impacts on Canada’s social and economic communities and peoples, but it is important that the right institutions, systems, governance, and management are built to support and grow a future which enables Indigenous needs and rights.”

Lendsay closes by citing the words of the Sioux leader Chief Sitting Bull: “Let us put our minds together and see what life we can make for our children.” These words capture the essence of inclusion and innovation: Sitting Bull practiced inclusion when referring to “our children” among his white and brown brothers and sisters. And he challenged all of us to use our minds—our innovative ingenuity—to address the major issues of our time and create a new future for people, communities, and the land.

### **END NOTES**

<sup>1</sup> From Luminary ~ Advancing Indigenous Innovation for Economic Transformation, Employment and Wellbeing Strategy 2022-2026, by Luminary & Indigenous Works, 2022, p. 1.

# *Mercer Once Again Serving in Leadership Role for His Indigenous Village In British Columbia*

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Sam Laskaris



Sii T'ax Development  
Corporation's Bert Mercer

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Bert Mercer is once again calling many of the shots for the Sii T'ax Development Corporation. Founded in 2002, Sii T'ax is the longest-operating development corporation in the Nisga'a Nation. Mercer initially served as the general manager and CEO for the corporation, which is the business arm of the Gitlaxt'aamiks (previously New Aiyansh) village government in British Columbia, from the summer of 2002 until early 2006. He resumed working for his village as their business manager this past December.

However, it took a lot of work to reach this point. Mercer graduated from British Columbia's Simon Fraser University's community economic development program in 2011. Two years later, he took a course called Project Management for Professionals through the University of Northern British Columbia, a short but intensive 10-month program. "There was a really broad sector of people that took it, from different industries," Mercer said. "It really helped me move forward in what I'm doing." Mercer



supplemented this academic knowledge with his extensive real-world experience. Besides helping launch the Sii T'ax Development Corporation, Mercer spent almost eight years during the 90s as Gitlaxt'aamiks' economic development and employment officer, preparing funding proposals and acting as a business advisory liaison to entrepreneurs. He then spent two years as the village administrator overseeing corporate, economic, and community development, as well as capital and housing division budgets totaling more than 6.5 million dollars. During his time as village administrator, Mercer's accomplishments included implementing and finalizing the construction of 65 residential lots, as well as paving the roads, parking lots, and residential driveways for the village. He also developed and implemented an on-reserve mortgage program. Finally, before becoming the CEO of Sii T'ax Development Corporation, Mercer also spent 18 months working as the project's coordinator for his village.

In between his Gitlaxt'aamiks stints, Mercer worked for the Nisga'a Lisims government as its economic development officer. Nisga'a Lisims contains the capital of Gitlaxt'aamiks and three other villages: Gingolx, Gitwinksihlkw, and Laxgalts'ap. "When I was working at the Nisga'a Lisims government, I really didn't like it after a while because there's too many silos," Mercer said. "There were some internal roadblocks. I didn't like that. So, at least working for my own village, I can actually start building now."

Indeed, Mercer is a happy camper these days, spearheading numerous business projects for his relatively small village (population 1,400). "It's good," he said of his current employment environment. "Everybody works together in the office." And, thanks in large part to Mercer's leadership, the Sii T'ax Development Corporation now has a real purpose. Its goals include:

- generating revenue to reinvest into community development opportunities supporting the health and prosperity of Gitlaxt'aamiks and the Nisga'a Nation;
- creating capacity building opportunities regarding employment and career progression for Nisga'a citizens;
- supporting the development of Nisga'a business capacity, including business startup and growth;
- building strong partnerships that align with the corporation's purpose of supporting capacity building and revenue generation; and
- identifying and implementing legacy opportunities for the village and Nation resulting from industrial and other projects.

Mercer is also pleased to see that officials from his village are willing to spend money to advance its business initiatives. This past fall, his Nation hired an economic development officer, an economic development industry resource officer, and a business manager (the position Mercer currently holds). Mercer is confident that Gitlaxt'aamiks is now in a much better position to work on its initiatives. "They had a finance person before," he noted. "But they didn't have a business manager that could look outside for other projects."



Mercer now has numerous ambitious plans for his village—and not just within the community. For starters, the village will have a new mechanic’s shop that is expected to open in 2024 and a 20-room motel expected to be open for business by 2025. Mercer is pleased with the freedom he has over these projects. “The greatest satisfaction is that it allows me to open up areas where the village hasn’t opened up yet and start developing just within the village,” he said. “And the other part too that I’m excited about is what is called The Gathering Place. It’s a two-level building that will allow the entrepreneurs to utilize the bottom level. And then the second level would be the leasing out of business offices.” As for existing businesses in the village, Mercer said he is especially proud to see that the local gas bar and convenience store are thriving. “I’m most proud of that because I was part of that years and years ago,” Mercer said. “I was the one that expanded it from 4,000 to 6,000 square feet. It opened in the late 70s, ran as a co-op and then it got expanded.”

Mercer is also pleased his village received its share of funding for local projects. “Our village got gaming funds of \$2.9 million from B.C. Gaming,” he noted. “They are divvying up gaming funds to all of the First Nations in B.C.” Mercer said village representatives set aside approximately one million dollars towards the construction of the new motel. And \$250,000 will go towards covering expenses for launching the mechanic’s shop. “It came through our Nisga’a Lisims government but it took them two years to send the money down to the village,” Mercer added of the provincial money received. “Without that, we would have had to look at other sources of funding.” Mercer said village officials will also be relying on outside funding for The Gathering Place, expected to open in 2025. “We still have to do the design work,” Mercer explained. “We’re applying to the Rural Economic Diversification and Infrastructure program through the Ministry of Jobs, Economic Development and Innovation through the B.C. provincial government. We’re looking to get \$100,000 from that so we can get our designs done for this year. Then we’ll plan it out properly. And then we’ll apply for up to \$1 million through the program.”

Mercer expects numerous local artists to benefit when The Gathering Place officially opens. Though design plans have yet to be finalized, Mercer has an inkling of what the centre will look like. “There will be some dividers on the lower level,” he confirmed. “But entrepreneurs like to interact. The rationale behind The Gathering Place was to showcase our artisans because they are all home based. When visitors and tourists are coming up here, they’re looking to spend some money but the [artisans] are home based now so they can’t do that.” Indeed, Mercer is confident that visitors are keen to come to Nisga’a Nation. “We’ve got a lot of people that are coming up here,” Mercer said of tourists. “When I talked to Terrace Tourism, they told me about 80-85 percent of tourists that have visited their office are asking where is Nisga’a Nation and how do we get there.” (Gitlaxt’aamiks is located 100 kilometres northwest of Terrace, B.C.).

Mercer is also hoping his village will be able to announce some significant initiatives in the near future. “For the partnerships that we are putting together, we can bid on projects outside of the village,” he said, adding some of those opportunities are in the mining sector. “I recognize that Sii T’ax Development Corporation was kind of

really quiet for the longest time because they didn't have [a business manager] in there. But there are some good opportunities coming up in mining and exploration." And, looking beyond Gitlaxt'aamiks, Mercer believes that all four Nisga'a villages can take advantage of new potential partnerships. "It's kind of opened up for us up here now because our Nisga'a lands are 26,000 square kilometres," he said. "It goes all the way up north and it buffers up to the Tahltan Nation. And then on the other side of us is the Gitksan Nation. The boundary runs right along the Alaska border. There are more and more opportunities coming up in the gold mine sector because we're part of the Golden Triangle for the north." However, while some of the mining and exploration projects being considered are quite lucrative, Mercer is doing his best to ensure that these partnerships are meaningful for his village's citizens: "In a lot of ways, industry will go into some areas but they won't partner with them. A lot of times they bring in their own people. That's what we're doing up here. We're trying to say if jobs are available, our own people can access them."

Considering Mercer's commitment to his community and his work background, it's little surprise that people are approaching him for advice. "I'm pretty open to them," he said. "We get a lot of emails from outside companies because outside companies are looking to partner with a Nisga'a corporation or a Nisga'a entrepreneur to try to get their foot in the door on some of the projects that are coming up." Whether it is handing out advice or dealing with projects connected to his own village, Mercer noted several key issues connected with Indigenous economic development today. For starters, he said it is vital to be transparent and have "open discussions with whichever community or band you're from and then have public meetings so you can have that support. Some of the areas they have problems with are elected officials that interfere." While Gitlaxt'aamiks is fortunate to receive outside funding to advance its initiatives, others are not: "If you look at the smaller bands, for their economic development budgets, they don't get that much because it's all based on per capita," Mercer said.

Relatedly, Mercer is hoping some of Nisga'a's youngest members take advantage of opportunities that will allow them to stay close to home. "The one thing we're trying to do is bring in industry to highlight what type of careers are available in the industry so that the young ones can go to school for that and hopefully come back and work in the industry," Mercer said. "A lot of it is camp work but it's good money." He goes on to note that "Our population is about 8,000 but only about 35 percent live in the four Nisga'a villages. All the rest live in Vancouver, Prince Rupert and Terrace. We have a huge opportunity now. We had one community workshop already [in February] and we have a two-day one coming up in May." And this October, the village will host a Bears' Den for youth aged 18-35 where they can pitch their businesses.

Mercer said he understands why many Nisga'a families have moved out of the village to larger centres. "It's all because of the school system and also for their kids to get better opportunities in recreation for things like swimming or gymnastics," he said. "I think as we move forward, when [the villages] hire their teachers, they need someone that can teach something like gymnastics or soccer or basketball to the kids, rather than just having them go out to the playground." Another key issue that drives Nisga'a residents away is not having a decent place to live in the villages. "Housing is the other

impact,” Mercer acknowledged. “There is a lack of housing. One thing that needs to be done is they need to build more apartment blocks for the younger generation. Through our village government, through our CEO, they are looking at tiny homes. They are already doing that. But the one thing we want to look more at is the apartment blocks.” Mercer believes about one hundred people can easily be housed in units consisting of one to three bedrooms. “We’ve got the budget for it,” Mercer said of the ability of Gitlaxt’aamiks to start constructing a pair of apartment blocks by 2025.

Indeed, Mercer has a dream of what his village will eventually look like. “We want to leapfrog and put all these projects together,” he said. “Our vision for the village is to build a downtown corridor. I think the way things are going right now, maybe that will take three years. Everything is all in place. But they just need to get proper architectural designs of the facilities that we’re looking at.” But this is just one part of the vision Mercer is hoping to fulfill. “I have a plan of action of what we want to do,” he said. “We’re trying to maximize on the local economy and we’re going to maximize on long-term sustainable employment and capacity building.” And he senses there are plenty of positive vibes around the village these days. “I think it’s good,” he said. “We have a lot of happy people that feel we’ve got a chain of people that will be doing stuff for them.”

# *Mi'kmaw-Owned Partnership in Clearwater Seafoods*

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## **ABSTRACT**

The keynote presentation at the 2023 Cando Annual Conference told of the Mi'kmaw Coalition and Premium Brand Seafoods' acquisition of Clearwater Seafoods. It provided a Mi'kmaw corporate perspective of the acquisition and was co-presented by Mike McIntyre (Membertou CFO), Jenny Morgan (Clearwater Seafoods LP), and Darryl McDonald (Paqtnkek Mi'kmaw Nation CAO). The following is a summary of their presentation, focusing on three core aspects of the deal: building business relationships, minimizing risks to preexisting community assets, and highlighting opportunities for Clearwater to expand through strategic innovation. Finally, although Premium Brands was not represented in the presentation, examining their role in the partnership highlights the potential for strategic innovation in the future.

**KEYWORDS:** Business relationships, minimizing risks, strategic innovation, Clearwater Seafoods

Clearwater Seafoods Incorporated (Clearwater) is one of the world's largest vertically integrated seafood companies. Clearwater was founded in 1976 by partners John Risley and Colin MacDonald as a one-truck lobster retailing operation. For over 40 years, they expanded the company at all levels of the value chain—from catching seafood to processing to retail sale—to become a multimillion dollar company. Clearwater has developed a reputation for taking good care of its employees, who now number over a

thousand and was named as one of Atlantic Canada's and Nova Scotia's top employers in 2024 (Yerema & Leung, 2024).

As a result, the Canadian seafood industry was shocked by the 2021 sale of Clearwater via an unprecedented negotiation between the industry giant and a coalition of Indigenous Mi'kmaw development corporations from Atlantic Canada. While details were difficult to attain while negotiations were ongoing, it was clear the acquisition could fundamentally change the landscape of the Canadian seafood industry by introducing Indigenous participation into the offshore fishery.

The keynote presentation *Mi'kmaq-Owned Partnership in Clearwater Seafoods* (delivered at the Cando conference on June 26, 2023) was the first time the Mi'kmaw Coalition publicly shared information concerning the deal's structure. The presentation took the form of a fireside chat between Darryl McDonald, Chief Administrative Officer at Paqtnkek Mi'kmaw Nation; Jenny Morgan, Indigenous Employment Officer at Clearwater Seafoods LP; and Mike McIntyre, Chief Financial Officer at Membertou. Each presented their role in the acquisition, as well as the organizations' views during the negotiation and acquisition process.

The presentation focused on three key elements of the deal. The first component was building business relationships: the endeavour was possible only because of Membertou's reputation for being community minded, trustworthy, and professional. The second component was minimizing risk to preexisting community assets: the deal would not hurt the coalition communities' future borrowing potential. The third component was highlighting expansion opportunities for Clearwater—which, in this paper, will be supplemented by exploring Premium Brands' role in the partnership. The presentation was followed by a question-and-answer period. The presenters' responses have been incorporated into this report.

### ***Building Business Relationships***

The presentation started with Mike McIntyre. McIntyre has previously worked with Membertou Chief and CEO Terry Paul and now serves on Clearwater Seafoods' board of directors, making him a natural choice to outline the relationship between Chief Terry Paul and John Risley, the co-founder and former CEO of Clearwater. McIntyre described a corporate relationship established over 20 years ago between Membertou's First Fisherman Seafood and Clearwater. The relationship was initially established via snow crab processing, as Clearwater was one of the few major processors in Unama'ki/ Cape Breton.

In 2019, Clearwater held a fleet of nearly one dozen ships and had processing facilities in Canada, Argentina, Scotland, and China (Clearwater Seafoods Incorporated, 2020a, p. 26) and during this time, the company built strong relationships with the First Nations communities in its area. For example, it entered into a 50-year agreement with 14 First Nations communities that protected existing jobs while also creating new Indigenous job opportunities in the Arctic surf clam industry (Government of Canada, 2019). This relationship proved important when, in March of 2020, Clearwater undertook a strategic

review to determine whether the shareholders would be best served by the sale of the company (Clearwater Seafoods Incorporated, 2020b) and the company's owners were eager to make the Mi'kmaq a key part of any sale.

McIntyre explained the opportunity Membertou saw when Clearwater announced they were accepting expressions of interest in early 2020. Membertou responded to the call and began pursuing the idea of a coalition and, as McIntyre describes it, things really got moving when they won a 30-day exclusivity claim in October 2020. But while Membertou had taken the initiative in this endeavor, they knew they could not do it alone and sought partnership support from other Mi'kmaw communities via existing Indigenous development corporations. At the same time, they courted additional corporate partners who would provide a good fit for the Mi'kmaw-led initiative.

### *Forming a Mi'kmaw Coalition*

Membertou invited all Nova Scotia Mi'kmaw communities and Miaupukek to join their coalition. However, a strict nondisclosure agreement prevented Membertou from sharing many of the legal and financial details of the agreement with the other Mi'kmaw development corporations. Ultimately, they explained that by signing into the coalition the other communities would be committing to purchase a certain number of shares.

As Darryl McDonald explained, many people initially saw the coalition as a high risk, as the Mi'kmaw development corporations would need to commit to borrowing and re-investing millions of dollars in a deal they had very few specifics about. McDonald is the Chief Administrative Officer at Paqtnkek Mi'kmaw Nation and has over 20 years of experience working in Indigenous-led economic development from coast to coast to coast. He has worked on many projects with the Paqtnkek Mi'kmaw Nation involving organizational change processes, capacity development, and the implementation of policies and laws. Therefore, when Paqtnkek was presented with the option to partner with the Mi'kmaw Coalition, they were prepared to have an informed debate with Chief and Council about the strategic, financial, and legal implications of the coalition deal.

McDonald explained that three things must always be clear for Paqtnkek's Chief and Council, namely the implications for people, lands, and resources. Although it was difficult to build trust and earn confidence in such a short timeframe, within 28 days five communities committed to the coalition. This showed that many community leaders trusted Membertou's reputation, a trust that was partially due to the efforts of Membertou's CFO and other experts who convinced Paqtnkek that the deal would not hurt the communities' future borrowing potential. Ultimately, the Paqtnkek Development Corporation purchased two partnership units (worth approximately \$38 million), while the Membertou Development Corporation purchased five (worth roughly \$90 million). The financing for the Mi'kmaw Coalition was provided by the First Nations Finance Authority (FNFA), and although it was described by Mike McIntyre as "a self-funding transaction," the coalition's familiarity with FNFA's risk assessment processes was also critical to the deal.



### ***Current Ownership***

Clearwater is equally owned and controlled by the Mi'kmaq Coalition and Premium Brands, with each shareholder participating equally in all aspects of the company including governance, operations, and financial revenues. The Mi'kmaq Coalition is co-led by the Mi'kmaw development corporations of Membertou and Miawpukek. It also includes Sipekne'katik, We'koqma'q, Potlotek, Pictou Landing, and Paqtnekek so that six Mi'kmaw development corporations in Nova Scotia, as well as one in Newfoundland and Labrador, are included in the final deal. The Mi'kmaw Coalition also holds all of Clearwater's offshore fishing licenses.

### ***Minimizing Risk to Community Assets***

Next, McIntyre introduced the second core aspect of the deal: risk mitigation. The goal was to minimize risk as much as possible, which was no small feat for a deal worth \$1 billion in transactions. The coalition did this by breaking the costs into bite-sized chunks to reduce risk and create a 100% self-financed proposal with four core elements:

- Paying \$1 billion down through a leaseback to Clearwater
- Growing operations and expanding the downstream value proposition
- Paying dividends to partner communities within 5-10 years
- Providing \$14 million in bridge financing to cover soft costs (funds were provided by Membertou and Premium Brands)

A brief discussion of the commercial structure of the offshore fishing industry will help to clarify the structure of this deal. Specifically, offshore fishing licenses, equipment, and staff are of particular importance, as (1) offshore fishing licenses determine the legalities of what, where, and how fish can be harvested, and (2) equipment and staff are needed to physically fish.

First, the coalition purchased the remaining harvest licenses for Lobster Fishing Area 41 (LFA 41) not already purchased by Membertou: this part of the deal was equivalent to \$1 billion. These licenses gave the coalition partners exclusive rights to harvest lobster in the designated area under conditions specified in the license. The acquisition of these licenses gave the coalition communities leverage to secure loans from the FNFA as the projected revenues of \$18 million per year would be used to pay back the debt. Additionally, conservative projections saw the coalition communities receiving dividends within 10 years. There was also a long-term plan to expand operations with guidance from Premium Brands via obtaining new acquisitions and developing additional products and vessel technology.

Second, the coalition co-purchased Clearwater Seafoods through its partnership with Premium Seafoods. This acquisition gave the Mi'kmaq partners direct access to the infrastructure, expertise, and supply chain built by Clearwater over its long history. However, while Membertou originally wanted a path toward full ownership, this was



contrary to what Premium wanted to do. Ultimately, the companies agreed to work towards a mutually acceptable compromise, a decision facilitated by their shared sense of values and vision for long-term growth and sustainability for the company.

### ***Addressing Challenges During the Negotiation Period***

Another part of minimizing risk is to acknowledge and address stakeholders' concerns. While the diversity of stakeholders was reflected in the diversity of concerns, two key areas emerged: challenges related to the regulatory frameworks of fisheries in Atlantic Canada and concerns about the day-to-day operations of the corporation.

### ***An Offshore Transaction: Negotiating Regulatory Frameworks***

One initial challenge was a longer than anticipated approval time for the transfer of fishing licenses to the consortium. McIntyre explained that the licenses purchased by the consortium were governed by the regulations applying to commercial offshore fisheries, where licenses are typically held by larger companies. This is a different regulatory space than inshore fisheries, where licenses are typically held by owner-operators. The Mi'kmaw have been seeking clarity from Fisheries and Oceans Canada (DFO) about inshore regulations since the Marshall decision in 1999 and—while Membertou was leading the negotiation with Clearwater for the offshore licenses in 2020 and 2021—Mi'kmaw across Nova Scotia were publicly asserting their right to establish and self-govern a livelihood fishery.<sup>1</sup> While the Clearwater transaction did not involve inshore licenses and would have no direct impact on livelihood fishery or the communal and ceremonial fishing practices of the Mi'kmaq, it was suggested that confusion surrounding the issue resulted in the DFO taking about four months to approve the license transfer because they did not fully understand the dynamics of the license transactions.

### ***Concerns About Day-to-Day Corporate Operations***

An additional challenge involved concerns expressed by Clearwater staff about the sale. Jenny Morgan explained that staff of Clearwater corporate were apprehensive about the sale and new ownership—prior to the acquisition, few Indigenous people worked in the company, at any level. Operational departments needed to be convinced that there would be no changes in their day-to-day operations: this was especially true of the staff who worked aboard the vessels, as offshore operational norms are easily overlooked by administrators who do not live on the vessels for weeks at a time.

However, despite apprehension within the organization, senior administrators at Clearwater were optimistic. They hired Morgan as Clearwater's Indigenous Employment Officer, where she focused on human resources strategy. Her previous professional experience in health care and employment training at Membertou was an asset, providing her with tools and engagement strategies. Morgan focused on building trust through education and information sharing sessions, both with internal staff and with the external Mi'kmaw community. Based out of the new Clearwater office in Membertou, Morgan worked directly with Indigenous clients interested in pursuing

future careers with Clearwater. Despite the challenges and uncertainty presented by the COVID-19 pandemic, a Clearwater 101 training module was developed to explain that career opportunities with Clearwater went beyond just lobster.

Morgan was also integral to developing and implementing the new Careers Set Sail program. Funded by both Service Canada and Clearwater, the Set Sail program provides support for First Nations participants seeking education and training in high-demand marine fields, along with paid work experience at Clearwater. The program is designed to identify areas of employment over the next 5-10 years, and its training programs focus on communicating future career opportunities at Clearwater in the fields of information technology, human resources, office administration, and robotics.

The Set Sail program also identifies strategic education partners such as the Nova Scotia Community College (NSCC) to deliver applied skills programs where immediate demand would be more prevalent: for example, delivering fast-track courses so people can get certificates to work on a vessel. Ultimately, the goal of the Set Sail training program is to have students graduate with the practical experience they need to get jobs. As the Set Sail program moves forward, it will focus on training programs that create new opportunities throughout Clearwater, right up to the executive level.

### ***Future Expansion Opportunities for Clearwater***

There are many future opportunities for both Clearwater and the Mi'kmaw Coalition. Clearwater is planning to ramp up employment to support corporate development and to accelerate growth through mergers with and acquisitions of companies throughout North America. Meanwhile, the Mi'kmaw Coalition intends to buy more offshore fishing licenses, which would ultimately benefit Clearwater as the harvester. And while the coalition is not looking to expand its membership, it is looking to partner with First Nations groups in other ways. For example, they are looking forward to supporting Indigenous fishers by buying snow crab.

Since the presentation at the Cando conference in 2023, Clearwater has continued to build business relationships and adapt. The future looks bright. There is a lot of optimism about the lessons that will be learned from this partnership model and the implications for the company's internal operations.

### **END NOTES**

- <sup>1</sup> For further discussion of this issue, see Richard Williams and Fred Wien's anthology, *Contested Waters: The Struggle for Rights and Reconciliation in the Atlantic Fishery* (2022).

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# Introduction

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David Newhouse

In this issue, we present three articles that illustrate on the creativity and innovation that Indigenous nations and communities demonstrate as they build economies in the 21st century.

*The Economic Benefits of a Major Canadian Forestry Contribution Program for Indigenous Peoples* (Dieter Kuhnke, Canada Forest Service and Ian Cahill (Canada Forest Service, retired) analyses the impact of the First Nations Forestry Program on the well-being of those who participated in the program. The program had a significantly positive outcome on the well-being of Indigenous peoples in terms of a conventional measure of economic outcomes, i.e. income. An important caveat is income represents only one component of overall well-being and further work is necessary to determine the role and extent of other components.

*Moving at the Speed of Business: A Possible Path to First Nation Prosperity Starts with Efficiency* (Andre Le Dressay, Jason Reeves, and Normand Lavallee of the Tulo Centre of Indigenous Economics) examines how federal legislation such as the First Nations Fiscal Management Act and the Framework Agreement on First Nations Land Management and a new set of First Nation institutions such as the First Nations Tax Commission, First Nations Financial Management Board, First Nations Land Management Resource Centre, First Nations Finance Authority, and First Nations Infrastructure Institute reduce the transaction costs and jurisdiction switching costs involved in Indigenous-led on-reserve economic development.

# *The Economic Benefits of a Major Canadian Forestry Contribution Program for Indigenous Peoples*

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## **ABSTRACT**

This paper evaluates whether the First Nations Forestry Program (FNFP), a contribution program for Indigenous Peoples in Canada, had a statistically measurable effect on the well-being of participating reserves' inhabitants. Funding data from 1,078 projects was paired with reserve inhabitant profiles from two Statistics Canada censuses. Multiple regression models were then used to test for the statistical significance of project-funding treatments. The results suggest that from 2006 to 2010, the FNFP significantly affected the after-tax incomes of reserve inhabitants who had worked in forestry, as well as a lesser effect on the after-tax incomes of reserve families.

**KEYWORDS:** Evaluation, forestry, economics, well-being, censuses

According to a host of socioeconomic indicators, Canada's Indigenous population<sup>1</sup> ranks well below the general Canadian population: studies of social and economic conditions, such as the ones by Cooke et al. (2007) and Parkins et al. (2006), reveal a persistent gap between Indigenous and non-Indigenous populations. With almost 80% of First Nations located within Canada's vast forests (Gysbers & Lee, 2003), programs promoting greater participation in the forest sector would offer a means to help improve First Nations' social and economic well-being and lessen this gap. Indeed, forestry is seen as a key economic opportunity for many First Nations, with opportunities driven by

major boreal forestry development projects across Canada, an expanding First Nations forestry land base, and a youthful First Nations labour force (Audit and Evaluation Branch, 2006). Although the forest industry is currently a relatively minor employer of Indigenous Peoples in Canada, typically employing less than 2% of the Indigenous workforce, its potential is much greater (Cahill, 2018). That said, access to the forestland base is problematic given that the provinces and territories have jurisdiction over most forestlands in Canada; the reserve land base is too small to be economically viable (White-Harvey, 1994). Because of this, the most common arrangement is First Nations forestry service companies engaging in contracts with larger companies (Wyatt, 2008).

