

ABORIGINAL

ECONOMIC DEVELOPMENT In Atlantic Canada

FIRST NATIONS, INNU AND INUIT TAKING CHARGE OF THEIR ECONOMIC FUTURE

Across Atlantic Canada, Aboriginal businesses and entrepreneurs are fast becoming part of the economic mainstream. First Nations, Innu and Inuit are developing diverse business ventures, from multimillion dollar projects with international partners to 'mom and pop' retail outlets, from expanding an IT training centre to the overseas marketing and shipping of ancient anorthosite stone.

Developing sustainable economies is key in the move toward self-government. In response to the Report of the Royal Commission on Aboriginal Peoples, the Department of Indian Affairs and Northern Development (DIAND) has helped launch many Aboriginal business ventures, and supported the goal of achieving strong communities, people and economies.

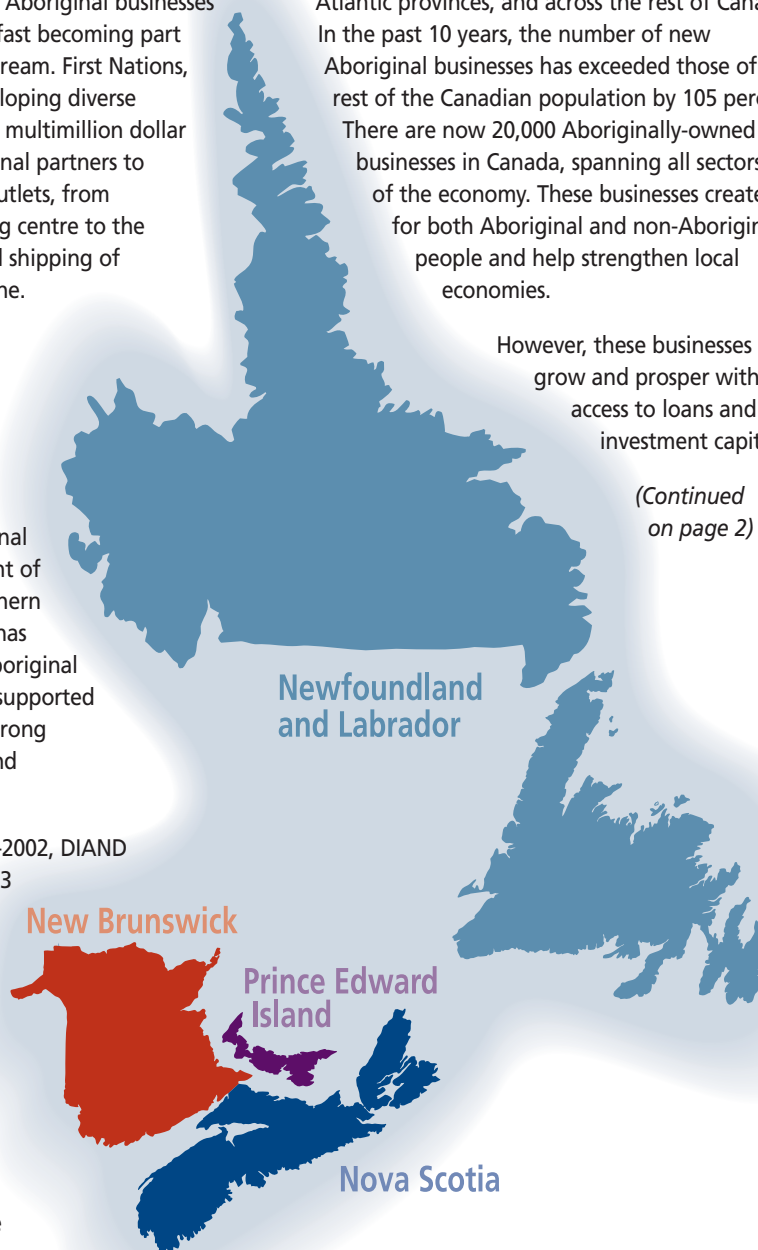
For the fiscal year 2001-2002, DIAND has invested \$11,577,953 for 74 projects in the Atlantic region. Many of these projects are in fields that have always been at the heart of the region's economy.

The trend toward entrepreneurship is evident throughout the

Atlantic provinces, and across the rest of Canada. In the past 10 years, the number of new Aboriginal businesses has exceeded those of the rest of the Canadian population by 105 percent. There are now 20,000 Aboriginally-owned businesses in Canada, spanning all sectors of the economy. These businesses create jobs for both Aboriginal and non-Aboriginal people and help strengthen local economies.