The First Nations Forestry Program (FNFP) was intended to bolster the participation of First Nations people in the forest sector by enhancing their ability and capacity to engage in economic opportunities. The FNFP was jointly administered by First Nations representatives, the Canadian Forest Service (CFS) of Natural Resources Canada, and Indian and Northern Affairs Canada (INAC).<sup>2</sup> Over its 15-year duration, the FNFP funded over 2,400 projects in more than 680 First Nations communities, tribal councils, businesses, and organizations across the nation. Twelve thousand First Nations and non-First Nations people gained workforce experience that improved their skills in sustainable forest management and their ability to participate in the forest sector. Direct FNFP funding totalled \$58 million, which represented 29% of the total project costs (First Nations Forestry, 2012).

Rather than presenting numbers representing money spent or the number of individuals employed, the research questions we seek to answer are (a) whether First Nations communities with forestry workers receiving FNFP support experienced an increase in their well-being, measured in terms of increased reserve income, and (b) whether the FNFP benefited First Nations reserve inhabitants employed across a broader range of economic sectors. To answer these questions, we first present an overview of the appropriateness of assuming economic development programs will improve the well-being of Indigenous Peoples given the challenges forestry presents and the holistic objectives and visions for forestlands held by Indigenous Peoples. Then we provide an overview of the FNFP and describe its data and the non-program data we used in this work. Next, we outline the modelling variables and models we employed. Finally, the report closes with a discussion of our results and conclusions.

### ***Indigenous Well-Being and Economic Development: A Brief Review***

Whilst widely used by policymakers and academics, well-being is a poorly defined term, with little agreement on its meaning (Carey, 2013; Dodge, Daly, Huyton, & Sanders, 2012; Seligman, 2011, as cited in Yap & Yu, 2016). The term is often used interchangeably and complementarily with notions of health, quality of life, and happiness (Yap & Yu, 2016). For example, a social determinants of health view theorizes well-being in terms of benefits to physical and mental health status, derived from access to favourable conditions such as adequate income, education, housing, health, and secure and well-paid employment (Commission on the Social Determinants of Health, 2008; Fisher, 2019, as cited in Mackean et al., 2022).

What becomes apparent in the well-being literature is that this term covers an amalgam of domains, dimensions, and themes, with the foci varying depending on the purposes at hand. This carries over to Indigenous understandings of the concept—which is hardly surprising considering the great cultural diversity among Indigenous nations. For example, a 2023 study by Tsuji et al. identified four consistent themes important for cultural well-being. In contrast, Kant et al.'s 2013 study identified seven domains: education, employment, health, housing, income, socio-cultural, and land use.<sup>3</sup> Likewise, Salmon et al. (2018) reviewed literature from Australia, Canada, New Zealand, and the USA and identified six dimensions of Indigenous cultures essential for wellbeing: connection to country; Indigenous beliefs and knowledge; Indigenous language; family, kinship and community; cultural expression and continuity; and self-determination and leadership.

Looking at well-being's origins may provide some clarity. The term originated in social psychology and development economics. In social psychology, the concept arose as part of the shift from treating psychological problems to examining the conditions under which humans flourish; in development economics, the term reflected the desire to move beyond narrow utility-based assumptions about individual rationality and mono-dimensional poverty indicators (Armitage et al., 2012). The social approach to understanding well-being is a three-dimensional concept that includes subjective and relational aspects in addition to the more traditional material dimension of well-being (Zurba & Bullock, 2020). The subjective dimension of well-being incorporates cultural values, norms, and belief systems while the relational component emphasizes social interactions, collective actions, and the relationships involved in the generation and maintenance of social, political, and cultural identities (Armitage et al., 2012). This approach is similar to Sen's (1985) capability approach based on the concepts of functionings and capabilities: the former are dimensions of well-being that make up well-being's entirety (however defined or determined), while the latter represent an individual's or group's opportunity to achieve the desired functionings. Implicit in the concept of capabilities are the elements of autonomy and self-determination, elements that encompass all aspects of Indigenous wellbeing (Yap & Yu, 2016). Importantly, autonomy and agency extend beyond the individual to the collective regarding the responsibility to care for and manage the collective's lands or country. For example, in their study of the conceptualization of well-being by the Yawuru people of Western Australia, Yap and Yu concluded that the recognition of individual and collective agency was an essential element of Yawuru wellbeing, consistent with a right to self-determination (Mackean et al., 2022).

However, the material and economic aspects of well-being are also important. Indigenous leadership in economic development and social enterprise are important areas of growth and change in Indigenous communities across Canada (Calliou, 2021). An important characteristic of many Indigenous enterprises is that they are collectively owned and more closely resemble a social enterprise whose profits are put towards social purposes (Calliou, 2021). And, while Indigenous peoples are open to participating in economic enterprises, they do so to improve their social and economic circumstances and to rebuild their communities on a traditional and culturally grounded foundation



(Calliou, 2021). For example, Indigenous business leaders indicated the importance of creating opportunities for prosperity through employment and development of infrastructure, as seen in Zurba and Bullock's 2020 study on the socio-economic benefits and risks of bioenergy development. These business leaders also noted that building relationships with industry could help communities build capacity. However, they expressed reservations about social problems that become more prevalent with increased incomes, with the caveat that creating a good work environment and teaching responsibility could diminish negative outcomes on well-being. Finally, in keeping with their holistic and culturally linked objectives for forestlands, the Indigenous business leaders expressed relational concerns about taking too much from the land. Ultimately, Zurba and Bullock's work presented material and relational dimensions as discrete objective dimensions of well-being, with the connection to culture (a subjective dimension of well-being) emerging as a cross-cutting subtheme: the importance of and demand for economic development within communities make bioenergy projects attractive but such developments cannot override environmental stewardship roles and responsibilities.

The importance of economic development is also seen in Wuttunee's work on nine Indigenous community case studies (2004). Wuttunee explains that "economic development strategies taken by decision-makers in Aboriginal communities are based on the need to improve employment, training and development initiatives in order to improve the quality of life enjoyed by their members. Community history, leadership, and connection to tradition affects the choice of appropriate and effective economic development approaches" (p. 183). This work is continued in Nikolakis and Nelson's 2015 article, which saw First Nations in British Columbia list employment and economy as the second highest of four long-term goals—and even the lowest ranked long-term goal, community development, was indirectly related to economics, as forestry revenues facilitate public infrastructure. Conversely, these authors noted that many interviewees acutely felt the trade-offs in forestry between economic benefits and environmental impacts. One interviewee describes his own community as "lost in the fog of need," depending on revenue from forestry but still seeking to preserve their way of life. Forestry can also be contested within communities, with interviewees describing tensions between community needs, values, and business activities (Nikolakis & Nelson, 2015).

As these tensions suggest, while forestry is one of the few potential sources of employment and outside income for many First Nations communities, many barriers need to be overcome for forestry to be a sustainable source of economic well-being. Pun (2016) summarized that opportunities to engage in forestry are constrained by the conflict between traditional and new governance systems, existing forest policy frameworks, revenue-sharing opportunities and resource allocation, community-level consultation, community capacity building, and external and internal relationship building. The most important factor in Indigenous engagement in forestry is the conceptual approach taken toward economic development. Economic development approaches were first explored in Cornell and Kalt's (1998) seminal work investigating why some Indian reservations in the United States were outstandingly successful while others languished. Their

contrasting models are termed the jobs and income approach and the nation-building approach: the jobs and income approach emphasizes starting businesses for short-term payoffs, while the nation-building approach emphasizes creating an environment with lasting businesses that sustain community well-being. Perhaps most importantly, the former model treats development as an economic problem, while the latter model treats economic development as a political problem.

And yet another barrier, specific to Canadian Indigenous Peoples, arises from the jurisdictional tangle created by two conflicting pieces of legislation (the 1867 British North America Act and Canada's 1982 Constitution), in which provinces claim that "Indians" are the federal government's responsibility, while the federal government when asked to represent First Nations' interests, claimed that natural resource management was a provincial responsibility. (Smith, 2015). Compounding the tangle, the complex interplay between government and industry roles when engaging with Indigenous Peoples slows the process of building successful relationships between Indigenous, government, and industry groups (Robitaille et al., 2017). Ultimately, as Smith (2015) contends, ensuring that Indigenous and treaty rights are incorporated fully into government forest policy regimes is the only path that can lead to the meaningful reconciliation of Indigenous and non-Indigenous interests in forest management. This includes having a say at the table during policy formulation rather than adopting ill-suited policies through the top-down approaches of provincial and national governments. Despite legal obligations stemming from court decisions to consult with First Nations whenever proposed development activities could impact Indigenous and treaty rights, First Nations view consultations as bureaucratic status quo formalities that fail to address challenges and concerns with respect to resource developments (Pun, 2016). Indigenous community members find existing policy frameworks entrenched with rigid, complicated rules that are incompatible with First Nations' holistic approach to resource management and community decision-making practices (Pun, 2016).

Perhaps because of the complex interplay of federal and provincial governments, industrial leaseholders, and Indigenous reserves, political and economic collaboration among these four actor groups is first and foremost rooted in social contexts. As noted by Robitaille et al. (2017),

Because collaboration within the forest sector is, at its core, a social phenomenon (Wyatt et al., 2013), it follows that building respectful relationships between Indigenous communities, government policy makers and industrial forest managers, who are charged with implementing provincial forest management regulations on-the-ground while concurrently respecting and incorporating the wishes of collaborating Indigenous partners, must serve as a prerequisite for any type of collaborative arrangement or partnership to be successful over the long term. (p. 46)

The Indian Act constrains bands' choice of governments, which then restricts their access to capital, meaning that First Nations do not generally enjoy the same degree

of autonomy in managing their resources as do American tribes (Trosper et al., 2008). This further creates systemic power imbalances that hinder the formation of respectful partnerships within the forest sector.

Despite these challenges, forestry still represents a desirable economic opportunity to First Nations because of factors such as the proximity and multi-use nature of the resource. However, provincial governments have allocated long-term access to commercial forests to forest companies—although this could be offset by the trend toward increased Indigenous tenure as advocated by Passelac-Ross and Smith (2013). Most First Nations cannot, however, gain access to forest resources unless it is through a formal agreement with the provincial government or an arrangement with an industrial partner who has a provincial licence (Trosper et al., 2008). Encouragingly, non-Indigenous forest companies have shown a willingness to engage in collaborative business arrangements, outlined in such works as Wyatt (2008) and Fortier et al. (2013). Ultimately, though, the lack of long-term tenure discourages investments in value-added manufacturing, as communities lack the technical expertise to meet the demands of provincial forestry regulations and the education and training to conduct these activities.

Because of this, capacity building is key to advancing the forest interests of Aboriginal Peoples and enabling their effective engagement in the forest sector (Bombay, 2010). Capacity is loosely defined as possessing necessary education and training and developing skills, and Aboriginal capacity in natural resources management is a broad and multi-faceted concept, encompassing Aboriginal governance, institutional arrangements with other levels of government, and human resource development (Bombay, 2010). The lack of adequate capacity prevents Indigenous communities from effectively engaging in forestry consultations: for example, limited access to high-quality timber volumes coupled with the high capital investment and capacity requirements required to compete with larger forest licensees prevent First Nations communities from taking advantage of opportunities available to them (Pun, 2016). However, internal capacity building must be largely supported by economic development, which is hindered by the lack of politically independent institutional mechanisms for governance and a cultural match for the successful establishment of First Nations businesses (Trosper et al., 2008). This is why federal programs such as the FNEP impacted forestry practices by supporting capacity building and Aboriginal participation in forest management (Fortier et al., 2013), as a lack of capacity and the lack of secure, long-term tenures (which affects access to capital) motivates some First Nations to sell portions of their timber allocations on-the-stump to non-Indigenous firms (Pun, 2016).

But, as previously mentioned, while economic development and opportunities are important, First Nations also prefer economic pursuits that are consistent with community needs and objectives, cultural sensitivities, and ecological concerns—no easy feat. For example, the Pikangikum First Nation in Ontario started the Whitefeather Forest Initiative as a base from which to develop a commercial forest tenure but ran into challenges integrating the concerns of their Elders, particularly over the protection of wildlife and the incorporation of traditional stewardship approaches within their forest plans: this demonstrates the difficulty of meshing these concerns with industrial forestry

demands (O’Flaherty et al., 2008). Likewise, in their case study of an Indigenous community forest in British Columbia, authors Booth and Muir (2013) noted that while economic opportunities are a given, specific operational requirements by First Nations contributed to the maintenance of key cultural values. But because cultural values are not necessarily harmonious with one another, these authors concluded that “rather than taking a pick one or the other approach to solving challenges” (p. 164), leading to the implementation of a static framework, that “the future essence of aboriginal forestry in Canada likely rests within and appreciates an ‘in progress’ adaptable approach of balancing the values” (p. 164).

Compounding the many challenges and issues facing Indigenous involvement in forestry, communities often lack a clear vision of what they want from forestry (Nikolakis & Nelson, 2015). Indigenous communities are often ambivalent towards resource development on their lands because it involves trade-offs between income and traditional cultural values (Vining & Richards, 2016). What is evident in the substantial literature on Indigenous relations with forestry is that Indigenous Peoples have a more holistic approach to their objectives and visions for forestry (and economic development generally) that emphasizes a balance between social, cultural, ecological, and economic concerns and values.

A more direct look at the relationship between well-being and income from economic activity was embodied in Vining and Richards’s 2016 study. These authors conducted several regression analyses exploring the relationship between well-being and income arising from Indigenous economic development corporations (plus a few other independent variables), with well-being represented by the Community Well-Being Index (CWB) determined by INAC after each national census. Interestingly, two of the four components that make up the CWB are themselves economic measures, namely per capita income and labour force activity.<sup>4</sup> Their study has been criticized for this composite index because it overlooks cultural factors (Tsuji et al., 2023); Vining and Richards believe that the CWB is more informative than an index based on subjective well-being. However, Tsuji et al. (2023) addressed the issue of cultural factors in their work, which focuses on answering what well-being—and, subsequently, what cultural well-being—is. These authors identified four concordant regional and national themes regarding what was important for cultural wellbeing: (a) land and water, sustainability, and inherent obligations; (b) being on the land and Indigenous languages and knowledge systems; (c) sustainable development; and (d) meaningful involvement in decision-making and free, prior, and informed consent. The latter theme and the dimension concerning self-determination outlined in Salmon et al. (2019) are embedded in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Many Indigenous communities expect governments and third parties (such as corporations) to create relationships with them in accordance with the principles found in UNDRIP, as noted by Borrows (2021), who stresses that the development of wise practices for dealing with Indigenous Peoples should highlight the importance of developing good relationships.<sup>5</sup> The importance of relationships cannot be overstated as this is implicit in good-faith negotiations between the Crown and Indigenous Peoples that seek to balance the former’s duty to consult on natural resource dispositions with the

latter's concerns regarding right to title over traditional territories. Conflicting interests of Aboriginal and Native title holders, on the one hand, and Crown and private natural resource companies, on the other, have led to pressing legal challenges addressing the imbalance of bargaining power between parties (Taylor, 2021).

As a conclusion to this overview section, a simple but more implicit or indirect measure of well-being is the FNFP's 2012 final evaluation report featured a review of the program's four business lines during the program's three five-year periods. This review highlighted the program's achievements, such as the number of projects funded (2,400) and the number of people who gained experience that improved their forestry-related skills (12,000). Recommendations were also offered, such as the need for a greater focus on qualitative assessments and impacts (such as capacity) and less focus on the number of case studies as indicators of success (Audit and Evaluation Branch, 2006). While all aspects of the social-conceptual framework of well-being must be present to raise the level of social well-being in Indigenous communities, the present study focuses on the economic dimensions of well-being. The other dimensions are no less important, but they fall outside our scope and present opportunities for future research. We chose to focus on the economic dimensions of well-being after noticing that the evaluative literature on the FNFP lacked any mention of the program's broader impact on the economic well-being of participating reserves, a shortcoming this study is meant to address.

### *An Overview of the FNFP*

The FNFP was introduced in 1996 to improve economic conditions in status Indian communities by providing opportunities for First Nations to work with federal, provincial, and territorial governments, as well as private forest-related industries, in on- and off-reserve forest-based economic activities (Smyth, 1998). The FNFP's two-tiered management structure consisted of a National Management Committee (NMC) that was tasked with providing overall administration to the program and allocation of funds to the second-tier Provincial and Territorial Management Committees (PTMCs). The NMC had representatives from First Nations, the CFS, and INAC. The PTMCs (which also had representatives from First Nations, the CFS, and INAC) assumed general program management, project approval, project implementation, and project-funding allocation in their province or territory. Representatives from provincial governments and the forest industry participated in their respective PTMC on a case-by-case basis. Although project proposals were submitted by First Nations communities, groups of bands, or First Nations businesses for PTMC approval, preparatory work was generally done in conjunction with provincial or industrial partners prior to submission.

All projects had to meet the criteria of one of four business lines, facilitating the FNFP's goal of improving economic conditions in Indigenous communities. These business lines were Forest Management Activities (e.g., forest management plans and silvicultural prescriptions), Forest-Based Business Development (e.g., business plans or feasibility studies), Training and Capacity Building (e.g., training in logging machine operation), and Access to Forest Resources (e.g., tenure or co-management negotiations). Nationally, 40% of all projects fell under Forest-Based Business



Development, while Forest Management Activities had the second largest percentage of projects (26%). For illustration, a typical example of a Forest-Based Business Development project was a 2009 British Columbia project with total funding of \$32,560 “to complete the planning and development of a pellet plant to ensure that the Upper Nicola Band can knowledgeably and confidently move forward with the plant business venture and further their vision of participating in value-added specialty forest products markets.”<sup>6</sup> In contrast, a typical project in the Forest Management business line was a 2008 Ontario project that sought “to develop a woodlot management plan that will assist Sheshegwaning First Nation with respect to maintaining their woodlot property, including timber management, inventory determination and reforestation of designated areas identified within the plan,”<sup>7</sup> with \$55,538 in total funding. Many projects, however, have considerable overlap between business lines.

A per-project database with funding and employment information was maintained by CFS personnel over the course of the program.<sup>8</sup> The total value of a project was broken down among three source components: FNFP direct federal cash funding, cash and/or in-kind contributions from the First Nations proponent, and cash and/or in-kind contributions from other federal, provincial, territorial, or industrial partners. No project could receive more than 80% of its total value from the FNFP direct component. Another condition was that all projects would be funded for one fiscal year only, although some projects spanned more than one year. These projects had to be reapproved with new project codes from one year to the next. Funding across all projects over the course of the program totalled \$87.6 million. Source components of funding by province and territory from the FNFP database are shown in Appendix A.

From 2003 to 2010, 2,078 projects were submitted to the FNFP, out of which 1,173 were approved for funding. Of the approved projects, 1,078 projects formed the core of the two datasets used for the statistical analyses in this paper. The other 95 projects were omitted for a variety of reasons, with most of them being funded symposia and workshops that could not be referenced to First Nations reserves.

### *Developing the Study Datasets*

Several factors complicated the development of the two datasets used for this study. A major factor was that many of the FNFP’s projects were not referenced to a reserve(s) where the project proponents resided. Because populated First Nations reserves are distinct census subdivisions (CSDs) in Statistics Canada censuses<sup>9</sup> and the socioeconomic information about inhabitants of First Nations reserves is essential to answering our research questions, clear links had to be made between project proponents and their constituent reserves. Creating these links was not a straightforward task because project proponents had to be linked with their component First Nations bands, whose members were often distributed among more than one reserve. Project proponents were sometimes a single band, but often the proponents were tribal councils or First Nations businesses whose constituent bands had to be identified before their constituent reserves could be determined using information sourced from Statistics Canada and INAC databases, as well as the internet.

This work found that on average there were four bands per First Nations organization across Canada. Just under a third of FNFP projects were conducted by First Nations organizations, with an average of four reserves per project. There were 463 bands that successfully participated in the FNFP during our eight-year study period. As there are 618 bands across Canada, this study represents 75% of all bands across the country.<sup>10</sup> Seven hundred sixty-eight reserves were estimated to have been involved in approved projects, representing 80% of the 961 populated reserves in Canada (based on the 2011 National Household Survey).<sup>11</sup> There were 47 instances where project proponents had two projects underway in a given year and 10 instances where three projects were underway in a given year.

Another complicating factor was the need to account for concordances among CSDs between the 2006 census and the 2011 National Household Survey.<sup>12</sup> There were numerous instances where reserves were amalgamated into one reserve between one census and the next or were renumbered between censuses.

Because FNFP funding was to be spent by project proponents whose members may reside among multiple reserves, a rationale had to be adopted to apportion each project's funding among its constituent reserves. Two methods were used to apportion project funding among participating reserves, resulting in the two separate datasets. The method used for the first dataset was based on the number of persons in participating reserves who were employed in forestry according to the 2006 census, while the method used to create the second dataset was based on the total 2011 population of constituent reserves.

A vital step was pairing the estimated project funding spent in each reserve with socioeconomic variables hypothesized to explain the FNFP's influence on reserve inhabitants' well-being. However, these socioeconomic variables were not available for all of the 768 CSDs estimated to have received FNFP funding. This was because of confidentiality concerns due to the small population of some reserves, as well as the unavailability of reserve inhabitants during the week of the censuses because they were engaged in traditional uses of the land or were evacuated due to forest fires. Additionally, some reserves refused to participate in the censuses for cultural or political concerns. Despite these challenges, the pairing of FNFP funding estimated to have been spent in each reserve with the censuses' socioeconomic information resulted in a net down of our sample datasets to 555 CSDs for each dataset.

The present study involves the summing of per-year FNFP project funding into two periods per reserve and the determination of averages per reserve for the outcome and control variables selected by the authors for use in statistical modelling. There were no aggregations to the provincial or national levels. The use of averages to represent CSD characteristics, or the change in characteristics (as in the case of our outcome variables chosen to represent well-being), is a standard practice when comparing social groups. It would not have been possible to conduct statistical analyses based on datasets composed of individual census respondents as individuals are not identified across the censuses. The data for the outcome and control variables used in the two datasets was sourced from a local Regional Data Centre (RDC) of Statistics Canada. The RDC acts



as a repository and point of access for census micro-data, which are data at the level of the individual or family census respondents.

### ***Outcome, Treatment, and Control Variables in the Study Datasets***

The Canadian Royal Commission on Aboriginal Peoples (Indian and Northern Affairs, 1996) concluded that a concerted effort by provincial, territorial, and federal governments in Aboriginal economic development would regenerate social fabric and redress economic inequity. As poor social conditions are related to poor economic conditions, economic initiatives focus on creating jobs, businesses, and local economies and not on the social conditions themselves (Booth & Skelton, 2011). Additionally, because the FNFP intended to improve economic conditions, we chose to represent the well-being of reserve inhabitants in terms of staple economic variables, namely, the difference in average CSD incomes reported in the 2006 and 2011 censuses.

The two income difference variables selected as outcome variables for our modelling work were the mean after-tax income of those employed in forestry (Forest Income Change, Appendix B) and mean after-tax family income (Family Income Change, Appendix B). The latter variable was chosen address our second research question about whether the FNFP also benefited individuals in the same reserve who were employed across a broader range of economic sectors. After-tax income of those employed in forestry is defined as the total money income received by individuals 15 years of age or older in the calendar year before the census year minus all income taxes, whereas family after-tax income is a derived variable defined as the sum of the after-tax income of all members of a census family. Because some CSDs saw increases in the outcome variables while others saw decreases, we present summary statistics in Appendix B for each change category.

As our study's primary research question is whether First Nations communities receiving FNFP support experienced an increase in their well-being due to the program, our models' treatment variable is the funding estimated to have been spent in participating reserves. Because our outcome variables are based on differences between two censuses, treatment funding (the 2006 to 2010 program timeframe we term Period 2) approximately corresponds to the period between the censuses. Period 1 funding (that is, FNFP funding from 2003 to 2005) is utilized as a control variable to determine whether this spending influenced reserve inhabitants' well-being and to ensure that the effect of Period 2 funding is not due to correlation with earlier period funding. We also used additional control variables, based on previously published works examining the factors contributing to socioeconomic variation in Indigenous communities. For example, Buffalo (1997) examined the influence of community size and the geographic location of socioeconomic status, and Parkins et al. (2006) employed population size, metropolitan influence zone, the percentages of the population between zero and 14 years of age, and the percentage of the population with less than grade nine education in their study of forest sector contributions to Aboriginal communities in Canada. Appendix C provides the descriptions, variable names, and descriptive statistics of the treatment and control variables used in our analysis models.

One of the control variables predicted to significantly influence reserve well-being was the population of a reserve's labour force (Labour Force '06). Reserves with higher labour force populations were expected to receive a commensurately higher benefit from the FNFP because their larger labour pool would be more likely to have persons with experience in forestry and thus undertake more projects. Other labour-related control variables we investigated were the number of persons employed in the forestry labour force in relation to the labour force as a whole in 2006 (titled Forest Labour Ratio '06) and the number of persons employed in forestry in relation to the employed labour force in 2006 (Forest Employment Ratio '06).<sup>13</sup> We hypothesized that reserves with higher ratios of forest workers in 2006 would benefit more from the FNFP, as forest workers would be inclined towards securing greater forest employment.

We also investigated two monetary control variables, Forest Worker Income '06 and Family Income '06, which represent the average 2006 levels of the income types used as outcome variables (see Appendix B). Their levels were hypothesized to act as a reference point to account for differences among reserves in terms of economic history, including any non-FNFP funding. Another control variable we thought would play a role in the relationship between treatment spending and average incomes or levels of employment of reserve inhabitants was the number of weeks worked in 2005 (Weeks Worked '06).<sup>14</sup> Our reasoning was that higher levels of employment before Period 2 would act as a source of reference for any path dependence from which well-being gains in Period 2 could be better explained. The number of weeks worked could be in any economic sector.

We also looked at several socioeconomic control variables. The level of educational attainment acts as an indicator of well-being through its effect on income and other aspects of well-being. Variables of educational attainment that were hypothesized to influence well-being are the ratio of persons with high school graduation and beyond (High School Ratio '06), the ratio of persons with a certificate of education beyond high school (Post Secondary '06), and the ratio of persons with a trade certification (Trade Ratio '06). Another socioeconomic control variable we thought would be relevant was the ratio of persons who were married, living common-law, or separated in relation to the total population in 2006 (Married Ratio '06). Our rationale stems from the expectation that reserves with a higher proportion of married individuals would have a positive influence on average family after-tax incomes across our sample. We also expected that average age (Mean Age '06) and age squared (Mean Age '06 Squared) would be relevant because higher age tends to be associated with higher incomes (although the strength of this association lessens as age increases).

The only categorical variable employed in our models was the province or territory a reserve was located in. This categorical variable was represented by 12 dummy variables; we chose Ontario as the comparison or reference region. We hypothesized that a given province or territory would have a significant influence on the well-being of reserve populations because of the diversity of economic and forestry policies across the country.

## ***Results and Discussion***

The two models presenting the overall results of our statistical hypothesis testing are shown in Tables D1 and D2: they were used to determine the likelihood of relationships among variables in our study dataset being due to random chance. Appendix D also outlines the reasoning behind our choice of multiple linear regression (MLR) statistical models to test the relationships between the study variables.

### *First Model: Modelling Differences in Average After-Tax Income of Forest Workers*

In terms of the highest goodness-of-fit, the best overall model explaining changes in reserve well-being is shown in Table D1. This first model's outcome variable is the difference in average after-tax income of forest workers between the censuses (see Forest Income Change, Appendix B) and was based on the forest worker-apportioned dataset. We also investigated models that used changes in average family after-tax income based on forest worker apportioning, but these proved to be inferior.

The FNFP Period 2 Spending treatment variable had a significant influence on our outcome variable. As anticipated, the injection of project monies into reserves created employment opportunities beyond the status quo and improved the well-being of residents employed in forestry, at least to some degree. However, its wide range by a median smaller than the mean, as illustrated in Appendix C, prompted us to investigate using this variable's logarithm, with the expectation that its linearization would lead to a better model. This was borne out as the t-statistic of this variable's logarithm increased substantially from the non-logarithmic version's value. A 10% increase in Period 2 funding,<sup>15</sup> holding all other independent variables constant, would, for example, result in a \$55.62 increase in the average after-tax incomes of forest workers ( $583.54 * \log_e(1.1) = \$55.62$ ). Placing this increase in a broader context, the average number of workers per reserve that could benefit would be 17.06, based on Labour Force '06 and Forest Employment Ratio '06 from Appendix C ( $487.51 * 0.035 = 17.06$ ). And the average total increase in the mean after-tax incomes of forest workers per reserve between 2006 and 2011 would be \$948.88 ( $17.06 * \$55.62$ ).

Although spending an average of \$7,000 in per reserve funding by all source components in Period 2 for an increase of \$949 in average per reserve after-tax income does not represent a good rate of return on investment, it's worth pointing out that 29.5% of this funding would stem from the federal government (see the Total FNFP Funding Component, Appendix A). This equates to \$2,071 per reserve ( $\$70,196.32/10 * 0.295$ ) resulting in a \$949 per reserve increase in after-tax forest worker income, representing a -54% rate of return ( $949/2071 - 1$ ). However, this is only a partial rate of return, as there would likely be spillover benefits to non-forest workers not captured here.

The FNFP Period 1 Spending control variable was not significant in initial modelling, suggesting that it had little bearing on FNFP well-being outcomes in Period 2. However, because its median was also smaller than its mean (Appendix C), we investigated using the variable's logarithm as well: in this case, the FNFP Period 1 Spending control

variable became strongly significant (Table D1, Appendix D), indicating that the level of Period 1 funding had a strong effect on changes in the after-tax incomes of forest workers between 2006 and 2010. On average, a 10% increase in Period 1 funding would result in a \$60.21 difference in total forest worker after-tax income, an increase greater than that of Period 2 funding. This was probably due to increases in human and physical capital that funding in Period 1 afforded (including the direct or indirect continuation of projects from one period to the next): this reflects a strong path dependency effect on funding in Period 2 as 316 of our 555 reserve samples saw program funding in both periods.

The highly significant control variable Forest Worker Income '06 indicates that, as hypothesized, this quantity's level acts as a reference point for differences in the mean after-tax incomes of forest workers between the 2006 and 2011 censuses. Its negative sign indicates that the average difference in mean after-tax incomes of forest workers declined between the censuses as Forest Worker Income '06 increased, possibly displaying a flattening effect of lessening changes in marginal income as the level of absolute income increases.

Forest Labour Ratio '06 was another significant reference control variable in our model (Table D1, Appendix D). The designation of a forest worker is based on a census respondent's sector of employment<sup>16</sup> during the census week, or, failing that, the dominant sector of employment during the period from the start of the year before the census year up to the census day.<sup>17</sup> The control variable's positive sign indicates that as the number of persons employed in forestry in relation to the labour force in 2006 increases, so too does the outcome variable Forest Income Change. A wider range of income among forest workers (including those seeking employment) than those employed in other fields may have been a key contributing factor in this result.<sup>18</sup> Importantly, the significance of Forest Labour Ratio '06 was in spite of the 90 reserves that had no inhabitants who drew income from forestry (Appendix B): typically, this number of reserves would render the Forest Labour Ratio '06 insignificant. All of these reserves were nonetheless deemed to have received FNFP funding in the forest worker-apportioned dataset. The significance of the Forest Labour Ratio '06 variable may have been to some extent an artifact of apportioning funding among the 555 reserves in our sample thought to have been participants in FNFP projects, when in fact a portion of the reserves may have received no funding because of project non-involvement. An additional explanation of why these reserves had no inhabitants who drew income from forestry but had forest workers may be that income was not reported because income tax payment is not required from on-reserve employment: most projects occurred in non-census years and therefore income arising from off-reserve projects would not have been recorded.

Mean Age '06 and its square proved to be significant in our models, as expected. These characteristics have been shown to explain socioeconomic phenomena in many studies, with increasing age (and the effects of accumulated experience) correlated to higher incomes—but with declining income increases as age approaches the retirement years.

The only provincial dummy variable that proved significant was the one for British Columbia, with this variable reflecting an average per reserve increase of \$3,356 in forest worker income between the censuses relative to the average per reserve forest worker income change in Ontario. This likely reflects the impact regional policies have on socio-economic aspects such as access to forests and support for business opportunities.

The last control variable in our model was the dummy variable Forest Employed. This variable was not anticipated to be part of the study dataset but was employed to account for the heteroscedastic effect of the 90 reserves with no reported after-tax incomes of forest workers in either census (Appendix B).

One of the variables expected to significantly influence the well-being of reserve inhabitants was Labour Force '06; however, it was not significant in our model. Clearly, the population of a reserve's labour force does not significantly influence income-based well-being gains among forest workers through the FNFP. Our hypothesis that reserves with higher labour force populations (and therefore more likely to have persons with experience in forestry and thus attract more FNFP project funding) would receive a commensurately higher benefit from the FNFP does not appear to be supportable. The lack of significance of Labour Force '06 may be due to the distributive influence of First Nations businesses and organizations whose composition is not aligned with reserve forest worker populations. Our approach of using reserve forest worker population and total reserve population to apportion project funding among reserves is only an estimation of how FNFP funding was distributed among component CSDs, allowing us to pair funding with the reserve socioeconomic data used to explain well-being gains through our models.

Another surprise was that none of the education-related control variables outlined in Appendix C (High School Ratio '06 and Post Secondary Ratio '06) were significant in our model. Perhaps there were too few inhabitants working in forestry with sufficient variation in education across our sample of reserves to make a detectable difference in income. Indeed, in their study of the contributions of forestry and other resource sectors to the socio-economic status of Aboriginal communities, authors Parkins et al. (2006) found that their education control variable (the percentage of the population with less than grade 9 education) became insignificant in its effect on median family income in the latter three census periods of the four examined.

### *Second Model: Modelling Changes in After-Tax Family Income*

Our second model in Table D2 focuses on whether the FNFP benefited the wider reserve population. This does seem to be the case, as the logarithm of Period 2 spending was significant, indicating that this treatment variable improved well-being across wider reserve populations—if to a lesser extent when compared to well-being expressed in terms of the Forest Income Change outcome variable in our first model (see Table D1). A 10% increase in Period 2 funding, holding all other control variables constant, would result in a \$14.23 increase in mean after-tax family incomes ( $149.32 * \log_e(1.1) = \$14.23$ ). This increase would be spread over an estimated average of 169 families per



reserve (487.51, the average labour force population in 2006 [Appendix C] \* 0.347 [Married Ratio '06, Appendix C]).<sup>19</sup> The increase in family income per reserve would then be \$2,404.87 (169 \* \$14.23). As in our first model, the federal spending required to achieve this increase would be \$2,070.79. This would imply a rate of return of 16% ( $\$2,404.87 / \$2,070.79 - 1 = 0.16$ ). Since our treatment funding would have a wider effect on after-tax family income (Family Income Change) because of the higher number of people benefiting, one would expect a higher rate of return than our first model, which focused on forest workers and the resultant partial rate of return. Another difference is that Period 1 funding, whether in its linear or logarithmic form, had no discernable effect on reserve well-being in our second model: benefits in Period 2 were likely too muted across the wider reserve population.

However, the Weeks Worked '06 variable may have induced a similar path dependency effect on Family Income Change as Period 1 funding did on Forest Income Change. The positive significance of the Weeks Worked '06 suggests that more employment in one time frame engenders more employment in later time frames: the more weeks worked in 2005, the larger the outcome variable Family Income Change.

That said, the negative sign of the Family Income '06 variable is puzzling. It may reflect worsening economic conditions across most sectors between the censuses, as evidenced by the 199 reserves that saw a decrease in mean family after tax income between the censuses (Appendix B). The negative sign for this control variable means that this decrease was relatively greater for those reserves with a higher Family Income '06. For example, suppose that higher-income reserves are more sensitive to economic conditions because they have more enterprises dependent on external demands for products or services. In this case their decline might be relatively greater than lower income reserves with a greater reliance on internal sources of income. A significant control variable in explaining the effect of the FNFP on average reserve after-tax family income was the ratio of persons who were married, living common law, or separated to the total population in 2006 (Married Ratio '06). This likely reflects the income-boosting effects of an increasing proportion of families with dual income earners, some of which may have been attributable to FNFP treatment funding.

This model also includes the Post Secondary Ratio '06 variable. The negative sign on the rate of individuals possessing a certificate of education beyond high school in relation to the total population in 2006 may indicate the effect of income foregone while pursuing post-secondary education, whether in forestry or other fields.

Finally, six Provincial dummy variables proved to be significant in explaining variation in our outcome variable, Family Income Change (Table D2, Appendix D). These increases or decreases in after-tax family income between 2006 and 2011 are all relative to Family Income Change in Ontario.

## ***Conclusion***

This study affirmatively answered its research questions as to whether First Nations communities that received FNFP support experienced an increase in their well-being in terms of increased income. While the FNFP's -54% rate of return when using

federal funding to increase after-tax incomes of forest workers is not a good return on investment from a profit-motivated business point of view, positive rates of return may not be the primary objective of government programs meant to improve the well-being of underprivileged and disadvantaged social groups. Projects in the Forest-Based Business Development business line would not have generated income or employment if the proposed business developments did not go ahead. The same could be said of projects in the Access to Forest Resources business line. After all, the FNFP was chiefly meant to help Indigenous Peoples to work in the forest sector, not to provide income and employment *per se*. But while a broader look at how well the FNFP's rates of return compare with similar programs across the national spectrum is an interesting area of future research, it is beyond this paper's scope.

On the other hand, the rate of return on increasing after-tax family incomes between the censuses was 16%, suggesting this was the FNFP's main benefit, as it is clear the program had spillover effects across the wider reserve population. The central importance of family and kinship for the well-being of Indigenous people cannot be overemphasized (Durie, 2006; Grieves, 2007; Greiner et al., 2005; Kral et al., 2011, as cited in Yap & Yu, 2016), and collective and relational sense of well-being is a recurring theme in the well-being literature (Yap & Yu, 2016).

That said, there are a few factors that may have affected our results. The recessionary effects of the 2008 financial crisis would have been acutely felt during our study period, especially since many First Nations businesses undertake contracts with larger companies (Hickey & Nelson, 2005) or are involved in joint ventures for the construction of a timber mill or forest management and planning (Wyatt, 2008). Indeed, the number of CSDs with forest workers decreased by 98 reserves from 2006 to 2010, probably reflecting the tough economic times. However, despite the gloomy economic conditions, our income models suggest that the FNFP had positive effects on reserve inhabitants' well-being in terms of the dependent income variables used in our models. Another concern is that the FNFP is only one of several federal programs meant to bolster the economic fortunes of Indigenous communities; parallel increases in other programs may have been an unaccounted-for factor potentially undermining our findings. However, a review of economics-related federal spending programs in reserve communities showed a net decrease of \$296 million over our study period. This would support our overall evaluation of the FNFP.

However, the most prominent source of uncertainty arose from our efforts to tie FNFP funding to reserves when project proponents were First Nations businesses or organizations. The benefits gained through project funding may have been unequally distributed when project proponents were from bands that resided among two or more reserves, and the funding effects of projects involving a single band would be masked when aggregated with non-participating bands. In addition, our models do not account for income changes in the bands' off-reserve population because of the challenges posed by tying non-reserve CSD's Indigenous populations to particular reserves. This is a key concern as an increasing proportion of Canada's Indigenous population resides in urban centres. For example, the number of Indigenous people living in metropolitan areas increased by nearly 60% between 2006 and 2016 (Collier, 2020). Our effort to



apportion project funding among constituent reserves according to their forest worker population rather than on their total population was done out of the belief that this would reduce the uncertainty of the apportioning. The strong significance of the FNFP treatment and control spending variables, as well as the better goodness-of-fit statistics in our model based on the forest worker-apportioned dataset, seems to have borne out the validity of this approach.

One connection between the FNFP's after-tax income increments and their overall benefits to FN well-being may lie in improvements in overall community health. There is little doubt that the structural social and economic disadvantages affecting Indigenous people also adversely affect their health and wellbeing (Anderson et al., 2016). Capacity, specifically, is a frequently recurring structural disadvantage in wellness literature concerning Indigenous peoples. To this end, the FNFP was intended to augment First Nations participation in the forest sector by enhancing their capacity to engage in economic opportunities. Our finding that experience in forestry led to increased income suggests that projects were linked to increased capacity for participating in the forest industry generally.

Another consideration is that our finding linking projects to an increase in the after-tax income of forestry workers and reserve families may have a greater association with well-being than an indicator such as incremental revenue.<sup>20</sup> Our findings using the economic indicators directly suggest that profits and employment income from FNFP projects have reached the workers and families on the reserves, likely increasing their well-being.

Our findings also suggest several potential policy recommendations. The question of whether the FNFP laid the foundation for continued or improved well-being beyond this study's survey period could be answered by examining two similar programs that followed the FNFP.<sup>21</sup> Since our work demonstrates some FNFP success, a resultant policy recommendation is that these programs continue until they no longer fulfill their intended purpose at an acceptable cost. Another policy recommendation is to further address a key hindrance to greater Indigenous involvement in forestry: access to the forestland base. While many collaborative arrangements between Indigenous Peoples and the forest sector exist,<sup>22</sup> "despite apparent federal and provincial political support and successful examples of Indigenous forestry, greater Indigenous involvement remains a challenge under most current management systems" (Lawler & Bullock, 2017, p. 120). As noted by Calliou (2021), the erosion of First Nations' land base is a significant hurdle in their bid for self-government, a legacy of the long expansion and eventual dominance of settler society and the continuing effects of oppressive and paternalistic treatment by the Canadian state, particularly through the Indian Act. The emergence of the Land Back movement in the 2010s is symptomatic of Indigenous Peoples' efforts to reestablish political and economic control over their ancestral lands in tandem with meaningful involvement in decision-making and free, prior, and informed consent.

It is important to remember that our conventional measure of economic outcomes represents only one component of total well-being. Because well-being is multidimensional, encompassing objective and subjective notions, an important aspect of understanding well-being is recognizing that the interconnectedness of different

dimensions is as crucial as the individual parts (Smylie et al., 2014). Ever present in the lived experiences of Indigenous peoples is the balancing and negotiation of relationships and trade-offs among the different dimensions of well-being (Yap & Yu, 2016). The interconnectedness between the different dimensions is embodied in the concept of Mino Bimaadiziwin, a term used by Anishinaabeg and other Algonquian-speaking Indigenous Peoples that means the “good life” or “living the good life.” It reflects a comprehensive Anishinabek worldview and ontology incorporating culture, spirituality, and health. Similarly, the philosophy of mabu liyan permeates all aspects of Yawuru well-being. It reflects their sense of belonging and being in connection with country, culture, others, and oneself. Indeed, the Yawuru believe that having the necessities—an education, both Western and cultural; secure and meaningful work; and a constant stream of income—not only ensures stability but is instrumental in achieving other valued functions such as autonomy (Yap & Yu, 2016). It is therefore necessary to pursue an integrated approach to well-being, wherein a system of indicators extends across every element of people’s lives, combining social information with economic and environmental factors so that relationships between the different aspects can be considered (PUMC-UNAM, 2008 cited in Yap & Yu, 2016).<sup>23</sup>

Ultimately, the present study has gone a step beyond the usual practice of evaluative efforts that look at outputs rather than outcomes: we have shown that the FNNP had a significantly positive outcome on the well-being of Indigenous peoples in terms of a conventional measure of economic outcomes. An important caveat is that our measure represents only one component of overall well-being and further work is necessary to determine the role and extent of other components.

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## Appendix A

*Number of Projects, Total Project Funding, Funding Source Components, and Number of Proponents by Province or Territory in the First Nations Forestry Program, 2003 to 2010*

Province or territory	Number of funded projects	Total project funding (\$)	Total FN funding component (\$) <sup>a</sup>	Total FNFP funding component <sup>b</sup> (\$)	Total partner funding component (\$) <sup>a</sup>	Number of proponents
NL	15	934,245.03	534,076.00	347,024.03	53,145.00	2
PE	9	217,050.00	83,124.00	100,038.00	33,888.00	3
NS	22	2,118,546.00	570,807.00	1,510,205.00	37,534.00	2
NB	47	2,541,358.30	967,481.10	1,068,412.20	505,465.00	14
QC	139	16,709,747.00	9,673,913.00	3,721,804.00	3,314,030.00	34
ON	201	21,118,684.76	6,473,829.52	4,289,275.55	10,355,580.69	93
MB	113	10,138,314.33	5,309,644.16	2,086,448.56	2,742,221.61	42
SK	138	11,245,776.36	4,814,557.75	2,865,848.00	3,565,370.61	42
AB	122	9,937,911.00	4,686,967.70	2,817,783.20	2,433,160.10	43
BC	230	10,111,376.02	2,616,228.90	5,602,922.31	1,892,224.81	122
NT	29	1,121,351.00	450,371.80	478,510.50	192,468.70	17
YT	13	1,370,696.00	291,969.00	972,104.00	106,623.00	2
Canada	1,078	87,565,055.80	36,472,969.93	25,860,375.35	25,231,711.52	416

<sup>a</sup> Includes cash and in-kind contributions.

<sup>b</sup> Total FNFP funding represents a cash-only federal source component within the larger FNFP that encompasses all three funding source components.

*Note.* NL=Newfoundland and Labrador, PE=Prince Edward Island, NS=Nova Scotia, NB=New Brunswick, QC=Quebec, ON=Ontario, MB=Manitoba, SK=Saskatchewan, AB=Alberta, BC=British Columbia, NT=Northwest Territories, YT=Yukon Territory

*Note.* FN = First Nations.

## Appendix B

### *Outcome Variable Characteristics for the 555 Census Subdivisions in the Study Sample*

Outcome variable description	Variable name	Number of associated CSDs	Mean of variable	Median of variable
Increase in mean after-tax incomes of forest workers between 2006 and 2011 in constant dollars <sup>a</sup>	Forest Income Change	200 <sup>b</sup>	9,068.14 (13,148.81)	4,698.52 (9 379.84)
Decrease in mean after-tax incomes of forest workers between 2006 and 2011 in constant dollars	Forest Income Change	265	13,804.82	10,019.05
Increase in mean family after-tax incomes between 2006 and 2011 in constant dollars	Family Income Change	356	8,450.42	6,015.16
Decrease in mean family after-tax incomes between 2006 and 2011 in constant dollars	Family Income Change	199	6,884.04	3,697.00

*Note.* CSD = census subdivision.

<sup>a</sup> The reference year for constant dollar determinations was 2002.

<sup>b</sup> 90 additional reserves had no after-tax incomes of forest workers reported in either census.

## Appendix C

### *Descriptions of the Treatment and Control Variables in the Study Datasets Used in Statistical Modelling*

Variable description	Variable name	Mean of variable	Median of variable
<b>Treatment variable</b>			
Funding by all source components in period 2 in constant dollars	FNFP Period 2 Spending	70,196.32	15,859.02
<b>Control variables</b>			
Total FNFP spending by all source components in period 1 in constant dollars	FNFP Period 1 Spending	56,603.09	10,541.07
Labour force population in 2006	Labour Force '06	487.51	229.0
Ratio of number of persons in the forestry labour force in relation to the labour force in 2006	Forest Labour Ratio '06	0.035	0.0156
Ratio of number of persons employed in forestry in relation to the employed labour force in 2006	Forest Employment Ratio '06	0.0221	0.0119
Average after-tax income of forest workers in 2006 in constant dollars	Forest Worker Income '06	15,370	- <sup>a</sup>
Average after-tax family income in 2006 in constant dollars	Family Income '06	30,740	14,0120
The average number of weeks worked, regardless of sector, by reserve inhabitants in 2005	Weeks Worked '06	14.19	14.32
Ratio of persons with high school graduation and education beyond high school in relation to the total population in 2006	High School Ratio '06	0.616	0.619
Ratio of persons with certificate of education beyond high school in relation to the total population in 2006	Post Secondary Ratio '06	0.494	0.502

a

Variable description	Variable name	Mean of variable	Median of variable
Ratio of persons with trade certification or diploma in relation to the total population in 2006	Trade Ratio '06	0.079	0.066
Ratio of persons who were married, living common-law or separated in relation to the total population in 2006	Married Ratio '06	0.347	0.335
Average age of reserve labour force population in 2006	Mean Age '06	31.49	29.53
The square of average age of reserve labour force population in 2006	Mean Age '06 Squared	1,060.76	872.23
The province or territory a reserve is located in coded among 12 dummy variables	Province	n/a	n/a
Dummy variable coded zero for zero values of the outcome variable and coded one for non-zero values of the outcome variable	Forest Employed	n/a	n/a

*Note.* n/a = not applicable.

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Suppressed for confidentiality reasons. Fewer than 120 CSDs had zero values.

## Appendix D

Because our initial sample of 768 reserves represents 80% of all reserves in Canada, a percentage similar to the almost 80% of First Nations that are located within Canada's vast forests (Gysbers & Lee, 2003), it is reasonable to conclude that most forested reserves participated in the FNFP during the program's operation. Most of the 193 reserves that did not take part in the FNFP were urban reserves or reserves not close to forest resources. Given the size of this group of reserves in relation to our working sample of 555 reserves, there would be limited utility in using binary matching approaches to determine the treatment effects of the FNFP on the well-being of reserve inhabitants. Furthermore, the dissimilar natures of reserves with or close to forest resources compared with those without forest resources would render binary matching procedures problematic.

An extension of the binary matching tradition is the study of varying levels of treatment on outcomes, commonly termed dose response modelling. Although multiple linear regression is probably the most common method for estimating treatment effects, the statistical literature suggests that propensity score analysis is becoming more prevalent in some areas of research, its chief advantage being that comparisons made between matched groups are not confounded by differences in covariate distributions (Zanutto, 2006) through avoidance of functional form restrictions (Lauringson et al., 2011). However, Zanutto (2006) also noted that an advantage of multiple linear regression is its ability to reveal treatment differences due to important interactions with other covariates such as regions of a country: this is an important consideration when evaluating studies that take place in real-life settings rather than in highly controlled clinical trials. For this reason, we opted to pursue a multiple regression approach to research the FNFP's effect on the well-being of reserve inhabitants.



Table D1.

*Estimation Results of the MLR Model of Changes in the Mean After-tax Incomes of Forest Workers (Forest Income Change) Between 2006 and 2011, Based on Treatment Funding Apportioned by Forest Worker Population*

Predictor variable	Estimated coefficient	t-ratio
Log of FNFP period 2 spending	583.54***	5.12
Log of FNFP period 1 spending	637.30***	5.66
Forest worker income '06	-0.926***	-30.49
Forest labour ratio '06	20,357.92*	1.94
Mean age '06	901.51**	2.35
Mean age squared '06	-10.14**	-2.15
Province (BC)	3,355.92**	2.13
Forest employed <sup>a</sup>	6,953.51***	4.52
Constant	-19,386.59***	-2.61
Number of observations = 555		
$\bar{R}^2 = 0.65$		
Mean VIF = 1.29 <sup>b</sup>		

\* Significant at 0.1.

\*\* Significant at 0.05.

\*\*\*Significant at 0.01.

*Note.* VIF = variance inflation factor. See the following paragraph for details on the VIF.

<sup>a</sup> The inclusion of the Forest Employed dummy variable proved superior to the use of robust standard errors without the inclusion of this variable.

<sup>b</sup> This figure does not include Mean Age Squared '06 in its determination as the to-be-expected high correlation between Mean Age '06 and Mean Age Squared '06 unrealistically biases the mean VIF.

A good regression model must possess a high degree of confidence in its estimated coefficients. An indicator of this confidence is that the model's independent variables should not be strongly correlated, as the presence of multicollinearity can lead to large standard errors and wide confidence intervals of the model's coefficients. A measure of the degree of multicollinearity is the variance inflation factors (VIF) of the model's coefficients. A VIF indicates how much of the variance of an estimated coefficient is being inflated because of multicollinearity; research by Hair et al. (2010) and Kennedy (1992) suggest that VIF values under 10 are acceptable. None of the VIF values in our three models were greater than 1.37.

Table D2.

*Estimation Results of the MLR Model of Changes in After-tax Family Income (Family Income Change) Between 2006 and 2011, Based on Treatment Funding Apportioned by Total Reserve Population*

Variable name	Estimated coefficient	t-ratio
Log of FNFP period 2 spending	149.32*	1.71
Weeks worked '06	631.77***	4.20
Family income '06	-0.728***	-8.08
Married ratio '06	19,573.89***	3.00
Postsecondary ratio '06	-12,917.26**	-2.20
Province (NL)	8,193.05***	3.23
Province (QC)	3,898.98**	2.32
Province (MB)	-6,726.78***	-4.48
Province (AB)	5,912.23***	2.74
Province (YT)	8,306.97***	2.68
Province (NT)	10,969.65***	7.46
Constant	15,239.39***	3.41
Number of observations = 555		
$R^2 = 0.39$		
Mean VIF = 1.32		

\*Significant at 0.1.

\*\*Significant at 0.05.

\*\*\*Significant at 0.01.

Note. VIF = variance inflation factor.

The use of robust standard errors was employed in this model to counter the effects of heteroscedasticity in the dataset.