However, these businesses can't grow and prosper without access to loans and investment capital.

(Continued on page 2)



In this issue:

Labrador Inuit Development Corporation Looks to lumber and granite for local economies	2
Membertou First Nation Plans pay off with International Standards Accreditation	4
Miawpukek First Nation, Conne River, Newfoundland Jipujikuei Kuespem Park	5
Lennox Island First Nation Diversifying economy	6
Saint Mary's First Nation Cultivating business ties with Fredericton	7
Millbrook First Nation Planning, economic development key to First Nation's success	8



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Canada

(Continued from page 1)

"This is the major hurdle we must clear before we can create jobs and break the cycle of dependency that exists within Aboriginal communities," says Robert D. Nault, Minister of Indian Affairs and Northern Development. "We must work together to eliminate financial obstacles and develop equal opportunities. Only then can we hope to have long-term economic self-sufficiency in Aboriginal communities."

Membertou First Nation, located within the city of Sydney in Cape Breton, Nova Scotia, is an ideal example of a community investing funds in successful partnerships with the private and public sectors. It currently has partnerships in mining, oil and gas, fishing, forestry, retail and professional services. It is the only First Nation in Canada to receive the prestigious International Standards Organization (ISO) 9001:2000 certification.

"Our goal is to build Indigenous economies that ensure a better future for our community, a future built on respect and dignity, and also on innovation and success," says Membertou Chief Terrance Paul.

Economic development is a cornerstone of the Government of Canada's commitment to build strong First Nation, Innu and Inuit communities and economies. Minister Nault sees this commitment as a partnership between the Government of Canada and Aboriginal people. "We will work together towards a better future and we'll do it by taking a practical, balanced and integrated approach."

That commitment is backed with federal government money. Supporting funds allow First Nations, Innu and Inuit to enter into partnerships on regional projects, such as infrastructure and resource development. These in turn can lead to other partnership projects with the private sector and other levels of government, as has taken place in communities like Membertou.

"They are well trained and equipped to make their way in the new global, knowledge-based economy."

Employment

Aboriginal youth are a dynamic component of the Atlantic region's work force — and of Canadian society. They are our future leaders, educators, professionals and role models. They are the links between Canada's history and traditions and its vision for the future. But right now, they must still deal with the highest levels of unemployment and poverty in Canada.

In the next 10 years, the Aboriginal work force will grow at twice the rate of the

total Canadian work force. According to the Conference Board of Canada, an additional 160,000 jobs will be needed by 2006 in order to maintain the current level of Aboriginal employment. Many more will be required in order to see an improvement.

When First Nations, Innu and Inuit youth acquire the skills and experience they need to meet the demands of the marketplace, the entire country, not just Aboriginal communities, benefits. Establishing successful partnerships that involve corporations, governments and communities is an important part of meeting these demands.

Most modern-day partnerships between industry and Aboriginal people include benefits agreements, which address issues like education, training and first rights to jobs and service contracts. These agreements help ensure that members of First Nation, Innu and Inuit communities share the benefits of the new enterprises.

This is the best-educated generation of Aboriginal youth, says Minister Nault. "They are well trained and equipped to make their way in the new global, knowledge-based economy. The rest of the country, especially the business sector, is starting to wake up to this reality."

The Atlantic region's future depends on the same kind of determination, tenacity and vision shared by the first people to live here: the First Nations, Innu and Inuit, and the men and women who carved out a living and a life from this rugged landscape. There are challenges, but progress is being made. The Government of Canada's ongoing commitment is part of that vision.

"We will work together towards a better future and we'll do it by taking a practical, balanced and integrated approach."

Labrador Inuit Development Corporation LOOKS TO LUMBER

The Labrador Inuit Development Corporation (LIDC) is continuing to develop and maximize its profitable granite mining operations. At the same time, LIDC has its eye on the forest industry, with long-term plans to produce high-grade lumber.

Granite mining has generated jobs, as well as significant spin-off capital. LIDC believes its forestry venture can provide the same multi-faceted benefits, bringing money into the area, and creating long-term employment and spin-off opportunities.

"We do 4,000 tonnes of granite each year and we're just in the process of putting up two small plants to process second-grade material. This material can be made into furniture, tombstones, and strips for tiles and counter tops," says Fred Hall, LIDC Managing Director. The corporation's main market is Italy where they use the unique stone for large slabs of building material, among other things. "We ship out some blocks that are up to 25 tonnes. We have one quarry operating and we're currently sending a crew out to start the second this year.

"It's a very special stone which is why an operation like this can work in such a remote



AND GRANITE FOR LOCAL ECONOMIES

location. Its light-grey granite colour is very nice, but it has scattered throughout small blue inclusions of Labradorite crystals. The dark-blue crystals are what drives the price up," Hall explains. "Basically, 4,000 tonnes comes out to around 1,000 cubic metres, or about \$2 million for a year's production." Each year in mid-March, a management and mechanical team of about a dozen people starts work. Full crews of about 40 people work 12-hour days from June to mid-November.

The mining operation's various needs also pump outside money into local business. "I think it's fairly significant because we buy drill bits, we buy steel rods, we buy food, we have transportation of crews, and Inuit employees spend their wages in Inuit communities," says Hall.

In terms of its forestry plans, LIDC is looking at purchasing a portable sawmill — that rides on tractor-trailer beds — to make the long-term harvest lucrative. "We need 12,000 cubic metres of wood to harvest a year in order to make it profitable. And in order to be competitive, we need

"We do 4,000 tonnes of granite each year and we're just in the process of putting up two small plants to process second-grade material."

to bring in machinery," Hall says. "In order to pay for the machinery, we need that volume."

The resource is more than adequate, Hall adds, and the plus side of the short

Labrador growing season is a stronger lumber product, which is generally of higher quality.

The forestry operation is expected to produce about 20 long-term jobs in cutting and skidding, with other direct and indirect job opportunities.

Now they are developing a long-term sustainable development management plan, and are waiting for approval of their annual allowable cut, based on that plan. Their research shows the area they are interested in could be cut steadily from one end to the other over a period of about 75-100 years. Once it has been completely cut they will be able to return to where they began and start the cycle all over again.

For more information, visit the website at www.nunatsiavut.com/lidc.html



*In 2001, the
Department of
Indian Affairs
and Northern
Development
invested more than
\$11,577,953 in
74 projects in
Atlantic Canada.*

Membertou First Nation

PLANS PAY OFF WITH INTERNATIONAL STANDARDS ACCREDITATION

Like so many Aboriginal communities, Membertou First Nation went looking for the proverbial level playing field. The Nova Scotia First Nation found just that — and a whole lot more.

The community approached its economic development scene from some productive angles, while taking measures to address accountability and governance issues. In this way, Membertou made itself a more attractive potential business partner for joint ventures and investments.

In terms of accountability to its own members, the First Nation Council posts a breakdown of its budget on Membertou's website, and distributes quarterly reports to everyone in the community.

To build a better business base, the First Nation found an approach that is bringing dividends home. Recently, Membertou announced its success in obtaining the International Standards Organization's ISO 9001:2000 accreditation, something that sets a new and exciting precedent in the Aboriginal community. The year-long process

of becoming accredited means the Membertou First Nation is now recognized as an organization that adheres to stringent international guidelines. This accreditation is a stamp of approval that is recognized worldwide.

"On November 30, an independent audit company called QM1 — a leader in ISO quality assurance — did the audit on our operations and recommended us to the International Standards Organization," explains Bernd Christmas, Membertou Director of Operations. "The whole thing is a very intensive process that ensures certain service standards, and includes everything from procedures to checks and balances. There are policies on conflict of interest and financial management. There's a lot to do with accountability, transparency and openness."

The First Nation's entire staff must be familiar with the processes as ISO relates to their work, and follow the procedures to the letter.

"The band and corporate office represent the first Indigenous government in Canada to comply with ISO," Christmas emphasizes. "In fact, according to research, we're the first Indigenous government in the world to do this. We see it as another step in good governance as it determines how band council deals with its shareholders — its members — so they can have faith and understand that their affairs are being taken care of in the best way possible."

"This opens up the way for us to do more business with



government and with the corporate sector," he adds. "This will bring more of the corporate sector to Membertou to do business with us in a lucrative market — the Aboriginal community."

"This opens up the way for us to do more business with government and with the corporate sector."

But Membertou did more than get ISO accreditation. The First Nation has also opened an office in Halifax. This brings the community

closer to the government agencies with which it does business, and with Atlantic Canada's private sector companies, most of which have Halifax offices. Membertou struck a deal with Clearwater Fine Foods almost immediately after opening its corporate doors. Clearwater Fine Foods now markets a Membertou line of snow crab and employs about 20 members of the First Nation at its fish plant in Glace Bay. PanCanadian Energy is another company the Membertou Nation has done business with during the past year.