## END NOTES

- <sup>1</sup> The term “Indigenous” refers to the Indigenous inhabitants of Canada, including First Nations, Inuit, and Métis peoples (as stated in section 35(2) of the Constitution Act, 1982), and will be used in place of the terms “Aboriginal” or “First Nations” unless directly quoted from or in reference to associated literature.
- <sup>2</sup> The dissolution of INAC was announced in 2017 along with the creation of two new departments: Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada.
- <sup>3</sup> The seventh domain, land use, was added to the original six domains of well-being after being identified by the Indigenous participants.
- <sup>4</sup> The other components are education level and housing quality.
- <sup>5</sup> Wise practices is an approach that blends local traditional knowledge and experience with best-practices competencies that Indigenous leaders would need to achieve successful community economic development.
- <sup>6</sup> Project description taken from FNFP database.
- <sup>7</sup> Project description taken from FNFP database.
- <sup>8</sup> The database also included a host of other items including province, fiscal year, brief project description, project proponents, business line(s), project status, and ancillary information.
- <sup>9</sup> “Distinct census subdivisions” is Statistics Canada’s general term for municipalities or areas treated as municipal equivalents for statistical purposes, such as First Nations reserves.
- <sup>10</sup> Data is sourced from Indigenous and Northern Affairs Canada: <http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/index.aspx?lang=eng>.
- <sup>11</sup> There are actually 3,100 reserves in Canada, 961 of which are classified as census subdivisions as they have resident populations. The remaining reserves are small, remote parcels of land used for seasonal purposes. For more information, see <http://www.statcan.gc.ca/pub/92-195-x/2011001/geo/csd-sdr/def-eng.htm>.
- <sup>12</sup> The 2011 National Household Survey is referred to as the 2011 census throughout the remainder of this work for the sake of brevity.
- <sup>13</sup> The labour force is defined as employed persons and persons seeking employment while the employed labour force is defined as those who are employed. Both categories apply to persons 15 years of age and older who are not institutionalized.
- <sup>14</sup> Because this variable was meant to record employment over a whole year, 2005 was the latest year that could be used for the 2006 census.
- <sup>15</sup> This calculation is based on roughly 10% of the average Period 2 per reserve FNFP spending of \$70,196.32 (see Appendix C).
- <sup>16</sup> The sector of employment is based on the 2002 North American Industry Classification System (NAICS).
- <sup>17</sup> The census day was May 16th in 2006 and May 10th in 2011.
- <sup>18</sup> This range in incomes depends on how long forestry workers were employed for and which aspects of forestry they were involved in.
- <sup>19</sup> A degree of error is introduced in this estimation because Married Ratio '06 is in relation to the total population, while the 487.51 figure is the mean labour force population in 2006.
- <sup>20</sup> As noted earlier, Vining and Richards (2016) use a CWB that includes per capita income and labour force activity. Consult their work for more information on incremental revenue as a well-being indication.
- <sup>21</sup> The Aboriginal Forestry Initiative and the succeeding Indigenous Forestry Initiative that is currently in effect.
- <sup>22</sup> For examples, see Wyatt et al.’s (2013) typology of the five main and 34 sub-types of collaborative arrangements.
- <sup>23</sup> An example of an integrated approach and its challenges is featured in the 2020 work of Kohn et al. that developed a set of 41 indicators towards measuring Indigenous sustainability among the Bedouin tribes of Israel. These indicators were grouped into three areas: physical sustainable space such as access to drinkable water (11 indicators with a weighting of 30%), social and economic sustainable

space such as average wage (19 indicators also with a weighting of 30%) and mental sustainable space such as place and Indigenous tradition preservation (11 indicators with a weighting of 40%).

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*Moving at the Speed of Business:  
A Possible Path to First Nation  
Prosperity Starts with Efficiency*

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**AUTHORS' NOTE**

Andre Le Dressay is the director of the Tulo Centre of Indigenous Economics, while Jason Reeves and Normand Lavallee are lecturers and significant contributors to Tulo Centre curriculum and courses.

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## ABSTRACT

First Nation economic self-determination strategies are constrained by high investment facilitation transaction costs and high jurisdictional implementation switching costs. This paper summarizes a First Nation-led strategy to overcome these constraints. This strategy, which began 55 years ago, uses federal legislation such as the *First Nations Fiscal Management Act* (FMA) and the *Framework Agreement on First Nations Land Management* (FA). It is supported by First Nation institutions such as the First Nations Tax Commission, First Nations Financial Management Board, First Nations Land Management Resource Centre, First Nations Finance Authority, and the newly established First Nations Infrastructure Institute. Preliminary observations suggest the FMA-FA strategy has successfully reduced transaction and switching costs on First Nation lands and could accelerate economic self-determination for interested First Nations.

**KEYWORDS:** Economic self-determination, land management, fiscal management, theory of change

In 1968, during consultations leading to the federal government's White Paper proposal,<sup>1</sup> Clarence Jules Sr.<sup>2</sup> asserted that First Nation governments were at a competitive disadvantage with other governments when competing for investment. As he put it,

*We feel that we are in a better position to judge the needs of our people than officials of the Department located in Ottawa... To give just one illustration: We operate an Industrial Subdivision on part of our reserve and lease lots in the Sub-division to various individuals and companies. Before a lease can be granted not only must the Band Council pass its resolution, but the lease is then routed through the Kamloops Indian Agency, then to the Vancouver office and finally to Ottawa. The same process is followed on the return trip.*

We can document instances where months have gone by before a lease is finally issued. In many cases by the time the lease has been returned, the lessee has gone elsewhere because people today require almost instantaneous decisions. These delays cost us money and we don't like it. There must be a change to grant more power and authority to Indian Band Councils. After all, our Indian people elect us to represent them; they do not elect officials of the Indian Department. (Jules & Kamloops Indian Band, 1968)

This observation's importance is difficult to overstate. It articulates the longstanding First Nations political objective to restore self-determination, diagnoses the economic constraints related to that objective function, and explains how to reduce these constraints and reestablish self-determination.

The objective function is for First Nations to obtain more fiscal powers and jurisdictions to generate more economic and fiscal benefits from their lands. Economic benefits flow to individuals through jobs, income, and business profits. Fiscal benefits flow to communities through public revenues and are expended on individuals in the form of public services and infrastructure: fiscal benefits are always a subset of economic ones.

In this paper, we refer to this objective function as *economic self-determination*. This is an economic cycle where First Nations generate fiscal means from investment on their lands and use the resultant revenues to efficiently implement jurisdictions, public services, and infrastructure that reduce transaction costs to facilitate more investment, thus allowing them to generate even more economic activity, fiscal means, and jurisdiction. We use the term economic self-determination for two reasons. First, as the economy increases, so too will self-determination because First Nations will be able to exercise more jurisdictions using their independent revenues. Second, economic growth is caused by investment in the comparative advantages of an area, e.g., favourable location, access to natural and human resources, and tourism. This means the investment climate matters because it is an important link between the exercise of jurisdictions and the economy—a fact that Jules Sr. recognized in 1968 when he stated that one way to achieve economic self-determination was for First Nations to have more fiscal powers and jurisdictions so they could create a competitive investment climate.

He also identified two principal barriers to economic self-determination on reserve lands in Canada. First, investment facilitation costs are too high—an observation we confirmed thirty years later. In our research of investment projects on First Nations lands with clear location advantages, we found it takes about four to six times longer to complete a residential or commercial investment transaction, from proposal to construction, on First Nations reserve lands compared to off-reserve lands in Canada (Le Dressay, Richard, & Calla, 2008). Second, Jules Sr. understood it would be difficult to advance First Nations jurisdictions in the colonial framework of the *Indian Act*. We call these *jurisdictional switching costs*. Jurisdictional switching costs are the amount of time and professional costs it takes to implement a First Nation strategy, system, or jurisdiction to restore self-determination and reduce investment transaction costs. Switching costs are relatively high because colonial jurisdictions and institutions occupy the jurisdictions First Nations governments require to reduce transaction costs.<sup>4</sup> In some ways, this paper is simply a 55-year progress report on the original strategy suggested by earlier by Jules Sr.

Going forward, though, the First Nations-led work that will be most relevant to this paper is the 1988 Kamloops Amendment to the *Indian Act*.<sup>7</sup> This amendment facilitated property tax systems for interested First Nations, providing them with greater fiscal powers. It led to the passing of the *First Nations Fiscal Management Act* (FMA) in 2005. The FMA, in turn, established the First Nations Tax Commission (FNTC), First Nations Financial Management Board (FMB), First Nations Finance Authority (FNFA), and, most recently, the First Nations Infrastructure Institute (FNII). Additionally, the *Framework Agreement on First Nations Lands Management* (FA) of 1996, and the First Nations Land Management Resource Centre (RC) support interested First Nations in

establishing independent jurisdiction over lands management. Finally, the Tulo Centre of Indigenous Economics, although not formally established in legislation, is of relevance. The Tulo Centre was created in 2008 and provides accredited university programs to First Nations administrators to support participating First Nations in realizing greater benefits from the FMA-FA framework. Ultimately, the framework and analysis in this paper draw heavily from applied economics research, exploring the systematic causes of the high transaction costs that raise the costs of facilitating investment on First Nations lands.<sup>10</sup>

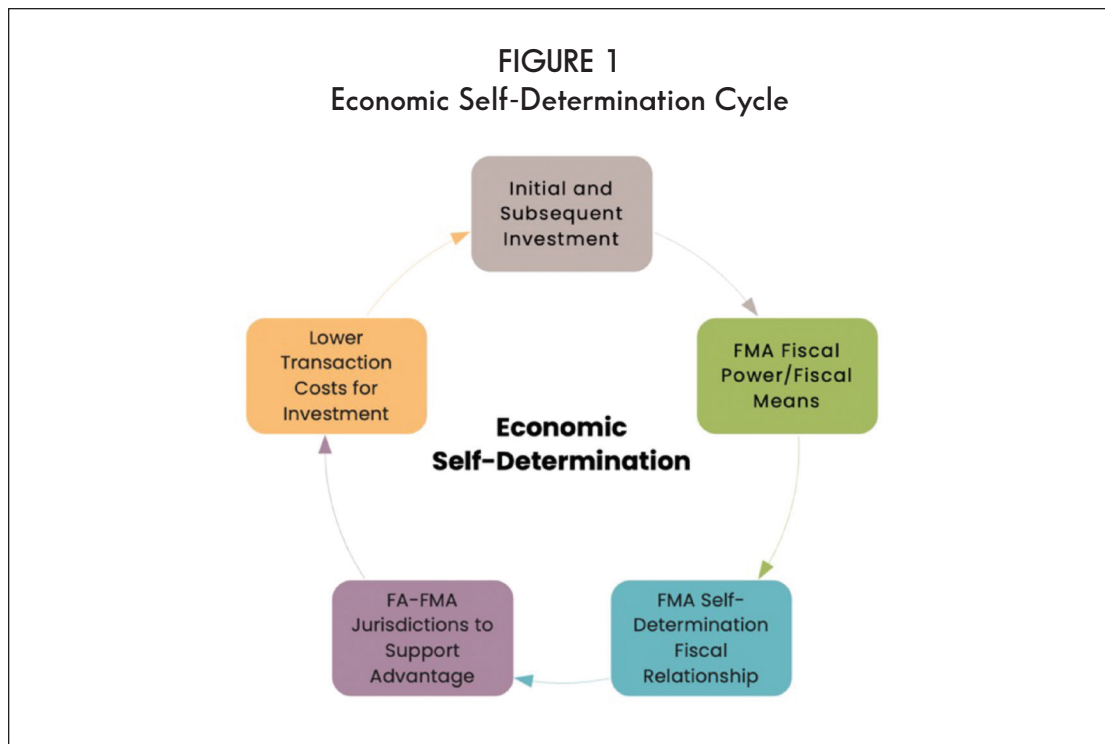
Going forward, this paper will summarize a proven and successful First Nations-led institutional economics strategy<sup>11</sup> to more quickly reduce high First Nations switching and transaction costs, furthering economic self-determination. There are five distinct sections: the first focusses on explaining the theoretical framework and its key terms – *economic self-determination*, *investment climate*, *transaction costs*, and *switching costs*. The second section provides the origin of the economic self-determination strategy referred to as the *FMA-FA* or *FMA-FA-Tulo Centre strategy*.<sup>12</sup> The third section describes how the FMA-FA-Tulo Centre strategy reduces transaction and switching costs, while the fourth section provides observations demonstrating this strategy's successes. The final section presents ideas to expand and accelerate this strategy.

## **Key Terms for the FMA-FA-Tulo Centre Theory of Change**

### ***Economic Self-Determination***

First Nations were the first governments of Canada. They practiced economic self-determination prior to contact, fostering open markets and institutions that supported lower transaction costs and promoted trade and investment (see Tulo Centre, 2014; Le Dressay, Lavallee, & Reeves, 2010; PolicyEd, 2020b; and Tulo Centre, 2021). To this day, First Nations have retained the four necessary conditions for an economic self-determination strategy:

- There is a cultural, language, and identity foundation for First Nations government.
- There are First Nations lands for First Nations government jurisdictions.
- There is a treaty, legal, legislative, economic, or political basis for First Nations jurisdictions.
- There are First Nations leaders and governments interested in pursuing economic self-determination.



This economic self-determination strategy is illustrated in Figure 1. The cycle begins with an investment that generates fiscal means for a First Nations government. Fiscal means can be generated from direct tax powers applied to economic activity or, in some cases, they can be generated from the profits of First Nations government business enterprises. These means can be used to implement independent First Nations jurisdictions with a supportive fiscal relationship that facilitates the association of independent revenues and jurisdictions. First Nations could then choose to implement jurisdictions that support their location advantage and, as is discussed at the end of this paper, potentially resource advantages as well.

The jurisdictions most likely to support a location advantage are land, infrastructure, service, and investment facilitation related (see *Fiscal Realities Economists*, 1999; Le Dressay, Richard, & Calla, 2008; and Le Dressay, 2018). If the switching costs for First Nations jurisdictions are low enough, First Nations could occupy these jurisdictions in a manner that reduces transaction costs. These lower transaction costs would facilitate more leasehold investment, and the cycle would repeat itself to increase economic self-determination, fiscal means, and jurisdiction.

Economic self-determination is a function of a government's independent fiscal means and the jurisdictions supported by these revenues. There are direct relationships between the amount of fiscal means a government has and its fiscal powers and economic activity. The more fiscal powers a government has, and the greater economic activity they can tax, the greater their fiscal means. Governments with larger economies and many fiscal powers have more fiscal means and can finance and design more jurisdictions themselves. For example, the United States and China are the two most

self-determining nations on earth because of their fiscal means and economic activity. This is one of the key benefits of a revenue-focused fiscal relationship.

Thus, by this logic, the greater a First Nation's independent revenues, the greater their self-determination. When there is a direct association between a government's fiscal means and the jurisdictions it exercises, the logic of this statement is straightforward—but for most First Nations, there is little clarity with respect to expenditure responsibilities, revenues, and transfers. This lack of clarity has resulted in a transfer-based fiscal relationship instead of a revenue-focused fiscal relationship (FMB, 2020).<sup>13</sup> It also leads to service responsibility disputes between First Nations, provinces, and the federal government; insufficient revenues to pay for services and infrastructure; and substandard services and infrastructure, resulting in significant emigration from First Nations. Most distressingly, the lack of clarity related to jurisdictional responsibilities, as well as between revenues and expenditure jurisdictions, means First Nations cannot implement the same economic self-determination strategy framework used throughout the rest of Canada.

The only exception to this rule is in the FMA local revenue system, which demonstrates a direct relationship between First Nations revenues and independent expenditures. This is important because as these First Nations' economies grow, so do their FMA revenues, which they can then use to finance more jurisdictions for their community objectives. This is why FMA First Nations pursuing their economic self-determination use a dual strategy that increases their fiscal powers to receive a greater fiscal share of economic activity and grows their economies to increase their fiscal means and jurisdiction. A simplified representation of this strategy is depicted in (1).

$$\begin{aligned} \Delta (\text{Economic Self-Determination}) = & \\ & \Delta (\text{Fiscal Power} + \text{Jurisdictional Development}) \\ & + \Delta (\text{Fiscal Power} + \text{Jurisdictional Implementation}) \\ & + \Delta (\text{Economic Growth}) \end{aligned}$$

(1)

In plain English, the speed of economic self-determination depends on the speed of jurisdictional and fiscal power innovation, the speed to implement these jurisdictions and fiscal powers, and how fast First Nations economies grow as a result. As a result, the FMA-FA-Tulo Centre's economic self-determination strategy addresses three main challenges: (a) speeding up the process to secure more First Nations fiscal powers and jurisdiction, (b) supporting interested First Nations to more quickly and effectively implement those fiscal powers and jurisdictions, and (c) using these increased fiscal powers and jurisdictions to accelerate economic growth. We think a useful starting point for these challenges is an appreciation of the differences between First Nations and non-First Nations investment climates.

## The Investment Climate

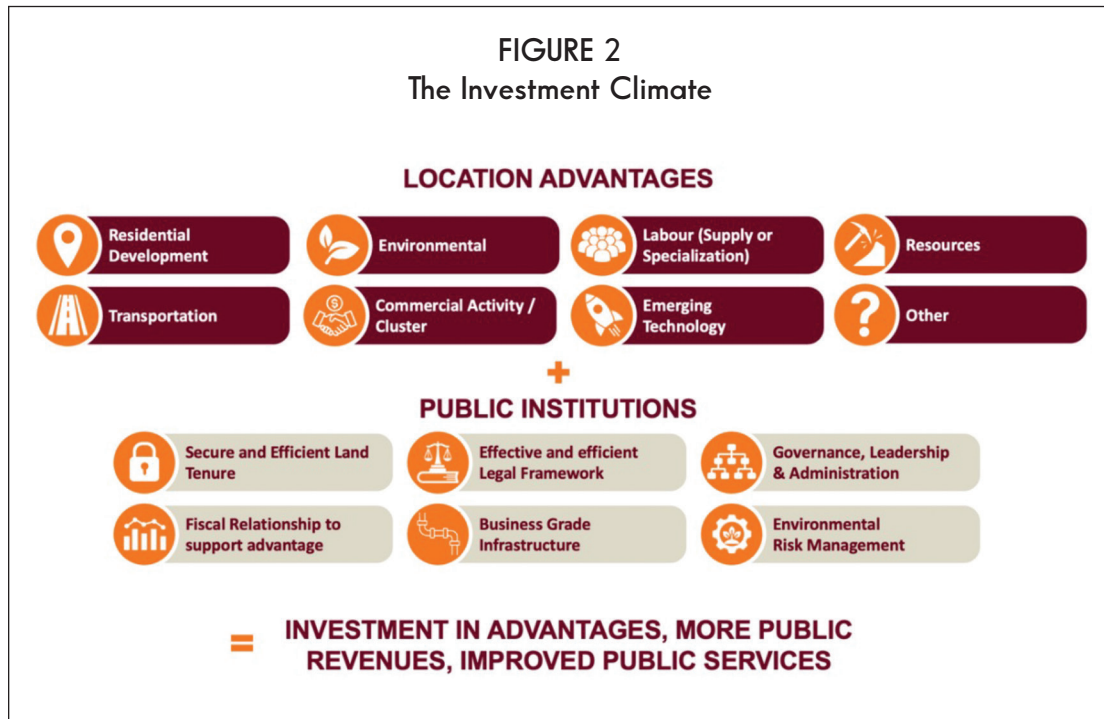


Figure 2 illustrates an investment climate model encompassing the private and public sectors that comprise the generalized local investment climate for off-reserve areas in Canada. The top section represents the potential comparative advantages of a local, regional, national, or Indigenous economy. This is where the private sector competes and uses advantages to realize profits. These advantages include access to (a) locations that are close to markets, a port, or other transportation hubs; (b) resources; (c) emerging or existing technology; (d) specialized labour; and/or (e) opportunities to reduce greenhouse gas emissions or otherwise improve the environment. In a First Nations context, private investors can include First Nations members, non-status members, and First Nations government business enterprises (GBEs).

The second section depicts the public institutions and sectors in an investment climate. This includes secure and efficient land tenure, effective and efficient legal frameworks,<sup>15</sup> business-grade infrastructure, responsive administrations that provide quality information, fiscal relationships that allow local governments to utilize their advantages,<sup>16</sup> and a clear and efficient environmental risk management system.<sup>17</sup>

The private and public sectors are symbiotic within an investment climate. The private sector generates economic activity to support the public sector's fiscal requirements, and the public sector creates a competitive framework for private sector investment. The success of the working relationship between public and private sectors is calculated by two measurements: transaction costs and credit ratings.

The importance of an investment climate that creates lower transaction costs and higher credit ratings is difficult to overestimate and helps explain the nature of much



investment on First Nations land. To illustrate, consider the following simplified decision evaluation equation from an investor's perspective. The investor is comparing expected returns from an investment in a given jurisdiction to other investments and jurisdictions. Equation (2) shows one way an investor might conduct this evaluation by comparing the expected net present value (ENPV) of their simple returns to investment (revenues minus project costs minus taxes) over a given time ( $X$ ) in two places. For illustrative purposes, the differences between the two places ( $i$  is off First Nations land,  $j$  is on First Nations land) are the time it takes to generate revenues ( $X_i$  versus  $X_j$ , which is a proxy for transaction costs), the differences in taxes ( $tx_i$  and  $tx_j$ ), and the differences in the probability of success in the two ( $p_i$  vs.  $p_j$ ):<sup>18</sup>

$$\begin{aligned} & (\text{ENPV}_i)(X_i)(p_i)(\text{revenues} - \text{project costs} - \text{taxes}[tx_i]) \\ & \quad \text{vs.} \\ & (\text{ENPV}_j)(X_j)(p_j)(\text{revenues} - \text{project costs} - \text{taxes}[tx_j])^{19} \end{aligned}$$

(2)

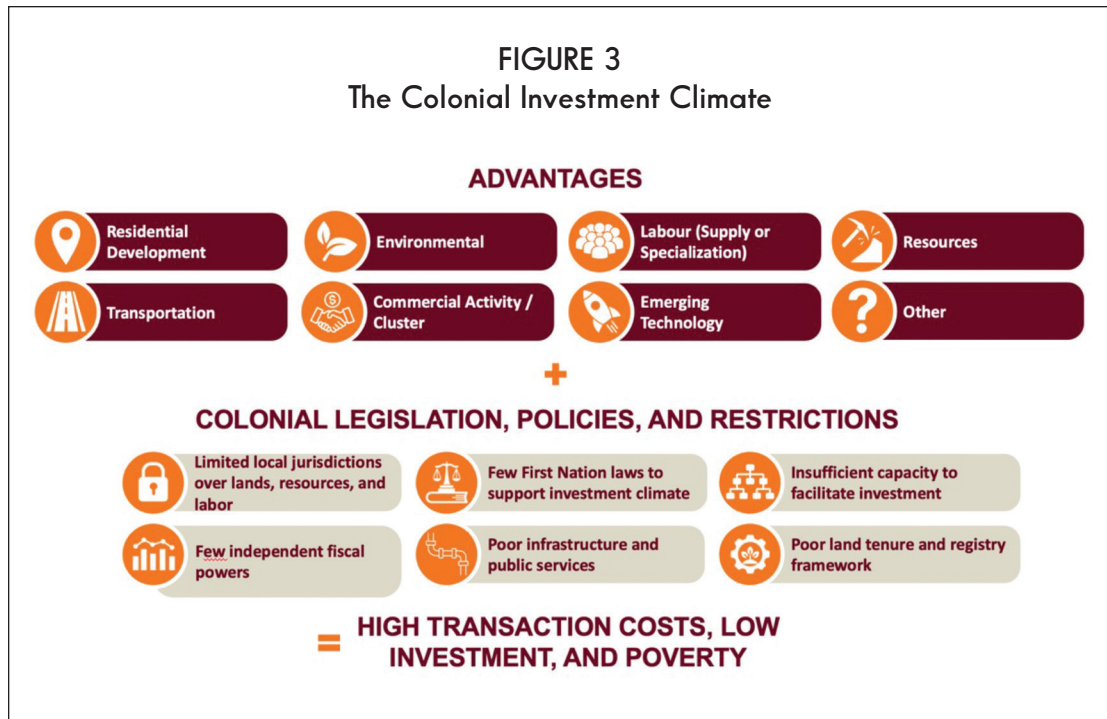
If revenues minus project costs and taxes are equal in both locations, then investment will flow to the lower transaction costs ( $X_i < X_j$ ) or the higher probability of success ( $p_i > p_j$ ). This means that for similar investment opportunities the investment will flow away from First Nations lands (higher  $X_j$  and lower  $p_j$ ). This helps to explain not only the lack of investment on First Nations lands but also their strategies to attract investment.

When transaction costs are higher and probability of investment success is lower, it is necessary to (a) reduce taxes to attract investment, (b) support investments that have regulatory advantages and potential higher profit margins, or (c) both (although this observation is not unique to First Nations).<sup>21</sup> To avoid the development trap, it is necessary to use available fiscal powers and jurisdictions to reduce transaction costs.

This leads to two more questions. Firstly, which jurisdictions do we mean? And second, how can they be implemented?

### ***Higher First Nations Transaction Costs***

First Nations have higher transaction costs because of colonial policies and legislation in service of an extractive colonial economy<sup>22</sup> that deliberately created uncompetitive First Nations investment climates (Tulo Centre, 2014; First Nations Leading the Way, 2019b; and Tulo Centre, 2021b). First Nations were legislated out of the economy and excluded from the federation from 1867 to 1927 (Tulo Centre, 2014; First Nations Tax Commission, 2023; and PolicyEd, 2020a). Figure 3 summarizes how colonialism impacted facilitating investment on First Nations lands (while colonialism impacted both the economic advantages and public sector elements of the investment climate, this paper primarily focuses on colonial impacts on First Nations public sector elements).<sup>24</sup>



Starting with the problem of limited local jurisdictions, consider that colonialism removed almost all land tenure certainty elements and an efficient and trustworthy land registry to support potential transactions. To demonstrate this transaction cost, we conducted a search of the Indian Land Registry (ILRS) for every mortgage registered in 2022. This search found 332 such entries. On average, the difference between the Received Date and the Registered Date is 36 days, with 96 of the mortgages (29%) taking 60 days or more.<sup>26</sup> The longest was 333 days. In comparison, it takes one day to register a mortgage in British Columbia’s Land Titles system: this is a significant transaction cost difference.

Next are the problems caused by having few independent fiscal powers: a transfer-based fiscal relationship stifles the development of jurisdictional innovations aimed at improving this framework. In 2020, the FMB completed a major research project on the revenues of over 450 First Nations (FMB, 2020). Two observations from their research are relevant here. First, approximately 67% of First Nations revenues are from government transfers, compared to 36.5% for local governments and 18.4% for provincial governments in Canada. Second, 16.9% of First Nations government revenues were derived from First Nations government business enterprises (GBEs), whereas only 0.86% and 0.61% of local and provincial government revenues arise from this source, respectively.

Moving on, consider the relative lack of First Nations laws supporting the investment climate. Most First Nations government, legal, and administrative frameworks were frozen in time by the 1876 *Indian Act*, in contrast to the innovations in the provincial, federal, and local legal systems that created competitive investment climates. The differences between the legal and regulatory certainty created off First Nations lands

to that on First Nations lands is overwhelming, and the impact on transaction costs is considerable. Consider that legislation for Canadian local, provincial, and federal governments to support jurisdictions off First Nations lands is significantly greater than legislation that allows First Nations to support their jurisdictions. For example, the Indian Land Registry System's (ILRS) statutory foundation is based on two short sections in the Indian Act, whereas there are approximately 400 sections in the British Columbia *Land Title Act*.

Poor infrastructure and public services also cause problems for First Nations. Administrative frameworks are oriented to the reporting requirements of a transfer-based fiscal relationship instead of reducing transaction costs and raising credit ratings to support an economic self-determination fiscal relationship. As well, insufficient capacity to facilitate investment and poor land tenure and registry frameworks mean less business-grade infrastructure,<sup>27</sup> lower-quality public services, and insufficient environmental review and risk management frameworks. Taken together, these colonial impacts significantly raise the costs of doing business for potential investors, whether they are First Nations members or not—we estimated that it costs four to six times more to facilitate investment on the best First Nations lands (Le Dressay, et al., 2008).