Christmas says the First Nation sees its business-related moves as opening up global doors that will help make the community more prosperous, and ensure its members have meaningful jobs and a better standard of living. Infrastructure is already expanding in the community, he confirms, and new enterprises are emerging in various business sectors.

For more information, visit the website at www.membertou.ca



Miawpukek First Nation, Conne River, Newfoundland

JIPUJIKUEI KUESPEM PARK

The silver splash of lake water breaking across the bow of a canoe. A glorious canopy of stars in the night sky. The crackle-and-pop of another log landing in a campfire. And as of this year, hot showers!

Jipujikuei Kuespem Park offers a lot to the outdoors person. But an abundance of natural beauty and improved visitors' services aren't necessarily enough to convince tourists to stray several hundred kilometres off the Trans-Canada Highway — not without excellent marketing. Jipujikuei Kuespem, or Little River, is located within the Miawpukek First Nation on the southern coast of Newfoundland.

Part of the First Nation's tourism strategy for the park is to market its unique Mi'kmaq culture and history, which dates back to the 15th century. Last summer, for example, visitors watched the park's cultural staff construct traditional birchbark canoes on the lake shore. Overnight visitors can stay in one of over 20 campsites or spend a night in a wigwam. A replica of a Mi'kmaq village will be completed in 2003.

They are also working with the surrounding 21 villages in the Coast of Bays region to promote their collective beauty and charm.

"The Jipujikuei Kuespem Park is strategically located — it's the gateway to the Coast of Bays region," says Gerard Joe, Councillor and economic development officer. The First Nation obtained the former provincial park in 1997 when the province sought proposals to privatize a number of its parks. Its Mi'kmaq name came from Elder Matthew Jeddore. At the time, economic development staff realized that to see returns on the investments the



First Nation was planning to put into the park, they had to work with the rest of the region.

"All of the communities down here struggle with the same problem," says Phoebe Keeping, economic development officer. "We're really remote. The nearest McDonald's is two hours away."

"The Jipujikuei Kuespem Park is strategically located — it's the gateway to the Coast of Bays region."

"You have to work with your surrounding communities in order to bring people down here and get them to stay a while," she adds. "So while you're

staying at the park, you can go to Harbour Breton, Pool's Cove, St. Alban's and the Bay du Nord wilderness area."

The remoteness of the area is also a drawing card, Keeping explains, in terms of the ecotourism market. Ecotourism involves visitors exploring a region's natural surroundings and participating in activities like hiking, kayaking and canoeing, all of which are offered in Jipujikuei Kuespem Park.

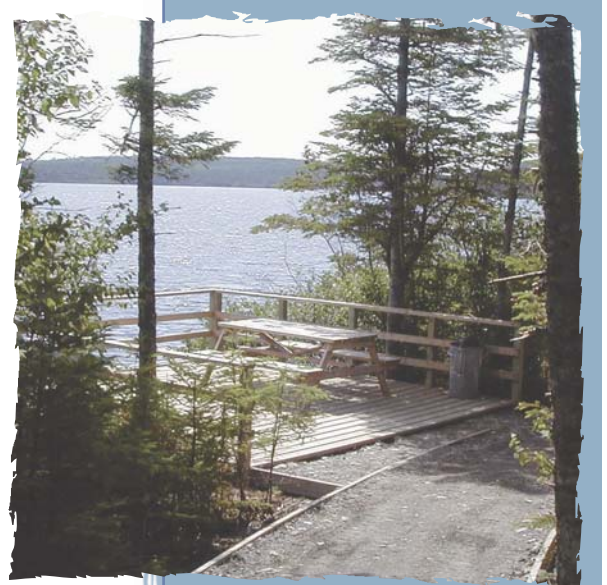
"[The park] is really hardcore nature," she says, then laughs as she recalls just how wild the park really is. "I was out there last fall, just driving around, looking at the new washroom facility, and on my way out, I had to stop for a moose to cross my path."

The park is also marketed as a jumping off point for the Bay du Nord Wilderness Reserve. A permanent docking facility and office were recently built on the lake shore for Micmac Air Services, which flies tourists deep into the nearby pristine wilderness. Other park features include a walking trail around half of the lake, a playground, a park office and information centre, and of course, the new shower and washroom facilities.

All the development and the marketing strategies are carefully considered to balance economic benefits for the community and region, and protect traditional values and natural resources.

"We're promoting First Nations tourism and culture, but at the same time, we don't want it to become too commercialized," Keeping says. "We want to give everyone a taste of what we're about without overdoing it."

For more information, visit the website at www.miawpukek.nf.ca



Lookout with a picnic table for a nice break or a snack along the hiking trail.



DIVERSIFYING ECONOMY

While a thriving peat moss business has been the backbone of their economy, Lennox Island First Nation is making steady progress on diversifying — and one area they have in their sights is tourism.

Located on Prince Edward Island, where tourism is king, the First Nation knows the potential is there. Only a 45-minute drive from Confederation Bridge, they have access to the hundreds of thousands of tourists who visit PEI on an annual basis. Last year they attracted close to 5,000 tourists to the Lennox Island Cultural Centre alone, doubling the numbers from the previous year.

Their 20-year-old peat moss business provides employment for local people and generates about a half-million dollars worth of revenue annually. It also reduces social service demands allowing the First Nation to direct their dollars elsewhere, including into their developing tourism trade.

"We have an interesting product that will appeal to younger people."

They are approaching the mid-point of a 10-year strategy that will benefit the First Nation and surrounding area, bringing in more visitors and increasing the opportunities for entrepreneurship.

The Lennox Island Aboriginal Ecotourism Program is currently in its third phase of development. This past year, many additions to existing infrastructure have been built. This will attract more visitors to Lennox Island and allow local businesses to capitalize on this growing market. The success of the program's first phase, the creation of the Lennox Island Mi'kmaq Cultural Centre, created opportunity

for expansion to infrastructure enabling continued growth. In the spring of 2003, the Lennox Island Ecotourism Centre will be operational. The new centre will contain a traditional Mi'kmaq food café, the Maskwi Nature Store, space for four local ecotourism-based businesses, a large meeting room and a 12-bed hostel. A 10-km hiking trail, "The Path of Our Forefathers," features interpretive signage about the history of Lennox Island. The path is complete and will be officially opened in the spring of 2003.

"We will have a range of activities and experiences available that will make Lennox Island more attractive to the casual visitor, as well as to the educational tourism sector which is already showing keen interest in our hands-on workshops in Mi'kmaq culture," said Jesse Francis, Lennox Island Ecotourism Manager.

For the coming year the First Nation is developing a nine-km interpretive hiking trail, a trail centre and a youth hostel that will accommodate 12 guests. "We have an interesting product that will appeal to younger people," says Matt McGuire, Planning and Development Consultant of the Ecotourism Program of the Western Malpeque Initiative operated through the Cultural Centre.

"We were also nominated for the International Responsible Tourism Award. Although we didn't win, we made the short-list," says McGuire. They recently created an ecotourism program manager position. "We were able to get Jesse Francis on secondment from Parks Canada, and with him we now have someone focussed on marketing, content development, and professional development," says McGuire.

The Aboriginal Ecotourism Strategy is a community-based growth plan to develop the economy in several sectors, and to sustain and invigorate traditional culture.

They focus on projects that will distribute wealth throughout the community, provide local people with business opportunities and jobs, while building business development and management skills. The Cultural Centre provides



training, professional help to develop business plans, and help finding funding sources. It takes a lead role in promoting the community.

The First Nation is working to develop attractions in ecotourism. They have access to the warm and shallow waters of Malpeque Bay. Rich in marine life, they offer snorkeling enthusiasts a safe and interesting location to strap on their gear and dive. McGuire says people in the community now plan to open a craft shop and to develop a deep sea fishing operation for the coming summer.

While PEI is very successfully marketed, the focus remains on famous PEI attractions. This makes marketing a real challenge for the Lennox Island First Nation. One way to increase visitors is their plan to link Lennox Island to the main cycling and hiking route.

But marketing challenges are not limited to their tourism efforts. Their peat moss business, producing about 100,000 bales annually, took an unexpected turn when their then-strong USA market deteriorated. The USA now buys most of its peat moss from central Canada, so Lennox Island First Nation was forced to find new markets. They turned their efforts to Japan, a country that buys 5-million bales a year. This was so successful that Japan is now their primary market.

For more information, visit the website at <http://collections.ic.gc.ca/malpeque/home.html>



Saint Mary's First Nation

CULTIVATING BUSINESS TIES WITH FREDERICTON

Saint Mary's First Nation, in New Brunswick, tackled its high unemployment rate when it took advantage of the huge potential market at its front door. Its thriving commercial relationship with the neighbouring city of Fredericton has resulted in jobs for its own members, for members of nearby First Nations and for city residents.