Missing investment climate elements prevented First Nations from accessing finance and credit ratings and reduced the probability of successful investments. It was not until the creation of the FMA and the work of the FMB and FNFA that First Nations governments obtained an A credit rating in 2014—a rating that has since increased to an Aa3 at Moody's and an A+ at S&P (First Nations Finance Authority, 2023). Colonialism prevented First Nations economic competition, which could be considered an anti-competitive—or even predatory<sup>28</sup>—action against entire governments and people.

To make the challenge of high transaction costs clear, consider the example of someone interested in making a commercial investment on First Nations lands in this environment.<sup>30</sup> This individual would first have to identify developable lands within a First Nation's land base and estimate the expected returns to their investment, as described in (3):

$$(ENPV_j)(X_j)(p_j)(R - C - t_j)$$

(3)

If the First Nation has a colonial investment climate in place, the investment will likely end here because the investor will quickly realize they have minimal information to complete this calculation, and they will experience uncertainty about taxes, land tenure, infrastructure and services, and the legal and administrative frameworks supporting investments. This uncertainty will reduce the probability of returns to investment and will raise the transaction costs needed to complete the investment. Meanwhile, similar investment options in non-First Nations jurisdictions will have higher probabilities of a positive return because there is typically investment certainty, which means less time is needed to complete a project or execute an opportunity.

The following hypothetical scenario demonstrates the significant economic cost of these higher First Nations transaction costs and costs of capital. Suppose there is a manufacturing project in the non-residential construction industry that has a development phase with a one-time change in output of \$5 million spread out over two years and an ongoing operations phase with a recurring change in output of \$1.5 million beginning in Year 3 and carrying on through Year 30. Using national StatsCan direct and indirect input-output multipliers at the summary level for three variables (jobs, labour income, and GDP) during the most recently available period (2020), then the one-time impact is 35.2 jobs, \$2.5 million in labor income, and \$3.7 million in GDP, while the cumulative net present value impacts from recurring elements are 89.6 jobs, \$4.8 million in labor income, and \$8.3 million in GDP.<sup>31</sup>

Now suppose higher transaction costs cause a five-year delay in the project at a higher cost of capital. In this scenario, there is about a 19.8% loss in the one-time benefits and about a 45.3% loss in the recurring benefits. Stated simply, high transaction costs reduce investment and are a likely root cause of First Nations economic disparities (World Bank, 2017; UN Trade and Development, 2018; and International Monetary Fund, 2019). As Liam Kelly explains in “Institutional Explanations for the Persistence of Poverty on First Nations Reserves in Canada,”<sup>32</sup>

the Canadian federal government holds reserve lands in trust. The Indian Act defines an Indian reserve as a “tract of land, the legal title to which is vested in Her Majesty, that has been set apart ... for the use and benefit of a band.” This arrangement has been frequently cited as a barrier to economic development, as it creates uncertainty and raises the cost of transacting reserve land. (2023).

XXX Smith and XXX Hall continue with this theme, noting that “high costs in facilitating investments act as a significant deterrent to economic development, leading to increased poverty rates particularly in developing regions” (2019). This leads directly to another question—if transaction costs are so high and so important for First Nations economic self-determination, why does it take so long to reduce them?

### ***High Switching Costs***

As previously mentioned, the Canadian Constitution and subsequent colonial legislation and policies spanning at least 1867-1931 excluded First Nations governments from the federation (Tulo Centre, 2017; Tulo Centre, 2018; and Tulo Centre, 2023). This created two sources of high jurisdiction switching costs for First Nations. First, federal and provincial governments need to accommodate the fiscal powers and jurisdictions of First Nations governments in the federation. Second, First Nations governments need to implement those fiscal powers and jurisdictions in a manner that reduces transaction costs, a process that needs to address the following elements:

- **Proposal Development.** Develop fiscal and jurisdictional proposals that reduce transaction costs.

- **Proposal Support.** Generate sufficient First Nations political support for a proposed First Nations fiscal, financial, infrastructure, or lands jurisdiction.
- **Legislative Development.** Develop federal and provincial legislation proposals to accommodate First Nations fiscal powers and jurisdictions.
- **Legislative Support.** Generate all-party political support to pass the proposed legislation and ensure jurisdictional permanence.
- **Legal Frameworks.** Implement legal frameworks for interested First Nations to assume jurisdictional space.
- **Administrative Frameworks.** Implement administrative frameworks for First Nations jurisdictions.
- **Capacity Development.** Build capacity for interested First Nations to use these jurisdictions to reduce transaction costs.
- **Fiscal Relationship Frameworks.** Create a fiscal relationship framework to sustain First Nations jurisdictions.
- **Innovation Processes.** Evaluate and improve these First Nations frameworks to continually innovate and sustain a competitive investment climate.

With that said, jurisdictional change is challenging and mistrust raises jurisdictional switching costs.<sup>33</sup> This mistrust comes from at least six sources: First Nations leaders, First Nations community members, First Nations administrations, federal and provincial politicians, federal and provincial bureaucracies, and the federal and provincial electorate. Using a simplified risk-reward evaluation for First Nations and the federal governments will help clarify the costs associated with the mistrust of jurisdictional change (for brevity, we will focus on the risk area of the evaluation).

To begin, consider a First Nation's increase in risk from more jurisdiction versus the federal government's decrease in risk from transferring that jurisdiction to the First Nation. The expected risk value ( $r_f$  for federal and  $r_{fn}$  for First Nations) for a jurisdictional transfer would be the product of the scope of liability ( $l_f$  for federal and  $l_{fn}$  for First Nations), the probability of a negative event ( $pn_f$  for federal and  $pn_{fn}$  for First Nations), and the financial magnitude of the negative event (N\$). The two formulas for comparison are shown in (4):

$$\begin{aligned} r_{fn} &= l_{fn} * pn_{fn} \times N\$ \\ r_f &= l_f * pn_f \times N\$ \end{aligned}$$

(4)

Since N\$ is usually fixed, jurisdictional proposals preferred by First Nations must reduce  $pn_{f1}$  to  $pn_{fn2}$  (subscript 1 is before transfer, subscript 2 is after transfer) to justify the transfer of responsibility and liability ( $l_{fn}$ ). Stated differently, the First Nation proposal must, at minimum, contain an improved risk management framework

to justify their assumption of more risk. It also usually contains an offsetting fiscal and economic benefit to justify the potential increase in responsibility and liability ( $l_{fn2} * pn_{fn2} \times N\$$ ).

Options that reduce probabilities of negative events ( $pn_{fn2} < pn_{f1}$ ) and contain a stronger risk management framework (potentially reducing  $l_{fn2}$ ) would be preferred by the First Nation, especially if they also increased their probability of economic growth by reducing switching and transaction costs. This would occur when the switching costs are low, helping to achieve the conditions for greater economic self-determination discussed in the previous sections. Conversely, when the switching and transaction costs are high there will be greater uncertainty about jurisdictional changes and these options will receive less support.

Options that reduce liability ( $l_{fn2} > 0$ ) and risk ( $pn_{fn2} < pn_{f1}$ ) are preferred by the federal government since this reduces their liability. If an option also leads to economic growth from lower switching and transaction costs, then the federal government benefits even more. (As an aside, when this occurs, the federal government could support even lower switching costs for a particular jurisdiction by subsidizing insurance up to the sum of their decreased liability plus their fiscal gain from a successful economic investment on First Nations lands.)

Conversely, suppose there is a situation where potential federal liability may increase, such as adding lands to First Nations reserves. In this case, the federal government may delay the process to add lands and increase the switching costs to pursue options that reduce their liability. It is not coincidental that the process to add land to reserves is four to eight times longer than the similar process to expand municipal boundaries (NIEDB, 2015)—and this is despite the considerable economic benefits that are generated from additions to reserves. The opportunity cost of higher switching costs is estimated at 36 lost jobs and \$283,900 lost expenditures off First Nations lands per acre of added lands (NIEDB, 2015).

Ultimately, high jurisdictional switching costs are delaying First Nations' economic self-determination and reducing potential benefits to all Canadians and governments. This is because First Nations' economic self-determination increases when they grow their economies and receive a greater share of fiscal benefits from that growth. Other governments and citizens benefit from the First Nations economic growth that occurs when their investment climates improve from implementing their own jurisdictions to reduce investment transaction costs. But this mutually beneficial process is being held back by high First Nations jurisdictional switching costs, which can be reduced by the following improvements that accelerate economic self-determination:

- fiscal relationships that support First Nations jurisdictional choices to reduce transaction costs,
- efficient jurisdiction implementation and administrative capacity development systems,
- risk management frameworks that increase trust or reduce liabilities,



- institutional arrangements that benefit First Nations collective action (e.g., higher credit ratings, lower transaction costs, increased fiscal powers, or greater jurisdictions), and
- jurisdictional innovations to continually reduce transaction and switching costs.

For example, a framework that supported lower switching costs to propose and implement First Nations fiscal powers and land jurisdictions and that reduced investment transaction costs and probabilities of negative events through better environmental and financial risk management and standards would generate more support from First Nations and other governments, thereby accelerating First Nations economic self-determination. The rest of this paper focusses on a First Nations-led institutional proposal intended to accomplish this.

### ***The Origin Story of an Economic Self-Determination Strategy***

The modern economic self-determination strategy<sup>34</sup> was inspired and informed by the rejection of government funds in the spring of 1975 in Chilliwack, BC, and the subsequent grudging acceptance of government funds in fall of 1975.<sup>35</sup> In the late 1970s, a group of First Nations with location advantages and some leasehold investment realized that if they wanted to reduce their dependence on transfers from other governments, they needed their own fiscal powers, jurisdictions, and successful economies. This group was known as the Alliance Tribal Council and included the Westbank First Nation, Musqueam First Nation, Tk'emlúps te Secwe pemc (TteS), Squamish First Nation, and Sechelt First Nation.

The Alliance Tribal Council recognized that translating an institutional theory of economic development into a practical realization would take a significant amount of effort (see Tabarrok, 2016; Tulo Centre, 2021b; and Tulo Centre, 2014). To address this, they used the principles of specialization and efficient division of labour, allocating the issue of securing fiscal powers to TteS, lands jurisdiction to Westbank, other jurisdictions to Sechelt, and infrastructure and services to Squamish and Musqueam (First Nations Leading the Way, 2019b).

It is no coincidence that these five First Nations were the first to implement a self-determination strategy, as they had already partially addressed its initial constraints. All five First Nations had previously attracted investment, despite high transaction costs: that is, they had taxable economic activity on their lands to start the economic self-determination cycle—although all taxes from these investments were collected by other governments. (When asked what these First Nations received in return for these taxes, the answer was “good government.”<sup>36</sup>) This further highlights the high switching costs faced by these and all First Nations when moving from the fiscal powers and jurisdictions of other governments to their own fiscal powers and jurisdictions. The strategies developed to overcome high switching costs are discussed later, but for now, the focus is on the initial efforts of these five First Nations to create legislative and institutional templates that reduce switching and transaction costs:<sup>38</sup>

- **Sechelt Self-Government (1986).** This agreement provided the first basis for a First Nation to exercise local fiscal powers to support local services and infrastructure and to pass land use laws reducing investment costs. Although it was not copied again, it was an important step in the renewal of First Nations jurisdiction.<sup>39</sup>
- **Kamloops Amendment to the *Indian Act* (1988).** This amendment enabled optional First Nations property tax systems across Canada and established the first national First Nations institution to support First Nations tax jurisdiction.<sup>40</sup> It also created a precedent for an optional orderly process to establish First Nations jurisdiction,<sup>43</sup> which included British Columbia's *Self Government Enabling Act* and led to the FMA, FNFA, FMB, FNTEC, and, most recently, the FNII, the Tulo Centre of Indigenous Economics, and the First Nations Tax Administrators Association (FNTAA).<sup>44</sup> It established the precedent for a standards-based First Nations jurisdiction framework to reduce jurisdiction implementation costs, lower investment costs, and support an investment-grade First Nations credit rating. It also established the precedent for the fiscal relationship for economic self-determination described earlier, where First Nations use independent local revenues to pay for independent local service jurisdictions.
- **Early Adopters (1990-1992).** Westbank, TteS, Musqueam, and Squamish were all early adopters of the Kamloops Amendment. Because of their locations adjacent to Vancouver and North Vancouver respectively, Musqueam and Squamish attracted considerable attention, and their successful implementation of property tax systems created important momentum and trust for other First Nations.
- **Framework Agreement on Land Management (1996).** Westbank and twelve other First Nations led the creation of the *Framework Agreement on Land Management* (FA), which effectively removed 44 sections of the *Indian Act* related to lands and environmental management and transferred these jurisdictions to the authority of individual First Nations in accordance with their Land Code, ratified by community vote. This enables participating First Nations to establish land tenure, land and environmental management laws, and administrative systems. Additionally, First Nations participating in the FA receive capacity, sample laws, legal templates, and other supports from the First Nations Land Management Resource Centre (RC), whose mandate is to support the efficient and effective implementation of these jurisdictions. The FA has been amended many times since 1997 to strengthen lands and environmental jurisdictions for participating First

Nations and has recently begun to develop a new First Nations land registry system to further reduce transaction costs.

The FMA-FA framework is our focus for three reasons. First, it supports the First Nations economic self-determination strategy. Second, it allows First Nations-led institutions to focus on lowering switching costs and participating First Nations to focus on lowering transaction costs. Third, it seems to have the lowest switching costs compared to other options.

This efficient division of labor allows national Indigenous institutions in legislation to focus on lower switching costs and support participating First Nations in lowering transaction costs and represents a possible solution to the problem of (a) maximizing First Nations economic self-determination, (b) minimizing investment transaction costs, and (c) minimizing jurisdictional switching costs.

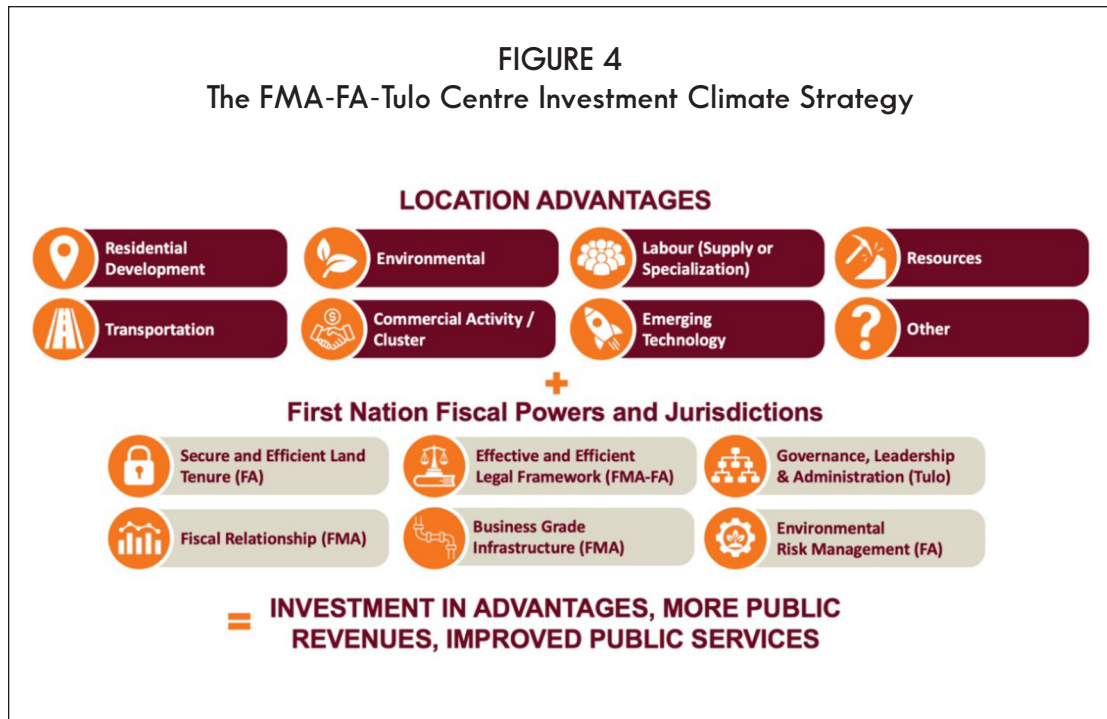
### ***The FMA-FA-Tulo Centre Strategy***

It is important to note that the FMA, FA, and other First Nations jurisdictional implementation options like comprehensive modern treaties and self-government arrangements would not have been possible without the success of the strategy to recognize rights and titles. This strategy has led to many First Nations legal victories, the recognition of First Nations treaties and Aboriginal rights and titles in the Canadian constitution, and, most recently, the commitment by the federal and some provincial governments to implement the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP) (Le Dressay, 2016). All this determined effort and success has created space in the federation's legal framework to implement the First Nations FMA-FA-Tulo Centre economic self-determination strategy described in this paper.

### ***Transaction Costs Reduction Strategy***

Transaction costs reduction strategies are unique because they are dependent on the regional economic advantages and existing endowments of a First Nation investment climate. For example, the investment climate requirements for a residential, commercial, resource, or industrial advantage are all different with respect to land tenure, as well as fiscal, environmental, and infrastructure and land management legal and administrative requirements. The appropriate strategy for a First Nation will depend on what they already have in place and which missing elements will most reduce transaction costs, subject to the switching costs of implementing that chosen strategy.

If we return to another investment climate picture, the strategy of the FMA, FA, and Tulo Centre to help First Nations reduce transaction costs for their unique requirements should become clear.



Starting with secure and efficient land tenure, the FA provides an improved land tenure framework by developing an improved land title registry system and providing legal templates for land and environmental laws. The FMA provides the self-determination fiscal relationship so First Nations can associate independent revenues with independent jurisdictions. In combination with financial management performance evaluation certification and capacity support, the FMA framework provides a Aa3 stable credit rating for FNFA debentures. Lower capital costs support a better infrastructure system, which in turn is supported by FNII standards and many financial, tax, infrastructure, and borrowing laws. The FMA-FA-Tulo Centre approach also includes considerable capacity development to implement jurisdictions, templates, and laws in support of a competitive investment climate.

Furthermore, the Tulo Centre supports improved administrative capacity with its three university-accredited certificate programs. The applied lands management program helps First Nations use the FA to increase investor land tenure certainty, develop efficient land management, legal, and administrative frameworks, and support improved environmental frameworks. The tax administration program strengthens First Nations' legal and administrative capacity, creating a better fiscal framework and improved public services and infrastructure. The applied economics program focuses on applying FMA-FA frameworks to reduce transaction costs for specific economic advantages, as well as reducing the switching costs required to implement these frameworks. The Tulo Centre has also recently proposed to expand its certificate programs to support infrastructure and asset management and financial and information management, with ladders between the programs to support diplomas, a bachelor's degree, and a graduate

program: taken together, these programs support a comprehensive investment climate strategy for interested First Nations.

Table 1 summarizes transaction cost measurements and how the FMA-FA-Tulo Centre's framework reduces them. The FMA-FA-Tulo Centre strategy has helped reduce transaction costs and, in some First Nations, has led to higher rates of investment. This is positive, but it is important to note that this is only one of the inefficiency constraints facing First Nations: the other is high switching costs to design and implement First Nation jurisdictions.<sup>45</sup>

**TABLE 1**  
**The FMA-FA-Tulo Centre Approach to Reduce High Transaction Costs**

Source of Cost	Preliminary Research	FMA-FA-Tulo Strategy
Land Administration and Tenure	<ul style="list-style-type: none"> <li>Federal administration takes too long and is too risk averse</li> <li>Instrument registration takes too long</li> </ul>	<ul style="list-style-type: none"> <li>FA land management frameworks</li> <li>FA proposed land registry</li> <li>RC and Tulo Programs</li> </ul>
Legal Framework	<ul style="list-style-type: none"> <li>Fewer laws and certainty</li> <li>Higher search costs</li> </ul>	<ul style="list-style-type: none"> <li>FA-FMA sample laws</li> <li>First Nations Gazette</li> <li>Tulo Centre certificates</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>Longer processes and higher costs<sup>a</sup></li> <li>Less durable infrastructure</li> <li>Less access to long-term financing</li> </ul>	<ul style="list-style-type: none"> <li>FNII standards and laws</li> <li>FNII certification</li> <li>FMA, FNFA and FNII</li> <li>FNII-Tulo program</li> </ul>
Administration	<ul style="list-style-type: none"> <li>Four to six times longer</li> <li>Little financial and statistical information</li> </ul>	<ul style="list-style-type: none"> <li>FMA-FA-framework</li> <li>FMB and FMA amendments</li> <li>Certificate in Applied Economics at Tulo Centre</li> </ul>
Fiscal Tools	<ul style="list-style-type: none"> <li>Transfer dependent</li> <li>Large fiscal tools gap</li> <li>Lower credit rating and less access to finance and financial services</li> </ul>	<ul style="list-style-type: none"> <li>FMA and FNFC framework</li> <li>FMA fiscal powers and relationship</li> <li>FMA, FMB and FNFA</li> </ul>
Environmental Risks	<ul style="list-style-type: none"> <li>Few environmental laws</li> <li>Few environmental review processes</li> </ul>	<ul style="list-style-type: none"> <li>FA legal templates</li> <li>FA templates and training</li> </ul>

*Note.* <sup>a</sup> There is a significant amount of material to support the FNII business case at [www.FNII.ca](http://www.FNII.ca). See Le Dressay, Calla, & Reeves (2022) for more details on high infrastructure transaction costs and lower rates of infrastructure durability.

### ***Switching Costs Reduction Strategy***

The 1988 Kamloops Amendment to the *Indian Act* created a three-part precedent to address the two-part switching cost requirement, namely that First Nations jurisdiction must be accommodated in the federation and First Nations must choose to implement their jurisdiction. This approach proved successful and was used and expanded by the FA (1996) and FMA (2005). The steps include:

1. **Legislative Development.** Pass federal provincial legislation that cedes fiscal and jurisdictional space to First Nations in an optional manner, subject to Part 2.
2. **Jurisdictional Space.** First Nations occupy the ceded space with their own laws, in accordance with their community processes.
3. **Institutional Support.** Provide institutional support to help First Nations implement and protect their jurisdictions in a manner that supports economic growth through lower transaction costs.

This approach has created an orderly<sup>47</sup> legislative process for the FMA and FA to carve out fiscal and jurisdictional space for interested First Nations within Canada.<sup>48</sup> As discussed previously, there are many additional unique jurisdictional switching costs within this process and the strategy of the FMA-FA-Tulo Centre, described in Table 2, is intended to reduce each of them.

National FMA-FA institutions are key to reduce switching costs.<sup>51</sup> First, they have strong political leadership.<sup>52</sup> Second, they work with proponent First Nations to design and advance jurisdictional innovations. Third, they develop appropriate templates, standards, samples, and systems to help implement new jurisdictions for interested First Nations. Fourth, they support First Nations capacity development through education, accredited training, and direct legal and administrative framework development. Fifth, they work with First Nations to protect their jurisdictions when challenged. Sixth, they provide a national forum for First Nations to exchange ideas, successes, proposals, and challenges (e.g., First Nations Leading the Way National Meeting). Finally, and perhaps most importantly, they are incentivized to support participating First Nations' economic growth and low jurisdictional switching costs because otherwise, First Nations would choose other options.

The role of the Tulo Centre to reduce these FMA-FA switching costs is straightforward: build local First Nations' legal and administrative capacity to reduce jurisdictional switching costs in a manner that reduces transaction costs. There are approximately 200 Tulo Centre graduates in total across the three current programs. These programs benefit from a unique feature of three FMA institutions (FNTC, FMB and FNII<sup>53</sup>) that should be discussed further: namely, their power to design and implement standards related to their fiscal, financial, and infrastructure mandates. These standards can significantly reduce switching costs for participating First Nations because they support templates, administrative software systems, sample laws, capacity development, and accredited courses at the Tulo Centre. For example, the FNTC has developed at least 23 standards and 38 sample laws to support First Nation tax systems.<sup>54</sup>



**TABLE 2**  
**The FMA-FA-Tulo Centre Approach to**  
**Reduce First Nation Jurisdictional Switching Costs<sup>50</sup>**

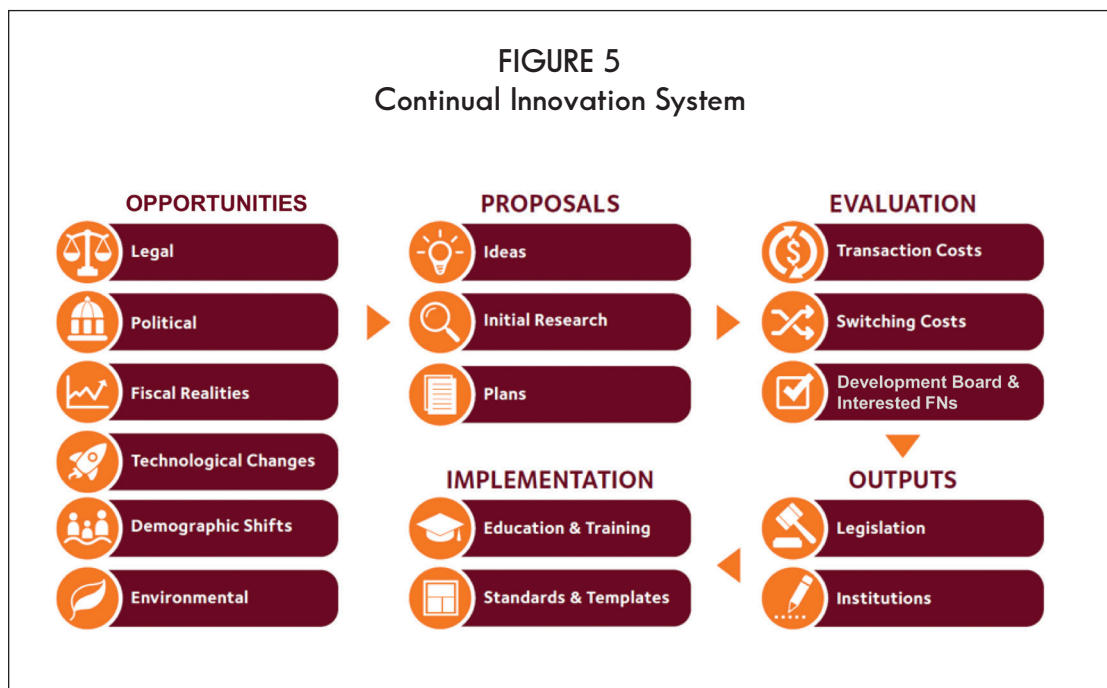
Switching Cost	FMA-FA-Tulo Centre Approach
First Nations Political Support	<ul style="list-style-type: none"> <li>• First Nations led (FMA-FA) political leadership</li> <li>• First Nations institutions (FMA and RC)</li> <li>• First Nations Leading the Way National Conference on Shared Innovations and Knowledge</li> </ul>
Innovation Design	<ul style="list-style-type: none"> <li>• Developed with First Nations proponents and FMA-FA institutions</li> <li>• Detailed business case focused on reduction of transaction and switching costs and risk management for First Nations</li> </ul>
Legislative Design	<ul style="list-style-type: none"> <li>• Based on innovation design and business case</li> <li>• Developed by First Nations proponents and institutions (FMA and RC)</li> </ul>
Other Government Support	<ul style="list-style-type: none"> <li>• First Nations proponents and institution support and advocacy</li> <li>• Focus on all-party support for jurisdictional certainty</li> </ul>
Legal Implementation	<ul style="list-style-type: none"> <li>• Institutions provide sample laws, standards, and legal templates</li> <li>• Institutions and Tulo Centre support and training</li> </ul>
Administrative Implementation	<ul style="list-style-type: none"> <li>• Institutions provide standards, templates, and software</li> <li>• Tulo Centre and institutions provide training and support to reduce transaction costs</li> </ul>
Fiscal Implementation	<ul style="list-style-type: none"> <li>• FMA fiscal relationship to enable jurisdictional choices for advantages</li> <li>• FMA regulatory framework to support lower transaction costs and higher credit rating</li> <li>• Tulo Centre and institutional training and support</li> </ul>
Continual Innovation	<ul style="list-style-type: none"> <li>• FMA-FA-Tulo Centre institutional innovation process</li> <li>• Institution statistics and review</li> </ul>

Another FMA-FA-Tulo Centre initiative that reduces switching costs is the annual First Nations Leading the Way (FNLTW) National Meeting<sup>55</sup> organized by the FMA-FA institutions for participating First Nations.<sup>56</sup> This meeting focuses on sharing FMA-FA successes with other interested First Nations and presenting jurisdictional proposals and innovations being advanced by FMA-FA institutions and proponent First Nations. Specifically, the annual FNLTW meeting reduces switching costs in at least four ways. First, it provides a networking and knowledge sharing opportunity for interested

First Nations<sup>58</sup> to learn from each other, share successes, and create partnerships to advance jurisdictions within their communities. Second, it provides a forum to present and discuss common challenges and options to address them. Third, it acts as an innovation hub among the institutions and participating First Nations where ideas are shared and improved. Finally, it develops and expands coalitions of First Nations who are supportive of jurisdictional innovations. In sum, these four elements generate First Nations leadership and support for jurisdictional innovations that significantly reduce the costs and time of advancing a legislative proposal to, for example, other governments.

Another key switching cost reduction feature is the FMA fiscal relationship. It ensures that participating First Nations can choose to associate their independent fiscal powers with independent jurisdictions and by doing so can create a better investment climate for their economic advantages.<sup>65</sup> This allows participating First Nations to choose local service and infrastructure requirements that most reduce transaction costs. This type of fiscal relationship also facilitates an orderly expansion of the FMA framework by adding fiscal powers to more transaction costs and thereby reducing jurisdictions to accelerate economic self-determination. As such, the FMA fiscal relationship is about betting on First Nations governments and institutions to innovate better and sooner than the federal (and sometimes provincial) governments to grow their economies faster.

Finally, with respect to switching costs, the FMA-FA-Tulo Centre framework supports a continual First Nations jurisdiction development and implementation system, as represented in Figure 5. This system's purpose is to develop a structured, repeatable process to efficiently design and implement renewed First Nations fiscal powers and jurisdictions (low switching costs).



The Opportunities column details occasions for change, such as a legal case, political commitment, or technological innovation. Once an opportunity is identified, First Nations or the institutions associated with FMA-FA-Tulo Centre develop ideas, plans, and proposals, as shown in the Proposals column. Comparative system research is often used because it is effective at identifying inefficiencies and opportunities for improvements. The third stage of the process, Evaluation, is the most important because this is where proposals are judged on how well they reduce transaction and switching costs. It is also where dialogue is encouraged to improve design. Ideas that pass the evaluation stage develop into legislation and institutions which then help to develop First Nation laws, standards, and education programs and are represented by the Outputs and Implementation columns. When the world changes, this process starts again. The faster this process occurs, the lower the switching costs.<sup>66</sup>

It should be noted that Indigenous institutions created via federal legislation to support economic self-determination is not unique to Canada. For example, in 1988 a similar framework was built in the United States through the *Indian Gaming Regulatory Act*, which created the National Indian Gaming Commission. This Commission developed standards and supported the efficient implementation of Tribal gaming jurisdiction and laws. It supported capacity development and innovations to protect and expand Tribal gaming jurisdiction. Given the similarities to the institutional model developed in Canada, it is noteworthy that the American version for gaming created a significant increase in Tribal economic self-determination.

### ***Lowering FMA-FA Switching and Transaction Costs***

This section contains four observations demonstrating that the FMA-FA framework is helping First Nations grow their economies by increasing their efficiencies via lower transaction and switching costs. These observations support the strategy to speed up economic self-determination described earlier:

$$\begin{aligned} \text{The speed of First Nation economic self-determination} = & \\ & \text{speed of fiscal power and jurisdiction implementation} \\ & + \text{speed of fiscal power and jurisdictional development} \\ & + \text{speed of economic growth} \end{aligned}$$

(5)

- **Rapid Growth Rate of Participation.** The growth rate in the number of First Nations participating in the FMA and FA framework has been more rapid than other First Nations jurisdictional expansion methods and is national in scope.
- **Rapid Growth Rate of Law Development.** The growth rate in the number of FMA and FA laws is significantly larger than in other frameworks. This supports lowering switching costs to increase the rate of jurisdiction implementation for interested First Nations.

- **Expedient Legislative Change.** A major legislative amendment to the FMA in June 2023 completed the legislative process significantly faster than other First Nations legislative initiatives during the last eight years. This suggests that First Nations working in the FMA-FA-Tulo Centre framework can efficiently develop effective jurisdictional innovations.
- **Significant Investment Successes.** At least 16 First Nations are using portions of the FMA-FA-Tulo Centre framework to achieve higher rates of investment than the BC provincial average. This suggests there is potential for faster economic growth using this framework.

### *FMA and FA Participation Growth*

Two tables are presented below to demonstrate growing participation in the FMA during the last 15 years (2008-2022) and how these observations relate to lower FMA switching costs. For reference, a First Nation must be formally added through a Ministerial Order to a schedule attached to the FMA. This involves a formal political commitment by the First Nation through a council resolution requesting to be added to this schedule and a federal Ministerial Order to amend the schedule to the FMA.<sup>67</sup>

Table 3 presents the annual growth in the number of participating First Nations and the cumulative FMA participation. In 2016 and 2018, 46 First Nations joined the FMA. This is most likely a result of lower switching costs (FMB financial performance certifications and FNFA innovations to support “other revenues” borrowing) and greater economic and fiscal incentives (10-year grant options for First Nations and an improved FNFA credit rating). The average annual growth in the number of participating FMA First Nations is 21, representing 53.6% (342/638) of all First Nations in Canada, as of the end of 2022.

**TABLE 3**  
**FMA Participation (2008 to 2022)**

Year	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22
New FMA FNs	12	9	6	12	26	13	30	20	46	16	46	18	27	8	25
<b>Total</b>	<b>45</b>	<b>54</b>	<b>59</b>	<b>70</b>	<b>95</b>	<b>108</b>	<b>138</b>	<b>158</b>	<b>204</b>	<b>220</b>	<b>266</b>	<b>282</b>	<b>309</b>	<b>317</b>	<b>342</b>

Table 4 presents participation in the FA over the last 15 years. To assert land jurisdiction using the FA, First Nations must receive community ratification in favor of their proposed FA land code. This is a higher, but necessary, switching requirement than participation in the FMA. Participation in both the FMA and FA, however, likely justifies switching costs as there are 89 First Nations that are fully participating in both frameworks. The requirement for a community vote to implement a code governing their lands and, in many cases, specifying individual ownership rights should be obvious and we do not propose that this switching requirement be changed.

**TABLE 4**  
**FA Participation (2008 to 2022)**

Year	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22
New LC FNs	2	5	5	4	0	2	8	10	8	12	5	10	8	3	2
<b>Total LC FNs</b>	<b>22</b>	<b>27</b>	<b>32</b>	<b>36</b>	<b>36</b>	<b>38</b>	<b>46</b>	<b>56</b>	<b>64</b>	<b>76</b>	<b>81</b>	<b>91</b>	<b>99</b>	<b>102</b>	<b>104</b>
New FA FNs	11	0	0	0	19	0	36	0	6	8	27	0	12	0	0
<b>Total LC-FA FNs</b>	<b>57</b>	<b>57</b>	<b>57</b>	<b>57</b>	<b>74</b>	<b>74</b>	<b>109</b>	<b>109</b>	<b>115</b>	<b>123</b>	<b>150</b>	<b>150</b>	<b>162</b>	<b>162</b>	<b>162</b>

The term “full participants in the FA” is used because there are two potential forms of FA participation: First Nations that have successfully received community support for their land jurisdiction and First Nations who are in the process of developing and passing a land code. There are now 101 First Nations who have passed a land code with their communities and another 61 First Nations who are in the process of developing their land codes. As a result, there are 368 First Nations participating in the FMA, the FA, or both. This represents 57.7% of all First Nations in Canada. (It is important to note that it is not appropriate to directly compare the switching costs of FMA-FA participation to the BC Treaty Process since the latter involves many more jurisdictions and the comprehensive settlement of a land claim. However, to demonstrate the impact of high switching costs consider the following. Since the beginning of the BC Treaty Process in 1992 only eight First Nations out of 106 participants, or 7.5%, have completed and implemented a Treaty.)

Table 5 presents the current number of FMA and/or FA participating First Nations by province by the end of 2022 and the proportion of First Nations in that province participating in the FMA or FA. As shown, there is rather strong participation in these frameworks across Canada.<sup>68</sup>

**TABLE 5**  
**FMA and/or FA Participation by Province (2022)**

Province	BC	AB	SK	MB	ON	QC	PE	NB	NS	NL	NT
FNs in FMA and FA	142	21	48	39	64	18	2	11	12	4	7
% of all in province	71.4	43.8	68.6	61.9	45.7	45.0	100.0	73.3	92.3	100.0	26.9

***Growth in FMA Laws Passed***

Table 6 presents the number of laws passed under the FMA frameworks over the last 15 years: the data comes from the *First Nations Gazette*, in which all First Nations FMA laws are published. The *First Nations Gazette* is the most complete source of First Nations laws in Canada. It was created by the predecessor to the FNTC and the

**TABLE 6**  
**FMA Laws Passed and Published in the**  
**First Nations Gazette – 2008-2022**

Year	New FMA Laws	Cumulative FMA Laws
2008	79	79
2009	89	168
2010	89	257
2011	93	350
2012	149	499
2013	158	657
2014	159	816
2015	223	1,039
2016	232	1,271
2017	268	1,539
2018	285	1,824
2019	281	2,105
2020	263	2,368
2021	249	2,617
2022	268	2,885



FNTC continues to maintain and operate it. As of December 17, 2023, the *First Nations Gazette* contained 8,702 First Nations laws and bylaws, including 2,776 section 81 bylaws and 2,351 section 83 bylaws.

Returning to Table 6, there are three key takeaways: (a) 2,885 FMA laws have been passed since 2008, (b) over the last 15 years, an average of 192 FMA laws were passed per year, and (c) the volume of FMA laws passed each year is growing. One reason for this growth is that when a First Nation implements property tax jurisdiction, it must pass an annual tax rates law and expenditure law. So as more First Nations implement these systems, more FMA laws will be passed each year.

Unlike FMA laws, FA laws can be published in the *First Nations Gazette* or on First Nations' own websites. As such, the *First Nations Gazette* does not offer a comprehensive source of FA laws. But it did allow us to identify 14 laws that Ch'iyáqtel (Tzeachten) First Nation has passed under the authority of its land code since 2008,<sup>70</sup> with an additional draft law currently pending.

In comparison, consider the number of bylaws published in the *First Nations Gazette*. Section 81 of the *Indian Act* provides First Nations with many bylaw-making powers relating to local regulations and services. These bylaws are developed by a First Nation, passed by their Chief and Council, and then submitted to the Minister of Indigenous Services (who can disallow them but rarely does). The *First Nations Gazette*, which includes all the bylaws passed under section 81 of the *Indian Act* since 1961, reports that there have been 2,776 section 81 laws passed in the last 62 years, for an average of 45 per year. Compare this to an average of 192 FMA-FA laws per year.

### ***FMA Amendment and Legislative Process Speed***

On June 20th, 2023, Bill C-45, *An Act to Amend the First Nations Fiscal Management Act*, received Royal Assent after receiving all-party support in both the House of Commons and the Senate, which is key in providing long-term jurisdictional certainty to participating First Nations (Narine, 2023). This was a major amendment to the FMA because it significantly expanded the mandates of the FNTC and FMB and established the First Nations Infrastructure Institute as a new federal institution. Of note is the time needed to introduce and pass this legislation: the total time to pass Bill C-45 was 89 days, in contrast to the average time of 291 days.<sup>71</sup> This is beyond two standard deviations of the average and represents a tangible measure of lower switching costs.

### ***Closing Economic Gaps Faster: Sixteen FMA First Nations***

Since the FMA became operational in 2008, all FMA expenditure laws have been published in the *First Nations Gazette*, creating a database to judge the success of the FMA fiscal relationship and FMA-FA frameworks. Table 7 presents preliminary observations for 16 specific First Nations: these First Nations have location advantages,<sup>76</sup> are projected to collect more than \$200k annually in property tax revenues, and have property tax revenues growing faster than the BC provincial average from 2008-2022.<sup>77 78</sup> This third criterion, property tax revenues growing faster than the BC average, was chosen for three reasons. First, 13 of the 16 First Nations in this subset are from BC. Second, the

comparative property tax revenue data was available during this time series. Third, real estate inflation and investment were higher in BC during this time series than other provinces, so it represented a higher comparative bar.

**TABLE 7**  
**Summary of FMA First Nations with Higher Rates of Growth Owing to a Location Advantage**

<b>First Nation</b>	<b>Average Annual Growth</b>	<b>Tulo Grads</b>	<b>Service Agreement<sup>a</sup></b>	<b>FAL<sup>b</sup></b>	<b>FPC<sup>c</sup></b>	<b>LC<sup>d</sup></b>
Squiala First Nation	49.8%	Y	Y	2013	2013	2008
Tsartlip First Nation	41.3%	Y	Y	2018		
Beecher Bay	18.2%	Y	Y	2019	2022	2003
Penticton Indian Band	13.9%	Y		2017	2013	
Osoyoos Indian Band	10.7%	Y	Y	2018	2011	
Cheam	10.3%	Y				2016
Skowkale First Nation	9.0%	Y	Y	2018	2017	2014
Tzeachten First Nation	8.5%	Y	Y	2015	2011	2008
Tsuu T'ina Nation	6.8%	Y	Y			
Enoch Cree Nation #440	6.5%	Y	Y	2019	2017	
Tk'emlúps te Secwépemc	6.3%	Y	Y	2019	2013	
Sumas First Nation	6.2%	Y		2015	2015	2011
Millbrook Band	5.7%		Y	2015	2015	
Tsleil-Waututh Nation	5.1%		Y	2015	2012	2007
Leq'á:mel First Nation	4.8%		Y	2022	2015	2010
Cowichan First Nation	4.2%	Y	Y	2018	2013	2019
All BC Municipalities	4.0%					
<b>Count</b>		<b>13</b>	<b>13</b>	<b>14</b>	<b>13</b>	<b>9</b>
<b>Proportion of Total (%)</b>		<b>81.3%</b>	<b>81.3%</b>	<b>87.5%</b>	<b>81.3%</b>	<b>56.3%</b>

*Note.* <sup>a</sup> A service agreement indicates the completion of an agreement to provide public services and sometimes shared infrastructure between a First Nation and a local government. <sup>b</sup> A FAL is a Financial Administration Law and is required to support longer term grant funding and borrowing from the FNFA. <sup>c</sup> A FPC is a financial performance certificate from the FMB to support entry into the FNFA borrowing pool and a higher credit rating. <sup>d</sup> A LC is a land code ratified by that First Nation's voting members to form the basis of land management jurisdiction within that First Nation.

Property tax revenue growth arises when assessed values increase, tax rates increase, or investments increase (resulting in more residential and commercial properties). The 16 First Nations under study are particularly interesting because their assessment growth and tax rate growth is virtually identical to other municipalities,<sup>80</sup> so any extraordinary growth rates would be mainly driven by investment rates higher than the provincial average.<sup>81</sup> As is evident in Table 7, many of these First Nations are also building their economic administrative capacity (and have government representatives who are graduates of Tulo programs), improving their financial management frameworks and implementing land jurisdictions.<sup>82</sup>

These observations and correlations are interesting because we have hypothesized that improving the legal, financial, and administrative frameworks in these communities could reduce investment facilitation transaction costs. More study is necessary, but these FMA First Nations appear to be using the FMA and FA to reduce the transaction costs for leasehold investment to facilitate more investment and grow their economies and revenues.

As a preliminary evaluation of our hypothesis, we have used publicly available audited financial statements and publicly available First Nations information describing their economic projects to confirm that almost all these First Nations have invested in economic infrastructure one to three years before the largest amount of property tax revenue growth. The receipt of FMB certifications, Tulo graduation, or LC passage also typically precedes periods of robust property and revenue growth by one to three years. In other words, these First Nations would appear to be following the economic self-determination cycle described earlier to generate more self-determination from each dollar of ‘taksis’.

### ***Conclusions and FMA-FA Proposals to Accelerate Economic Self-Determination***

For at least the last 55 years, many First Nations have been advancing an economic self-determination strategy intended to overcome two economic constraints resulting from colonialism: high investment transaction costs and high jurisdictional switching costs. The successful recognition of First Nations’ legal rights and titles during the last 50 years helped overcome these constraints. Our research provides preliminary support demonstrating that the FMA-FA-Tulo Centre framework provides First Nations with a successful economic self-determination option that overcomes high investment transaction and jurisdictional switching costs. We assert this success is related to the following four unique design features of the FMA-FA-Tulo Centre framework:

- **Jurisdictional Options.** The FMA-FA framework provides a range of jurisdictional options to reduce transaction costs and create a competitive investment climate with unique economic advantages to generate economic growth, as seen in the 16 FMA-FA-Tulo Centre First Nations generating investment at a faster rate than BC municipalities.

- **Risk Management for First Nations.** The FMA-FA-Tulo Centre framework embodies an improved risk management framework for participating First Nations, reduce their switching costs. Key features of this framework include First Nations leadership, standards, templates, capacity support, and accredited training. Tellingly, the growth of FMA-FA participation far exceeds other First Nations jurisdictional initiatives. Further, the rate of FMA-FA jurisdictional implementation (as measured in laws) is faster as well.
- **Risk Management for Other Governments.** The FMA-FA-Tulo Centre framework provides an improved risk management and economic framework for other governments, lowering their switching costs to cede jurisdictional space to First Nations. We observed that a recent major FMA legislative amendment received all-party support and proceeded through the legislative process much faster than other First Nations and non-First Nations federal legislation.
- **FMA Fiscal Relationship for Self-Determination.** The FMA fiscal relationship supports First Nations self-determination where the magnitude of independent First Nations fiscal means is equal to the amount First Nations can spend on their chosen expenditure jurisdictions. This incentivizes participating First Nations to increase their fiscal powers, build economic infrastructure, implement more land jurisdictions, and build administrative capacity to grow their economies faster and achieve greater self-determination sooner.

In November 2023, at the most recent First Nations Leading the Way National Meeting, the FMA-FA institutions and proponent First Nations advanced at least five ideas to accelerate economic self-determination for participating First Nations:

- **Faster, Better Additions to Reserve (ATR) Process.** Many First Nations are adding lands to their reserves via specific claims, treaty land entitlements (TLEs), or economic developments. These facilitate location advantages for First Nations near urban areas and generate significant fiscal and economic benefits.<sup>83</sup> But ATRs take too long, which is just another form of high switching costs.<sup>84</sup> The RC advanced a comprehensive proposal under the FA framework to reduce ATR barriers such as long federal review processes, local government service agreement requirements, difficult transfers of pre-existing third party interests, and surveying requirements.<sup>85</sup> The benefits from facilitating more ATRs sooner are considerable.<sup>86</sup>

- **The First Nation Resource Charge (FNRC).** The success of the rights and title strategy has meant that few resource projects in Canada will legally advance without the support of impacted First Nations. Despite this, compared to other governments, First Nations receive the fewest fiscal benefits from resource projects in their territories. This is particularly troublesome because First Nations arguably suffer the most environmental and land use opportunity costs from resource projects, owing to their greater land use for economic, cultural, and traditional purposes. This hinders First Nations support for these projects, as First Nations are less likely to support resource projects unless their fiscal benefits are increased and their environmental costs and risks are reduced. To address this challenge, proponent First Nations and the FNTC are proposing a standardized pre-specified First Nations resource charge (FNRC) to be applied to resource projects in their territories.<sup>87</sup> The FNRC would be accommodated by ceded federal and provincial tax room to maintain a competitive investment climate. It would be supported by the FMA fiscal relationship so First Nations could choose transaction cost reducing jurisdictions such as improved environmental review, management using the FA, and improvements to local labour training.
- **An FA First Nations Land Registry.** The Indian Lands Registry System (ILRS) is the worst land registration system in Canada. It is the least reliable system, handling registrations and transactions at a slow pace and offering the lowest level of investor and land tenure certainty. The RC and FA First Nations are working to develop a new First Nations land registry system based on successful provincial models to replace the ILRS.<sup>88</sup> Once developed, this First Nations-led innovation has the potential to significantly reduce transaction costs, increase investor certainty, improve the ATR process, and as a result, speed up economic self-determination.
- **A First Nations Pooled Insurance Framework.** The FNFA and proponent First Nations have begun to explore a pooled insurance system for First Nations.<sup>89</sup> The proposal is in development, but it could speed up economic self-determination in two ways. First, it could be supported by FMA-FA risk reduction frameworks and certifications to reduce First Nations switching costs. Second, it could provide insurance related to liability issues to reduce the switching costs of the federal and provincial governments.
- **An FMA Fiscal-Economic Data and Statistics Framework.** The FMB is leading an FMA initiative to improve the economic and fiscal data and statistics framework for the FMA, First Nations, and, potentially, FA First Nations.<sup>90</sup> This initiative will improve

the economic, fiscal, and investor information that First Nations provide, reducing investor- and lender-related search costs. It can also help First Nations make better economic self-determination jurisdiction prioritizations with their scarce time and capital resources.

These ideas represent just a few of the innovations being advanced by First Nations proponents and institutions to accelerate economic self-determination (for example, the First Nation Infrastructure Institute isn't included in this list). That said, the included proposals do demonstrate that creating an efficient First Nations public sector innovation system is arguably the most important feature of the FMA-FA-Tulo Centre framework, supporting continual jurisdictional innovations to renew the competitive First Nations investment climates that colonial policies and legislation tried to destroy.

#### END NOTES

- <sup>1</sup> In 1969, Indian Affairs Minister Jean Chrétien (and member of Pierre Trudeau's Liberal government) released a White Paper proposing the elimination of First Nation governments in Canada and the assimilation of First Nation citizens into the Canadian federation. The near-universal opposition to the proposal by First Nation leadership is often cited as the beginning of the modern rights and title strategy. This strategy is credited with many legal victories, changing the Canadian constitution, and encouraging the *United Nations Declaration on the Rights of Indigenous Peoples* to recognize Indigenous nations' rights, title, and jurisdiction.
- <sup>2</sup> Clarence Jules Sr. (1926-2015) was a Chief and longtime councilor at Tk'emlúps te Secwe pemc, who started what we believe to be the first Industrial Park on First Nation lands in 1964. He was integral in the formation of the Union of British Columbia Indian Chiefs in 1969 and was elected to the Cowboy Hall of Fame in 2010. He also clearly understands the time value of money.
- <sup>4</sup> For example, consider these jurisdictional switching costs: 1) it takes approximately six times longer to convert federal or provincial lands to reserves than it takes for a municipal boundary expansion, and 2) it can take decades to negotiate a self-government agreement, modern treaty, or a specific claim settlement. For more information see the National Indigenous Economic Development Board's *Improving the Economic Success of Urban Additions to Reserves* (2015) and the Government of Canada's online tool *Reporting Centre on Specific Claims*.
- <sup>7</sup> The number of leaders involved in this work and strategy are far too many to list but include at least the following chiefs and leaders from the past and present: Clarence Jules Sr, Clarence Joe, Willie Morgan, Andrew Paul, Fred Kelly, Rick Jules, Ron Ignace, Don Moses, Clarence Joe, Joe Mathias, Mary Leonard, George Manual, Bob Manual, Art Manual, Mel Bevan, Wayne Haimila, Phil Fontaine, Matthew Coon Come, Ovide Mercredi, Rickey Fontaine, Elijah Harper, Strater Crowfoot, Howard Grant, Robert Louie, Harold Calla, Deanna Hamilton, Ernie Daniels, Allan Claxton, Joe Miskokomon, Tom Bressette, Bill McCue, Oscar Latholin, Terrance Paul, Keith Matthews, Mike Lebourdais, Gerry Daniels, Angela Lavasseur, Satsan (Herb George), Celine Auclair, Terry Babin, Ken Marsh, Leslie Brochu, Don Ryan, Clarence Louie, Derek Epp, and so many others.
- <sup>10</sup> This research agenda was initiated by the then Indian Taxation Advisory Board in 1997, headed by Manny Jules, and much of it can be found at [www.fntc.ca](http://www.fntc.ca) and [www.fiscalrealities.com](http://www.fiscalrealities.com). Also see the Tulo Centre's *Building a Competitive First Nations Investment Climate* (2014).
- <sup>11</sup> The definitive article "a" was purposefully used to describe the proposals in this paper to demonstrates respect for creative destruction (see Le Dressay, 2018).
- <sup>12</sup> As a matter of potential interest, the Chinook word "Tulo" means "profit" or "to earn".
- <sup>13</sup> The First Nations transfer-based fiscal relationship can be traced back to a time when the federal



government's goal was to assimilate First Nations peoples and dissolve old political structures. This goal assumed that First Nations could not make good decisions themselves and therefore needed federal guidance and oversight.

- <sup>15</sup> As Jamie Baxter explains, "Rules, in other words, are presumed to generate the kind of security of property demanded by private interests and thus required for strong economic investment" (2013, p. 58).
- <sup>16</sup> As noted earlier, there are two general types of First Nations fiscal relationships (FMA and transfer) and a variety of options between these two types. The FMA fiscal relationship is an important part of the strategy because it allows participating First Nations to choose jurisdictions that could lower transaction costs.
- <sup>17</sup> This investment climate representation and its components are further discussed in Tulo Centre, 2014; Fiscal Realities, 1999; Flanagan and Alcantara, 2003; Fiscal Realities, 2004; Alcantara, 2007; Anderson and Parker, 2009; Flanagan, Alcantara, and Le Dressay, 2010; Aragon, 2015; Feir, Gillezeau, and Jones, 2018; Aragon and Kessler, 2020; and Chernoff and Cheung, 2023.
- <sup>18</sup> It is important to note that this simplified analytical framework omits the discount rate in its calculations, which could be represented by the differences in the cost of capital in the two frameworks. It is almost always true that borrowing costs are higher for First Nations because of a less competitive investment climate. Higher capital costs on First Nations land would make the comparative differences even larger as the eNPV would be discounted more on First Nation lands.
- <sup>19</sup> This is a formulaic simplification for demonstration purposes. We appreciate that, properly specified, this formula would be a summation of each period within X. However, using the precise version of eNPV would make it difficult to demonstrate the impacts of transaction costs because their impacts in this formula are a delay in revenues being generated in year four instead of year one, for example. In this case the transaction cost would be the net present value of the forgone revenues in years one, two, and three.
- <sup>21</sup> For further reading on development economics and strong investment climates, see de Soto's *The Mystery of Capital* (2000). For information on how a weak and extractive investment climate is a significant factor in state failure, see Acemoglu and Robinson's *Why Nations Fail* (2012).
- <sup>22</sup> Acemoglu and Robinson further detail the relationship between (neo)colonialism and extractive economies, as well as the development trap created when transaction and switching costs are too high to escape, in *Why Nations Fail* (2012). The proposed FMA-FA-Tulo Centre strategy is intended to address these issues and provide a practical option for interested First Nations: if successful, this strategy would put participating First Nations on the Narrow Corridor to an inclusive economy (see Acemoglu and Robinson's *The Narrow Corridor: States, Societies, and the Fate of Liberty* [2019]).
- <sup>24</sup> To cite just one example of how colonialism impacted economic advantages consider the recent work of Waiser and Hansen's *Cheated: The Laurier Liberals and the Theft of First Nation Reserve Land* (2023).
- <sup>26</sup> This measurement is in actual days, not business days.
- <sup>27</sup> A March 2023 Assembly of First Nations (AFN) briefing document estimated that the infrastructure investment needs of First Nations in Canada, along with the associated operation and maintenance costs, is \$349 billion. The estimate considers capital, operations, and maintenance costs and makes regional and other adjustments to ensure no double counting (BTY, 2023).
- <sup>28</sup> These actions could be classified as predatory if it is assumed that all governments compete for investment based on their transaction costs using their fiscal power and jurisdictions and that colonial governments purposely excluded competition from First Nations in this area through legislation and other means to prevent the exercise of their fiscal powers and jurisdictions.
- <sup>30</sup> This analysis applies equally to both member (status) and non-member (non-status) investors.
- <sup>31</sup> These calculations are based on simple national multipliers at the summary level for 2020 of \$0.785 in gross domestic product at market prices and \$0.543 in labour income per dollar of change in output, 7.047 jobs per one million dollars change in output for Canada's non-residential building construction industry, \$0.621 in gross domestic product at market prices, \$0.362 in labour income per dollar change in output, 4.597 jobs per one million dollars change in output of Canada's manufacturing industry, a discount rate of 4.5%, and a 15-year period of analysis.

- <sup>32</sup> Even if an investment was not made on First Nation lands, it is probable that it would be made in another Canadian jurisdiction with lower transaction costs and lower costs of capital and therefore unlikely that the investment benefits would be lost to the Canadian economy.
- <sup>33</sup> In this regard, one of the most often used quotes from Clarence Jules Sr. is, “you can’t fix a flat tire like the *Indian Act* by yelling at it.”
- <sup>34</sup> The historical origin of this strategy can be traced back to First Nations political actions in Ontario, British Columbia, and Alberta. The Tyendinaga and Six Nations communities in Ontario fought for First Nations tax jurisdiction in the 1870s and 1910s, respectively. Several BC First Nations made a presentation to Sir Wilfred Laurier in 1910, and eight Ontario First Nations sought tax jurisdiction in the late 1960s (McCue and McCue, 2021). And the Alexander and Paul First Nations in Alberta were the first to implement tax systems in the early 1970s.
- <sup>35</sup> In 1975, a meeting was held at Chilliwack, BC, by the Union of British Columbia Indian Chiefs, which, at the time, represented all First Nations communities in the province. Its purpose was to restore First Nations independence and reject government funds, and many prominent Indigenous leaders attended. Willis Morgan, representing the Kitamaat Indian Band, cautioned that First Nations lacked the economic base and tax systems to pay for local services, education, health, and welfare. Morgan’s caution was ignored, and First Nations throughout BC rejected government funding in the late spring of 1975 (Union of British Columbia Indian Chiefs, 1975). There is a direct connection between the rejection of government funds by BC First Nations and the development of the economic self-determination strategy presented here. For more information, see Tulo Centre, 2014; and First Nations Leading the Way, 2019a and 2019b.
- <sup>36</sup> This quote is from a story told often by Clarence Jules Sr. and is the response of Phil Gaglardi, then BC Minister of Highways, when asked, “What did TteS receive for the taxes that the provincial government collected on their lands?”
- <sup>38</sup> While this strategy was originally conceived of and led by these five First Nations, they would not have been successful without the support of many other First Nations. It is noteworthy that many other First Nations are now leading new innovations and ideas within this framework and beyond.
- <sup>39</sup> There are two likely reasons why this approach was not used again. First, negotiation time is a good proxy for switching costs and these may have been too high. Second, legal victories and precedents may have increased economic (and fiscal) benefits from other strategies. It is also noteworthy that in 2003, Westbank First Nation established a self-government precedent that supported more fiscal and other jurisdictions than Sechelt’s, but until 2023 when the Whitecap First Nation adopted a similar model to Westbank, it also was not widely copied. This is possibly owing to high switching costs. Regardless, both Sechelt and Westbank have used their jurisdictions to lower transaction costs and create competitive investment climates.
- <sup>40</sup> The Indian Taxation Advisory Board (ITAB) created an institutional solution to the tax and representation issues within First Nations property tax systems as non-member lessees pay taxes to First Nations but cannot vote in First Nations elections.
- <sup>43</sup> First Nations must formally opt-in to the FMA-FA framework. Their use of any element of the framework is voluntary. The importance of optionality in this orderly process is difficult to overestimate. First, and perhaps most importantly, it demonstrates respect for the First Nations’ right of self-determination. Second, it requires a formal political commitment to an economic strategy and the legal and administrative framework to implement that strategy. Third, it creates an important incentive to the First Nations institutions that support the strategy: they cannot join if they do not help First Nations achieve economic self-determination.
- <sup>44</sup> The FNTAA is the organization that professionally certifies First Nations tax administrators and meets annually to share knowledge and innovations. The National Aboriginal Lands Managers Association (NALMA) also hosts meetings of professional First Nations land administrators. These organizations and networks certainly contribute to lower switching and transaction costs.
- <sup>45</sup> It should be noted that the initial investment development trap question caused by high transaction costs needs to be addressed: what is the best strategy to start the cycle of economic self-determination when investment facilitation transaction costs are too high? The World Bank, International Monetary

Fund, and many development banks are addressing this issue, so it is noteworthy that the FMB recently completed a series of papers to support more economic self-determination and proposed the creation of an Indigenous Development Bank (First Nations Financial Management Board, 2022). In Canada there are at least two other emerging opportunities that could help First Nations escape this trap: the creation and expansion of the number of urban reserves that provide a location advantage to First Nations and the growing participation of First Nations in the fiscal and economic benefits from resource and energy projects near them.

- <sup>47</sup> It may be of interest to future legal scholars to determine if this is also an effective and efficient method to implement s. 35 of the Constitution inherent rights. In this regard, consider the Supreme Court of Canada's statement in the *Canadian Pacific Railway Ltd v the Matsqui Indian Band* case: "...it is important that we not lose sight of Parliament's objective in creating the new Indian taxation powers. The regime which came into force in 1988 is intended to facilitate the development of Aboriginal self-government by allowing bands to exercise the **inherently governmental** power of taxation on their reserves" (1995, emphasis added)
- <sup>48</sup> For further information about taxation using the FMA, see Icton and Mescall (2021) and McCue and McCue (2021); the articles include two case studies that provide significant detail about the switching costs to establish a First Nations tax system. See also Boissoneault (2021) and Le Dressay (2021).
- <sup>50</sup> As one indication of lower switching costs, consider that in the last 15 years there are almost 400 First Nations participating in at least part of the FMA-FA framework and there have only been a few modern treaty, self-government, and comprehensive self-government agreements during that same period representing less than 20 First Nations. This comparison illustrates that the switching costs to complete a modern treaty or comprehensive claim are higher than to participate in the FMA-FA framework. These higher switching costs may well be justified for a First Nation if there are fiscal, economic, resource, and jurisdictional benefits arising from their modern treaty or comprehensive claim settlement, but even after a treaty or self-government agreement is completed, jurisdiction implementation switching costs remain.
- <sup>51</sup> Calculating the number of First Nations public sector innovations developed by the RC, FNFA, FMB, and FNTC to lower switching costs would be another method to demonstrate the value of First Nations institutions, but that is beyond the scope of this paper. But note that some of the most important innovations include the strong land code development support, capacity development, and legal templates provided by the RC; the financial performance certifications, standards, and capacity and financial system support of the FMB; the other revenues borrowing framework by the FNFA; and the standards, sample laws, and advisory and capacity support by the FNTC.
- <sup>52</sup> The importance of the political leadership of Manny Jules, Robert Louie, Harold Calla, Ernie Daniels, and Allan Claxton is difficult to overestimate. Their political reputations and ability to generate trust among First Nations communities and leaders, as well as other government politicians, has been one of the most significant switching cost reductions for FMA-FA proposals. To provide some perspective, in the last 30 years we estimate that Jules has led the development and passage of at least 14 pieces of First Nations legislation, made presentations to almost 500 First Nations, and appeared before committees of the Senate or the House of Commons almost 100 times. The numbers for Robert Louie and Harold Calla would be similar. As a result, they have built considerable First Nations and other government trust.
- <sup>53</sup> The FNFA and RC provide templates and sample laws that achieve many of the benefits of standards.
- <sup>54</sup> Visit the FNTC's FMA Toolkit at [www.fntc.ca/fma-toolkit-resources](http://www.fntc.ca/fma-toolkit-resources) for all the FNTC standards and sample laws. Additionally, see the Federal Court Decision from the judicial review brought by the Ontario Lottery and Gaming Corporation about the importance of FNTC standards for First Nations tax jurisdiction (*Ontario Lottery and Gaming Corporation v. Mississaugas of Scugog Island First Nation and First Nations Tax Commission*, 2019 FC 813).
- <sup>55</sup> For more information visit [www.fnleadingtheway.com](http://www.fnleadingtheway.com)
- <sup>56</sup> Each of these national institutions also have national meetings with their participating First Nations with respect to specific proposed innovations: for example, the Lands Advisory Board and faster ATRs or the FNTC and the First Nations Resource Charge.

- <sup>58</sup> This is not unlike the oral tradition for sharing information among First Nations described in many First Nation cultures.
- <sup>65</sup> This paper focuses on location advantages, but interested First Nations could use the FMA-FA-Tulo Centre framework for resource, environmental, labor, and other advantages as identified in Figure 2.
- <sup>66</sup> This institutional design system has been used by several of the initiatives discussed in this paper, including the FMA in 2005 and the recent FMA amendment that established the FNII in 2023.
- <sup>67</sup> This commitment is indicated by a First Nations council resolution signed by the Chief and Council requesting to be added to the FMA.
- <sup>68</sup> The head offices of the FNTC, FMB, FNFA, and the Tulo Centre are in BC so it could be assumed that jurisdictional switching costs might be lower for BC First Nations, but that wouldn't explain the high FM-FA participation rates across Canada.
- <sup>70</sup> For more information, see *Ch'iyáqtel (Tzeachten) Land Laws & Policies* at <https://www.tzeachten.ca/lands/laws#land-laws-downloads>.
- <sup>71</sup> We conducted a review of all bills introduced in the House of Commons beginning with the 42nd Parliament, 1st Session: data was obtained from LEGISinfo, Parliament's online database of bills. During this time, 210 bills originating in the House of Commons were introduced by the Liberal House Government (bills originating in the Senate and Private Member's bills were excluded from analysis, as they rarely receive Royal Assent). A further 61 bills were excluded from analysis owing to their time-sensitive nature, e.g., acts related to Covid response and benefits and back-to-work legislation (the parliamentary legislative review and consideration processes for these types of bills is much shorter, with some receiving Royal Assent in as little as one day). This left 149 bills for analysis. Of these 149, only 82 bills (55%) received Royal Assent: for these bills it took, on average, 291 days to proceed from Introduction to Royal Assent.
- <sup>76</sup> Location advantages are defined as being within 50 km of a service area with year-round access where services include construction and office suppliers, an adequate pool of skilled and semi-skilled workers, at least one financial institution, provincial services related to health, education and environmental services, and a federal Employment Centre.
- <sup>77</sup> Our original database contained 113 FMA First Nations that collected property tax between 2008-2020. Of these First Nations, we identified a subset of 48 that collect more than \$200k annually in property taxes and of those 48, we identified 31 as being a service area (location advantage). From those 31, we then identified 16 (or 51.6% of this subset) FMA First Nations that have grown their property tax revenues faster than the local government average in BC.
- <sup>78</sup> For clarity, where possible we also compared BC First Nation property revenue growth rates to the comparable growth rates of their nearest BC municipality, and it did not change these results.
- <sup>80</sup> Rates and assessment growth are similar because these First Nations use the same tax rate as their adjacent local government and First Nations property assessment values are the same as fee simple properties in their adjacent local governments, as specified in First Nation assessment laws.
- <sup>81</sup> This analysis uses expected property tax reported in annual First Nations expenditure laws. There should be a high degree of confidence in these expected revenues because they are calculated by multiplying certified property assessment data for each property within a class to the tax rate of the class passed in law by the First Nation and then aggregating these results for all property classes. Every First Nation obtains the aggregate magnitude of their expected annual property tax revenues using customized tax administrative software or other software. This is the same method used by local governments in BC to obtain their property tax revenue estimates and probably the same used by local governments throughout Canada.
- <sup>82</sup> This list contains only one of the five original First Nations who began this project in the 1970s, which is partly because both Sechelt and Westbank are self-governing and not FMA First Nations. It should also be noted that the Squamish Nation is well into the planning phase of the largest residential development on First Nation lands in Canada and will certainly exceed the growth rate of Vancouver. For more information visit [www.squamish.net/senakw](http://www.squamish.net/senakw).

- <sup>83</sup> The National Indigenous Economic Development Board (NIEDB) published research in 2015 showing that urban ATRs for First Nations generated greater economic benefits than similar well-located historical reserve lands (NIEDB, 2015).
- <sup>84</sup> In 2015 NIEBD research, the urban ATRs examined in the case studies took an average of 4.2 years to complete. This research found that these specific urban ATRs took 3.2 to 3.7 years longer than a typical municipal boundary expansion (0.5 to 1 year). However, this is a significant underestimate. In 2015, additional NIEDB research looked 117 urban ATR applications under active review. The federal government's database had start dates for 70 of the 117 applications. The average length of time those 70 applications had been in the ATR process was 8.6 years, or already 7.6 to 8.1 years longer than a typical municipal boundary expansion. And those 70 applications were ongoing and had not yet been converted to reserve status.
- <sup>85</sup> See workshop material from the First Nations Land Management Resource Centre and Tulo Centre (2021).
- <sup>86</sup> In 2015, we estimated the potential impacts resulting from a hypothetical scenario in which just 1% of the TLE in Saskatchewan is converted to reserve and developed over a 15-year period. We projected an estimated \$2.4 billion in investment, which could generate the over 13,500 direct person years of employment, annual property taxes of about \$32.7 million and annual lease revenue of about \$8.3 million (residential) and \$36.5 million (non-residential).
- <sup>87</sup> For more information, visit <https://fnrc.ca/fnrc/> and <https://firstnationsresourcecharge.ca/>.
- <sup>88</sup> In Budget 2023, the federal government committed \$35.3 million over three years to a new First Nations-led National Land Registry that will provide communities in First Nations Land Management with more opportunities to realize the economic benefits arising from local control of their lands (Government of Canada, 2023a).
- <sup>89</sup> Please visit the FNFA's website to view a brochure on the insurance model at <https://www.fnfa.ca/en/projects/fnfa-bfl-insurance/>.
- <sup>90</sup> See section 35.1 of the FMA for the FNLC's new powers relating to data, section 55.1 for the FMB's new powers relating to data power, and section 113.9 for FNII's powers relating to data (S.C. 2005, c. 9).



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# Introduction

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Robert J. Oppenheimer

A common way of determining the state of an economy is to measure the rate of growth or decline of a nation's gross domestic product or its GDP. In 2023, the Canadian GDP grew at a rate of 1.7%. This growth rate compares with Canada's GDP increase of 3.8% in 2022. There are no equivalent measures for Canada's Indigenous economy. An alternative method for assessing the state of the Indigenous economy is to examine unemployment, employment, participation, and wage rates. For the Indigenous population in 2023, the unemployment rate increased, and both the employment and participation rates decreased, compared to 2022. All three rates indicate a decline in the state of the Indigenous economy.

The following article examines these rates for both the Indigenous and non-Indigenous populations. Data going back to 2007 is provided to enable the reader to make their own observations, beyond those reported in the article. The article shows that there is a clear relationship between the level of educational attainment and the rates of unemployment, employment, and participation.

# *Indigenous and Non-Indigenous Unemployment, Employment, and Participation Rates Through 2023: Education Remains Critical*

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## **AUTHOR'S NOTE**

Robert J. Oppenheimer is a Professor Emeritus at the John Molson School of Business. The data explored in the article is for the off-reserve Indigenous population, as labour force data is not collected for on-reserve populations.

## **ABSTRACT**

Employment, unemployment, participation, and wage rates have been more favourable for the non-Indigenous population than for the Indigenous population. With one exception, this has been the case in every year since 2007, when the data first became available. While wages were higher in 2022 than they were in 2021 for both Indigenous and non-Indigenous populations, the overall employment picture for the Indigenous population was worse in 2023 than in 2022. Their unemployment rate was higher, while their employment and participation rates were lower. In comparison, all three rates were higher for non-Indigenous people in 2023. A critical factor related to each of these three rates is the education level achieved. Higher completed educational levels are directly related to lower unemployment rates and higher employment and participation rates as well as to higher wage levels.

This article examines employment and educational data in Canada (excluding the territories) for Indigenous people 15 years and older who live off reserves and for the non-Indigenous population. While the data covers the years between 2007-2023, the focus is on changes between 2022-2023, with the data for people 15 years and older provided to enable the reader to assess the changes over time.

Three categories of employment data are examined: employment, participation, and unemployment rates. The employment rate is the percentage of those working in the total population who are over the age of 15; the participation rate is the percentage of those employed and those seeking to be employed in the total population who are over 15 years old. In general, the higher these rates, the better the economy. The unemployment rate is the percentage of those seeking employment divided by those employed and those seeking employment: the lower the unemployment rate, the better the economy. Finally, the combination of those employed and those unemployed (that is, those seeking employment) is defined as the labour force. Therefore, another way of defining the unemployment rate is the percentage of those unemployed in the labour force. It is important to note that the employment and unemployment rates are not directly related, as they are measured in different ways.

### *Unemployment Rates*

Although the unemployment rate has been consistently worse for the Indigenous population than the non-Indigenous population, the difference between their unemployment rates during 2022-2023 is the lowest they have been. The unemployment rate for the Indigenous population in 2022 was 8.0, which rose to 8.8 in 2023 for an increase of 10%; in contrast, the non-Indigenous population unemployment rate was 5.2 in 2022 and rose to 5.3 in 2023, for an increase of 1.9%. Or, put slightly differently, the difference between Indigenous and non-Indigenous unemployment rates was 2.8 in 2022 and 3.5 in 2023. Previously, the unemployment rates for the Indigenous and non-Indigenous populations decreased each year from 2016 to 2022: hopefully, this downward trend will resume in 2024. It should also be noted that unemployment rates have improved significantly from their 2020 Covid-19 levels.

**TABLE 1**  
**Unemployment Rates**  
 Source: Statistics Canada, 2024a).

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Indigenous population</b>	11	10.5	14.1	14.5	13.3	12.9	12	11.6	12.5	12.7	11.6	10.5	10.2	13.9	11.3	8	8.8
<b>Non-Indigenous population</b>	6.1	6.2	8.3	8	7.5	7.3	7	6.9	6.8	6.9	6.3	5.7	5.6	9.5	7.4	5.2	5.3
<b>Difference in Rates</b>	<b>4.9</b>	<b>4.3</b>	<b>5.8</b>	<b>6.5</b>	<b>5.8</b>	<b>5.6</b>	<b>5</b>	<b>4.7</b>	<b>5.7</b>	<b>5.8</b>	<b>5.3</b>	<b>4.8</b>	<b>4.6</b>	<b>4.4</b>	<b>3.9</b>	<b>2.8</b>	<b>3.5</b>
<b>Percent (%) Annual Change</b>																	
<b>Indigenous population</b>		-4.5	34.3	2.8	-8.3	-3.0	-7.0	-3.3	7.8	1.6	-8.7	-9.5	-2.9	36.3	-18.7	-29.2	10.0
<b>Non-Indigenous population</b>		1.6	33.9	-3.6	-6.3	-2.7	-4.1	-1.4	-1.4	1.5	-8.7	-9.5	-1.8	69.6	-22.1	-29.7	1.9



### *Employment Rates*

The employment rate has been consistently higher for the non-Indigenous population. From 2022-2023, the employment rate for the non-Indigenous population rose from 61.9 to 62.1, for an increase of 0.3%. During this same timeframe, the Indigenous population's employment rate fell from 60.9 to 58.7, for a decrease of 3.6%. However, the difference between the non-Indigenous and Indigenous employment rates during these two years were the lowest they have been—similar to the narrowing gap between their respective unemployment rates in 2022 and 2023. Additionally, the annual percentage change in the employment rate was greater for the Indigenous population in 14 of the last 17 years, showing that the employment rate has greater fluctuations for the Indigenous population.

**TABLE 2**  
**Employment Rates**  
 Source: Statistics Canada, 2024a.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Indigenous population	58.2	59.5	56.6	53.4	55.2	56.5	56.4	56.7	55.1	55.9	56.6	57.4	57.4	52.4	56.8	60.9	58.7
Non-Indigenous population	63.4	63.4	61.7	61.7	61.9	62	62.2	61.8	61.7	61.4	61.9	62.1	62.4	58.2	60.5	61.9	62.1
Difference in Rates	5.2	3.9	5.1	8.3	6.7	5.5	5.8	5.1	6.6	5.5	5.3	4.7	5	5.8	3.7	1	3.4
Percent (%) Annual Change Indigenous population		2.2	-4.9	-5.7	3.4	2.4	-0.2	0.5	-2.8	1.5	1.3	1.4	0.0	-8.7	8.4	7.2	-3.6
Non-Indigenous population		0.0	-2.7	0.0	0.3	0.2	0.3	-0.6	-0.2	-0.5	0.8	0.3	0.5	-6.7	4.0	2.3	0.3

### ***Participation Rate***

The participation rate for the Indigenous population was 66.2 in 2022, falling to 64.4 in 2023 for a decline of 2.7%. In contrast, the participation rate for the non-Indigenous population increased slightly from 65.3 in 2022 to 65.6 in 2023. The difference between these rates was the lowest in 2022, with a difference of 0.9 in favor of the Indigenous population.<sup>1</sup> The next smallest difference between these rates was 1.2, which occurred in 2023 and 2008. The finding that the differences in the participation, unemployment, and employment rates were all their lowest in 2022 and 2023 is an encouraging sign that the gap between Indigenous and non-Indigenous populations is narrowing.

**TABLE 3**  
**Participation Rates**  
**Source: Statistics Canada, 2024a.**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Indigenous population</b>	65.3	66.4	65.9	62.5	63.7	64.9	64.1	64.1	62.9	64	64	64.1	63.9	60.8	64	66.2	64.4
<b>Non-Indigenous population</b>	67.5	67.6	67.3	67.1	66.9	66.9	66.9	66.3	66.2	65.9	66.1	65.8	66.1	64.3	65.3	65.3	65.6
<b>Difference in Rates</b>	<b>2.2</b>	<b>1.2</b>	<b>1.4</b>	<b>4.6</b>	<b>3.2</b>	<b>2</b>	<b>2.8</b>	<b>2.2</b>	<b>3.3</b>	<b>1.9</b>	<b>2.1</b>	<b>1.7</b>	<b>2.2</b>	<b>3.5</b>	<b>1.3</b>	<b>-0.9</b>	<b>1.2</b>
<b>Percent (%) Annual Change</b>																	
Indigenous population	1.7	-0.8	-5.2	1.9	1.9	-1.2	0.0	-1.9	1.7	0.0	0.2	-0.3	-4.9	5.3	3.4	-2.7	
Non-Indigenous population	0.1	-0.4	-0.3	0.0	0.0	0.0	-0.9	-0.2	-0.5	0.3	-0.5	0.5	-2.7	1.6	0.0	0.5	

### ***Education and Unemployment Rates***

Education is a key factor in the relationship between the unemployment, employment, and participation rates. As educational levels increase, unemployment rates decrease for both Indigenous and non-Indigenous populations. This has been the case every year since 2007 for each of the three educational levels of (a) less than high school, (b) high school graduate or some post-secondary, and (c) completed post-secondary education. That is, the higher the level of education, the lower the rate of unemployment. Further, as educational levels increase, the difference in the unemployment rates between the Indigenous and non-Indigenous populations decreases. That said, while the unemployment rate decreases as educational levels increase, it has still been consistently higher for the Indigenous population for each educational level since 2007.

**TABLE 4**  
**Unemployment Rate by Educational Level**  
**Source: Statistics Canada, 2024a.**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Educational Level</b>																	
Total, all education levels	11	10.5	14.1	14.5	13.3	12.9	12	11.6	12.5	12.7	11.6	10.5	10.2	13.9	11.3	8	8.8
Less than high school 1	17.3	16.4	23.6	24.4	23.5	21.8	20.1	21.5	23.2	22.4	19.9	19.3	18.3	21.5	19.6	15.8	16.6
High school graduate or some post-secondary 2	9.8	9.9	14.1	14	13.4	12.9	11.8	12	12.4	13.5	12.3	11.8	11.9	15.7	12.7	9.1	9.7
Completed post-secondary education 3	8.1	7.4	9.2	9.9	8.5	8.6	8.6	7.6	8.4	8.5	8.3	6.9	6.8	10.7	8.4	5.2	6
<b>Non-Indigenous population</b>																	
Total, all education levels	6.1	6.2	8.3	8	7.5	7.3	7	6.9	6.8	6.9	6.3	5.7	5.6	9.5	7.4	5.2	5.3
Less than high school 1	12	11.9	15.8	15.7	15.2	14.5	14.2	13.7	13.3	13.4	12.1	11.2	10.8	16.1	13.8	10.8	11.1
High school graduate or some post-secondary 2	6.5	6.6	9.4	9	8.4	8.1	8.1	8	8.1	8.1	7.3	6.7	6.9	13	9.9	6.7	6.8
Completed post-secondary education 3	4.4	4.6	6.2	6	5.6	5.6	5.3	5.3	5.3	5.4	5	4.6	4.4	7.6	5.9	4.1	4.2
<b>Difference in Rates</b>																	
Less than high school 1	5.3	4.5	7.8	8.7	8.3	7.3	5.9	7.8	9.9	9	7.8	8.1	7.5	5.4	5.8	5	5.5
High school graduate or some post-secondary 2	3.3	3.3	4.7	5	5	4.8	3.7	4	4.3	5.4	5	5.1	5	2.7	2.8	2.4	2.9
Completed post-secondary education 3	3.7	2.8	3	3.9	2.9	3	3.3	2.3	3.1	3.1	3.3	2.3	2.4	3.1	2.5	1.1	1.8

Footnotes:

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- 2 Highest level obtained is a high school degree or some post-secondary (in other words, worked toward, but did not complete, a degree, certificate [including a trade certificate] or diploma from an educational institution, including a university, beyond the secondary level).
- 3 Completed a certificate (including a trade certificate) or diploma from an educational institution beyond the secondary level. Also included are certificates below a Bachelor's degree obtained at a university and university degrees at the bachelor level or higher.



### ***Education and Employment Rates***

As education levels increase, employment rates increase. This applies for each of the three educational levels for each year since 2007, for both the Indigenous and non-Indigenous populations. When we compare employment rates by level of education, the difference in the rates between the Indigenous and non-Indigenous populations is generally closer together than the overall differences. The only exceptions were for those with less than a high school education in 2022 and for high school graduates or people with some post-secondary education in 2022 and 2023. That is, when the education level is the same for Indigenous and non-Indigenous populations, the employment rates tend to be more similar.

**TABLE 5**  
**Employment Rate by Educational Level**  
**Source: Statistics Canada, 2024a.**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Educational Level</b>																	
Total, all education levels	58.2	59.5	56.6	53.4	55.2	56.5	56.4	56.7	55.1	55.9	56.6	57.4	57.4	52.4	56.8	60.9	58.7
Less than high school 1	37.8	39.9	34.6	31.8	32.2	35.4	34.3	32.1	31.9	33	31.9	32.6	31.5	29.9	31.5	36.5	34.2
High school graduate or some post-secondary 2	65.4	64.8	61	59.4	60.2	60.2	61.5	61.1	58.7	57.6	60.3	58.5	59.7	53.4	56.8	62.6	60.4
Completed post-secondary education 3	73.7	74.6	72.7	68.3	71.1	71.2	69.6	70.7	68.7	70.2	69.9	71.1	70.9	63.6	69.6	71.2	70.4
<b>Non-Indigenous population</b>																	
Total, all education levels	63.4	63.4	61.7	61.7	61.9	62	62.2	61.8	61.7	61.4	61.9	62.1	62.4	58.2	60.5	61.9	62.1
Less than high school 1	36.9	37.1	34.4	33.9	33.9	33.6	33.6	33.1	32.8	32.4	33.4	33.6	33.7	29.9	31.6	33.2	33.3
High school graduate or some post-secondary 2	65.1	64.6	61.6	61.6	61.5	61.3	60.9	60	59	58.6	58.9	58.1	57.9	52.2	54.2	56.6	56.4
Completed post-secondary education 3	74.2	74	72.9	72.6	72.5	72.4	72.4	71.9	71.9	71.3	71.3	71.4	71.6	67.5	69.6	70.4	70.3
<b>Difference in Rates</b>																	
Total, all education levels	5.2	3.9	5.1	8.3	6.7	5.5	5.8	5.1	6.6	5.5	5.3	4.7	5	5.8	3.7	1	3.4
Less than high school 1	-0.9	-2.8	-0.2	2.1	1.7	-1.8	-0.7	1	0.9	-0.6	1.5	1	2.2	0	0.1	-3.3	-0.9
High school graduate or some post-secondary 2	-0.3	-0.2	0.6	2.2	1.3	1.1	-0.6	-1.1	0.3	1	-1.4	-0.4	-1.8	-1.2	-2.6	-6	-4
Completed post-secondary education 3	0.5	-0.6	0.2	4.3	1.4	1.2	2.8	1.2	3.2	1.1	1.4	0.3	0.7	3.9	0	-0.8	-0.1

Footnotes:  
 1 Highest level obtained is some high school.  
 2 Highest level obtained is a high school degree or some post-secondary (in other words, worked toward, but did not complete, a degree, certificate [including a trade certificate] or diploma from an educational institution, including a university, beyond the secondary level).  
 3 Completed a certificate (including a trade certificate) or diploma from an educational institution beyond the secondary level. Also included are certificates below a Bachelor's degree obtained at a university and university degrees at the bachelor level or higher.

### ***Education and Participation Rates***

Similar to employment rates, as the level of education increases, participation rates increase. The participation rate has been higher for the non-Indigenous than the Indigenous population every year since 2007, apart from 2022. However, when participation rates are examined by level of education the picture changes. The participation rates for the Indigenous population were higher for each comparable education level than for the non-Indigenous population in 2021 through 2023, as well as for some other years.

The reason for this is that a much larger percentage of the non-Indigenous population completes post-secondary education, resulting in the overall participation rate being higher for the non-Indigenous population. Nonetheless, it is significant that when we compare participation rates by level of education the Indigenous population have had higher participation rates since 2021.

**TABLE 6**  
**Participation Rate by Educational Level**  
**Source: Statistics Canada, 2024a.**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Educational Level</b>																	
Total, all education levels	65.3	66.4	65.9	62.5	63.7	64.9	64.1	64.1	62.9	64	64	64.1	63.9	60.8	64	66.2	64.4
Less than high school 1	45.7	47.7	45.3	42	42.1	45.2	42.9	40.9	41.5	42.5	39.8	40.5	38.5	38.1	39.2	43.4	41
High school graduate or some post-secondary 2	72.5	71.9	71	69.1	69.5	69.2	69.7	69.5	67	66.7	68.8	66.3	67.7	63.3	65.1	68.9	66.9
Completed post-secondary education 3	80.2	80.6	80.1	75.8	77.7	78	76.2	76.5	74.9	76.7	76.2	76.4	76	71.3	75.9	75.1	74.9
<b>Non-Indigenous population</b>																	
Total, all education levels	67.5	67.6	67.3	67.1	66.9	66.9	66.9	66.3	66.2	65.9	66.1	65.8	66.1	64.3	65.3	65.3	65.6
Less than high school 1	41.9	42.1	40.8	40.2	39.9	39.4	39.2	38.3	37.8	37.4	38	37.8	37.7	35.6	36.6	37.2	37.5
High school graduate or some post-secondary 2	69.6	69.2	68	67.7	67.1	66.7	66.3	65.2	64.1	63.7	63.5	62.3	62.3	60	60.1	60.7	60.5
Completed post-secondary education 3	77.6	77.6	77.8	77.3	76.8	76.6	76.5	75.9	75.9	75.4	75.1	74.8	74.9	73	73.9	73.4	73.4
<b>Difference in Rates</b>																	
Total, all education levels	2.2	1.2	1.4	4.6	3.2	2	2.8	2.2	3.3	1.9	2.1	1.7	2.2	3.5	1.3	-0.9	1.2
Less than high school 1	-3.8	-5.6	-4.5	-1.8	-2.2	-5.8	-3.7	-2.6	-3.7	-5.1	-1.8	-2.7	-0.8	-2.5	-2.6	-6.2	-3.5
High school graduate or some post-secondary 2	-2.9	-2.7	-3	-1.4	-2.4	-2.5	-3.4	-4.3	-2.9	-3	-5.3	-4	-5.4	-3.3	-5	-8.2	-6.4
Completed post-secondary education 3	-2.6	-3	-2.3	1.5	-0.9	-1.4	0.3	-0.6	1	-1.3	-1.1	-1.6	-1.1	1.7	-2	-1.7	-1.5

Footnotes:

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- 3 Completed a certificate (including a trade certificate) or diploma from an educational institution beyond the secondary level. Also included are certificates below a Bachelor's degree obtained at a university and university degrees at the bachelor level or higher.

### *Educational Levels*

As mentioned, the non-Indigenous population has achieved higher levels of education than the Indigenous population. Overall, the percentage of non-Indigenous people who did not complete high school has declined each year since 2007. This has been the case for the Indigenous population, except in three years: 2010, 2019, and 2023. In 2023, the percentage of the Indigenous population not completing high school went from 23.6% to 22.3% in 2022. Additionally, in 2023, there were more Indigenous people who had not completed high school (23.6%) than non-Indigenous people (13.1%). This may be an issue of concern, especially if the percentage of Indigenous people not completing high school increases further in 2024. However, these numbers still represent a significant improvement from 2007, when 36.6% of the Indigenous population did not complete high school compared to 22.1% of the non-Indigenous population.

In a similar trend, the percentage of the non-Indigenous population that completed post-secondary education increased each year since 2007. For the non-Indigenous population, it increased in every year except 2010, 2015, and 2023. Given the clear relationship between the level of education and the participation, employment, and unemployment rates, it would appear that improving the level of educational achievement would benefit individuals, the economy, and society.

**TABLE 7**  
**Educational Levels**  
**Source: Statistics Canada, 2024a.**

Year	Total		Less than high school 1		High school graduate or some post-secondary 2		Completed post-secondary education 3		Total		Less than high school 1		High school graduate or some post-secondary 2		Completed post-secondary education 3		Difference Indigenous vs. non-Indigenous	
	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage	Persons	Percentage
2007	639.1	36.6	35.3	29.0	34.4	2007	25829.9	22.1	27.8	50.0	14.4	1.2	-15.6					
2008	673.3	35.3	33.1	29.4	35.3	2008	26157.9	21.5	28.0	50.4	13.7	1.4	-15.1					
2009	707.3	33.1	33.6	30.0	37.0	2009	26501.6	20.9	28.2	50.9	12.1	1.8	-13.9					
2010	741.3	33.6	32.5	29.5	36.8	2010	26835.5	20.1	27.9	52.0	13.5	1.6	-15.2					
2011	777.1	32.5	32.2	29.9	37.6	2011	27128.1	19.4	27.8	52.8	13.0	2.2	-15.2					
2012	819.6	32.2	30.3	29.2	38.6	2012	27412	19.0	27.4	53.7	13.3	1.8	-15.1					
2013	862.7	30.3	28.8	30.5	39.2	2013	27683.9	18.2	27.7	54.1	12.1	2.9	-14.9					
2014	905.6	28.8	28.6	30.8	40.5	2014	27938.3	17.6	27.8	54.6	11.2	2.9	-14.1					
2015	948.5	28.6	28.4	31.2	40.2	2015	28128	17.1	27.2	55.8	11.5	4.1	-15.5					
2016	991.7	28.4	27.5	30.1	41.5	2016	28394.5	16.7	26.7	56.5	11.7	3.4	-15.0					
2017	1033.5	27.5	25.3	30.3	42.3	2017	28730.8	16.0	27.0	57.1	11.5	3.3	-14.8					
2018	1073.8	25.3	24.2	31.6	43.2	2018	29146.8	15.3	26.9	57.9	10.0	4.7	-14.7					
2019	1114.3	25.4	23.4	31.0	43.6	2019	29580.6	14.9	25.8	59.3	10.5	5.2	-15.7					
2020	1153.8	24.2	22.3	30.3	45.4	2020	29898.8	14.1	26.1	59.8	10.1	4.2	-14.3					
2021	1195.9	23.4	22.3	29.4	46.3	2021	30130.2	13.6	25.4	61.0	9.8	4.8	-14.6					
2022	1238.3	22.3	23.6	29.4	48.2	2022	30533.6	13.5	24.8	61.7	8.8	4.7	-13.5					
2023	1277.4	23.6		31.1	45.3	2023	31224.4	13.1	24.5	62.4	10.5	6.6	-17.2					

**Footnotes:**

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### *Wages*

The average hourly wage rate has been consistently higher for the non-Indigenous population than for the Indigenous population. This difference has ranged from \$2.05 in 2005 to \$2.95 in 2022. The three largest gaps in the average hourly wage rates have been in 2020, 2021, and 2022 (2023 data is not available). Additionally, the average hourly wage rate has increased every year since 2006 for the non-Indigenous population. It has also increased every year for the Indigenous population, except for 2016.<sup>2</sup>

Since 2018, the Indigenous population's average usual weekly hours were higher than the non-Indigenous population's. That is, on average, the Indigenous population worked slightly more each week than the non-Indigenous population.

Wages are also directly related to the completed level of education. The higher the completed level of education, the higher the wages (Oppenheimer, 2022).

**TABLE 8**  
**Wages**  
**Source: Statistics Canada, 2024a.**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Indigenous population</b>																	
Average hourly wage rate 1	16.55	17.84	19.11	19.7	20.05	20.47	21.45	21.91	22.4	23.17	23.16	23.86	24.36	25.35	26.81	27.17	28.53
Average weekly wage rate 1	622.32	664.83	714.73	726.04	743	759.97	796.05	813.95	827.79	854.41	848.54	872.35	897.52	936.56	993.68	1,016.46	1,059.87
Average usual weekly hours 2, 3	36.3	35.9	36.1	35.5	35.4	35.5	35.5	35.6	35.2	35.4	34.9	34.9	35.4	35.5	35.7	36	35.7
<b>Non-Indigenous population</b>																	
Average hourly wage rate 1	20.08	20.44	21.31	22.03	22.48	22.93	23.59	24.13	24.55	25.22	25.75	26.15	26.9	27.83	29.59	30.12	31.47
Average weekly wage rate 1	750.56	752.11	782.49	803.49	818.59	837.91	864.65	883.83	899.27	923.63	941.57	955.26	982.92	1,014.74	1,083.60	1,101.72	1,155.71
Average usual weekly hours 2, 3	36.1	35.5	35.4	35.2	35.1	35.2	35.3	35.3	35.3	35.3	35.2	35.2	35.3	35.2	35.5	35.4	35.5
Difference in Hourly Wages	<b>3.53</b>	<b>2.6</b>	<b>2.2</b>	<b>2.33</b>	<b>2.43</b>	<b>2.46</b>	<b>2.14</b>	<b>2.22</b>	<b>2.15</b>	<b>2.05</b>	<b>2.59</b>	<b>2.29</b>	<b>2.54</b>	<b>2.48</b>	<b>2.78</b>	<b>2.95</b>	<b>2.94</b>

Footnotes:

- 1 Beginning January 1997, information is collected on the usual wages or salary of employees at their main job. Respondents are asked to report their wage/salary before taxes and other deductions, and include tips, commissions and bonuses. Weekly and hourly wages/salaries are calculated in conjunction with usual paid work hours per week.
- 2 Calculated by dividing the total usual hours worked at main job during the reference week by the total number of employees.
- 3 Beginning January 1997, usual hours for employees refers to their normal paid or contract hours, not counting any overtime. However, the definition of usual hours remains unchanged for the self-employed and unpaid family workers. In January 1997, the Labour Force Survey questionnaire was changed to allow responses up to 168 hours per week. Prior to 1997, the upper limit was set at 99 hours.

## *Summary*

The data studied revealed the following trends:

- Unemployment rate. The unemployment rate has been higher for the Indigenous population than the non-Indigenous population every year since 2007, although the unemployment rate increased for both the Indigenous and non-Indigenous populations from 2022-2023.
- Employment rate. The employment rate was lower for the Indigenous population than the non-Indigenous population every year since 2007. The employment rate was lower in 2023 than in 2022 for the Indigenous population, while it was higher for the non-Indigenous population.
- Participation rate. The participation rate was lower for the Indigenous population than the non-Indigenous population every year since 2007, except for 2022. The participation rate was lower in 2023 than in 2022 for the Indigenous population, while it was higher for the non-Indigenous population.
- Educational levels. For both the Indigenous and non-Indigenous population, as educational levels increase, unemployment rates decrease, employment rates increase, and participation rates increase. This has been the case for each year since 2007.

It has also been reported that the higher the level of completed education the higher the wages earned. Ultimately, the results reported here shows a clear relationship between education and the three key employment measures and wages; however, it does not demonstrate a causal relationship. Nonetheless, we can say that a more educated population will be better off from an employment perspective. This is highly significant. Lower unemployment rates and higher employment and participation rates are an indication of how well an economy is doing. Given this, it seems reasonable for families, communities, and society to ensure that as many people as possible are provided with the support and opportunities to achieve their desired level of education.

## **END NOTES**

- <sup>1</sup> The higher participation rate for the Indigenous population in 2022 was the only year since 2007 that this occurred. In all other years, the participation rate, as well as the unemployment and the employment rates, were more favorable for the non-Indigenous population.
- <sup>2</sup> The 2016 average hourly wage rate was 23.16, compared to 23.17 in 2015.

## Introduction

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Warren Weir

In this issue, two reviewers provide insight into *Engraved on Our Nations: Indigenous Economic Tenacity*, edited by long-time academic champions of the Indigenous community, business, and entrepreneurial development, Dr. Wanda Wuttunee and Dr. Fred Wien. The reviewers are Dr. Robert (Bob) Anderson and Chloe Price.

In *Engraved on Our Nations: Indigenous Economic Tenacity*, the editors introduce and focus on the idea of tenacity: a way of describing fierce and persistent determination. That means getting things done with grit and determination. Never quitting, even though the going might get tough. Achieving success, noting that time is of the essence. Other words that help define tenacity include courage, resolution, spirit, relentlessness, and stick-to-it-iveness, along with concepts of moral and mental strength – a strength of purpose. To act tenaciously is to resist opposition and hardship while standing firm in the face of adversity.

Dr. Robert A., Professor Emeritus at the University of Regina, calls Fred and Wanda giants of Indigenous economic development, giants who have provided the strong backs on which future scholars and leaders are building their own views of what it means to succeed in economic development. He has witnessed the changes in the theory and practice of Indigenous economic development in Canada, taking time to document these changes in several important books, papers, and presentations.

The second reviewer, Chloe Price, a newcomer to this eclectic group, is also one of the newest JAED's editorial board members. Chloe Price, skúk'rina? Kawals (MED, BBA), comes from syílǎ, nłę?kepmx, skwxwú7mesh, n'quatqua, and Kwakiutl communities. She is currently the Administrative Studies Department Chair of the Nicola Valley Institute of Technology's Administration Studies Programs, offering certificates and diplomas in Administrative Studies, Aboriginal CED, Tourism Management, First Nation Public Administration, Foundations in Innovation and Technology, and Aboriginal Governance and Leadership. Chloe's review speaks to the educational relevance of this book, especially the value the stories hold for informing and arming future graduates of Indigenous business and economic development.

In their book, “Engraved on Our Nations”, Wuttunee and Wien reveal the larger story of Indigenous economic development in historical and contextual terms that are useful to the reader in today’s world. The stories within this collection acknowledge and offer respect to those who came before them. I like that, and I recommend this book to those who want to enter the economic development conversation at a deeper level of engagement. It is awesome and worth the read for so many reasons, one of which is that it will allow readers to find out just what they are looking for when preparing to become more fully informed when discussing the myriad, multi-dimensional, complex, and ever-changing world of Indigenous economic development in Canada.

Book Review:  
*Engraved on Our Nations:  
Indigenous economic tenacity*

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Dr. Robert Anderson

Wanda Wuttunee and Fred Wien (Eds.), (2024). *Engraved on Our Nations: Indigenous economic tenacity*. University of Manitoba Press, Winnipeg, MB., 342 pages, ISBN: 978-1-77284-064-3 (soft cover).

I have been asked to review “*Engraved on or Nations: Indigenous Economic Tenacity*,” edited by Wanda Wuttunee and Fred Wien. I am pleased to do so because it is edited by two giants of the Indigenous development effort to overcome the impacts of colonialism and modernization, the very struggle this book celebrates.

I first ‘met’ Wanda Wuttunee through her book “*In Business on Our Own*,” published in 1992. And that is not where she began her journey exploring Indigenous business and broader development issues. And this work has continued unabated. Fred Wien’s contributions are equally impressive, lighted by his service as the Deputy Director of Research at the Royal Commission on Aboriginal Peoples from 1992 to 1996 where he led the research program on employment and economic development. I have listened and learned from both for many years and so have thousands of their students and fellow travellers on the tenacious struggle by Indigenous people for ‘development on their own terms.’ This open-access book makes it possible for many students and others to continue to do so as well, and not just from Fred and Wanda but from the wonderful group of stories and storytellers that they have brought together in this book.

In their preface Wanda and Fred state and seek to address the issue that, for several decades, academic literature, reports of inquiries, and media features have chronicled the disadvantaged and unequal position of Indigenous peoples in Canada. While often accurate in terms of substance, these narratives have contributed to a deficit perspective that is deeply discouraging to elected leaders, their administrations, and civil societies that on a daily basis engage in the struggle to improve community conditions.

They then to say that

this deficit perspective also ignores the tremendous resilience of Indigenous communities that have survived despite extreme hardship. It downplays the strengths of their political leadership as well as the tenacity and innovativeness of their business class, and the lessons that might emerge from a study of strength and resilience are submerged. Such a perspective fails to inform government policy and programs, neglects to give hope to those working on the front lines and misinforms students who are seeking better answers for the future.

In this book they describe and celebrate this ‘tenacity and innovativeness’ by curating an excellent collection of stories that the encouraging story about what has been done, what is being done and what can be accomplish going forward, because of heroic and tenacious struggle.

The stories making up the collection begin with an introduction written by David Newhouse, another giant in the field. David’s work in communities, organizations, and with his students has played an immensely positive role advancing Indigenous development over the past four decades. In his introductory chapter, David provides an overview of economic history and some of the specific realities that Indigenous Canadians faced in different historical periods. Looking at Indigenous economic history through the lens of tenacity, he underlines the importance of adapting to change, seeking to regain control, and bringing Indigenous perspectives to economic development strategy.

The remaining stories are presented in four sections, each with its own introduction that explains the theme of the section as well as how the included chapters elaborate on the theme. Part One focuses on strategic leadership, which is illustrated by Mary Beth Doucette and Fred Wien’s case study of Membertou First Nation and its impact well beyond reserve boundaries. Then there is Daniel Millette’s examination of the complexity of carrying out economic development involving multiple stakeholders, as in Tsawwassen First Nation, followed by Charlotte Bezamat-Mantes’s account of a First Nation pursuing Treaty Land Entitlements to develop an urban reserve in Saskatchewan.

The chapters in Part Two examine cases that are “culturally on point.” In this section, Isobel Findlay describes a fur trappers’ organization seeking to maintain a traditional way of making a living. Clifford Atleo reflects on whether capitalism can be Indigenousized, after which Judith Sayers discusses the debate around energy resource projects in the context of climate change and sustainable community development.

In Part Three, the chapters illustrate the importance of family and community connections to the success of Indigenous economic development projects. Chris Googoo, Catherine Martin, and Fred Wien pay tribute to entrepreneurs in the Atlantic region who have been awarded lifetime achievement awards by the Ulnooweg Development Group, celebrating their vision and tenacity in sustaining their businesses at a time when there were few programs available to support them. It highlights that family



and community support was vital to their success. Wanda Wuttunee describes a Métis electrical contracting business that was established and thrived despite the odds in the Northwest Territories. Wuttunee also gives an account of a community development project in the North End of Winnipeg that aimed to build skills among people from marginalized communities while also working toward strengthening Indigenous food security.

The final section, Part Four, features two projects that illustrate the theme of partnering for success. Jerry Asp's chapter features the Tahltan First Nation and the business partnerships it developed on the way to success in developing housing, mining, and hydropower projects. Wanda Wuttunee describes partnerships that developed between individual municipalities and First Nations in pursuit of joint projects, as supported by the Council for the Advancement of Native Development Officers (Cando) and the Canadian Federation of Municipalities.

The volume concludes with the editors reflecting on the themes and lessons that have emerged from the chapters, especially from the point of view of Indigenous tenacity in the economic realm.

For me, one of the most significant contributions of this collected work is the insight provided into the roles of politics, particularly the pursuit of Indigenous Rights (read as 'on own terms') and business. It is so much more complex and richer than 'keeping the politics out of business'!

A second significant contribution is the discussion across all stories about how to realize development 'on one's own terms', those terms being Indigenous. In this, I found David Newhouse's work on Red Capitalism and Clifford Alteo's "Can Capitalism be Indigenized" most fascinating. My question is, instead, 'Does Indigenous development need to be capitalist?' If capitalism means heavily individualistic, purely profit-oriented, nature as a 'resource', etc., then the answer is a resounding no! And this is because of the tenacious struggle by Indigenous people through politics and business so well illustrated in the stories in this collected work.

Finally, I like the threads intertwining the ideas of cocreation, two-eyed seeing, partnership, reconciliation and sustainability that emerge in various places and circumstances. Real hope for a reconciliation and better future for all.

Book Review:  
*Engraved on Our Nations:  
Indigenous economic tenacity*

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Chloe Price

Wanda Wuttunee and Fred Wien (Eds.), (2024). *Engraved on Our Nations: Indigenous economic tenacity*. University of Manitoba Press, Winnipeg, MB., 342 pages, ISBN: 978-1-77284-064-3 (soft cover).

***Indigenous Economic Pathways***

*Engraved on Our Nations: Indigenous Economic Tenacity*, edited by Wanda Wuttunee and Fred Wien, is a compelling exploration of the resilience, complexities, and tenacity of the Indigenous economy in contemporary Canada. Through a series of thematic essays, reflections, community achievement narratives, and storytelling, *Engraved on Our Nations* delves deeply into the multifaceted experiences of Indigenous people as they navigate the intersections of tradition, modernity, and colonial influences on economic activity. This collection skillfully illustrates the endurance of Indigenous communities at the forefront of revitalization efforts, making it an immensely valuable resource for scholars, educators, policymakers, and learners alike.

Much like other areas, the academic world is in a constant state of transformation as we continually learn, challenge historical systems, and explore pathways to progress for future generations. Within business and economic classrooms, Indigenous scholars, faculty members, and learners frequently employ the concept of two-eyed seeing, confronting the difficulties of colonial business environments. Often, learners reach a point of understanding and questioning the settler structures that we are frequently enveloped within yet struggle to find answers or solutions in colonial texts. *Engraved on Our Nations* provides context, experience, solutions and, most importantly, offers hope. Reflection on David Newhouse's exploration of Indigenous economic history, the confronted question of whether capitalism can be Indigenous, and the presented teachings shared within the case studies of leading Indigenous communities in economic development tasks learners to engage and alter the intricacies of Indigenous-settler relations in Canada. Compared to other publications on economic development, this unique resource stands out by highlighting applicable grassroots movements and

initiatives that offer routes toward reconciliation, revitalization, and innovation. As learners observe this community-based research amplifying Indigenous perspectives, they can increasingly recognize the commonalities within their communities and strive to draw inspiration and guidance. This text will transform discussions in economic, business, and entrepreneurship classrooms as we collaboratively move forward.

In conclusion, *Engraved on Our Nations* is a powerful testament to the enduring tenacity of Indigenous communities. This insightful analysis and impassioned advocacy not only deepen understanding of Indigenous cultures, histories, and contemporary struggles, but also empower those at the forefront of change for our communities. It leaves readers enlightened, offering profound insights, and establishes further foundations for future generations to build upon and thrive.



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#### NEXT ISSUES

Volume 15 Issue 1, Spring 2025 A Special Issue on Muiwatmnej Etuaptmunk:  
“Two-eyed seeing from vision to action”

Volume 15 Issue 2, Fall 2025