Only four years ago, the First Nation's unemployment rate was running at about 80 percent. It is now estimated at 12 to 15 percent. Today, the community has several commercial businesses, and plenty of jobs, founded on strong business ties with greater New Brunswick. The Saint Mary's Entertainment Centre alone employs nearly 50 individuals.

This success is all part of the First Nation's vision. "We're governed by a five-member economic development business and planning committee and they set the divisions and directions for economic development in the community," explains Wayne Brown, the First Nation's Director of Economic Development and Planning. As a result of concerted community-driven efforts, Saint Mary's Retail Sales, the First Nation's umbrella company, now owns and operates a courier and delivery service, a convenience store, a gas bar, a wholesale division, and a coffee vending and vending machine service.

The community is developing a 6,100 m² mall and office complex — a critical component in its economic development plan. The mall will cost an estimated \$4.3 million, and will create almost 100 new jobs.

"We're providing management training for those people who will take the management jobs for the mall. We have 13 managers and supervisors in the organization who all come from Saint Mary's," Brown says. Currently, 130 people are employed through Saint Mary's Retail Sales — a far cry from the three employees it started out with four years ago.

"Our location is a plus for us because there are about 20,000 cars a day that travel the streets around our facility and around the reserve," Brown explains. "I've heard it many times how our employees are very friendly

"I've heard it many times how our employees are very friendly and very professional."

and very professional. We try to be sure that our products are competitive with our non-Native friends around us. We have to remain competitive because we're surrounded by large super-stores and grocery stores and gas stations."

These days, Saint Mary's is attracting more and more opportunities. "I've found that since we've attained some success, there are a lot of proposals that come our way and we're careful about who we do business with," says Brown. The economic development and business planning committee interviews all potential business and investment clients. After evaluating proposals, the committee makes its recommendations to the Chief and council.

For the future, Saint Mary's First Nation is considering several new possibilities, including developing more infrastructure for sports. The First Nation's softball park is already in regular use and has hosted a number of tournaments. The community hopes to be able to work with the city, and provincial and federal governments to jointly develop a major facility — one that will generate more jobs and opportunities.

For more information, contact the Saint Mary's First Nation Council at (506) 459-2209.



*More than 27,000
First Nation, Innu
and Inuit students in
Canada are currently
enrolled in colleges
and universities.*



Millbrook First Nation Chief Lawrence Paul surveys a few of the thriving businesses in his community.

Millbrook First Nation

PLANNING, ECONOMIC DEVELOPMENT KEY TO FIRST NATION'S SUCCESS

Millbrook First Nation's ever-growing list of successful ventures speaks volumes for their straightforward approach to doing business.

Their efforts are community-based and result from focus, gritty determination, accountable management, and effective negotiations. They strive constantly to create an environment for business that will not only be good for their own ventures, but will also attract businesses into their fold.

Beginning almost 10 years ago, the First Nation began changing its focus on economic development, taking a more aggressive approach. They developed a solid track record that allows them to access capital, as well as investors and partners for joint ventures. One of those partners is Empire Theatres, and a five-theatre cineplex is being built on leased First Nation property.

The list of band-owned businesses is extensive, including the 49-unit Caldwell Apartments, gas stations, gaming operations, convenience stores, a fleet of fishing vessels, and a wharf. The First Nation is also involved in the restoration and management of a second wharf. All their business operations, including their leased lands, have been developed under Treaty Enterprises, their umbrella company.

One of the keys to their success has been their creation of prime property for leasing — ventures that the community supports wholeheartedly. Community support is critical to the

process. From beginning to end, the community benefits economically and socially, with First Nation members gaining meaningful employment through on-reserve businesses and access to new entrepreneurial opportunities.

"We have lands designated for business that we will be leasing out with 66 acres being developed and have another 20 acres developed," says band administrator Alex Cope.

Once the council and its advisors have determined which lands can best serve the community as commercial property, the First Nation holds a referendum. Following a successful referendum, the council has more freedom over how to use the land and, as a result, they have been able to develop a proven business track record and a strong credit rating that allows them to access capital. In order to expand their existing 405-hectare land-base, they are currently in the process of purchasing lands adjacent to their territory which they intend to have designated as reserve land.

Another factor influencing their ability to attract new business is their recent construction

of a \$10.8-million overpass over Highway 102. This link provides greater access to the Truro Power Centre, the First Nation's commercial park. The area sees as many as 40,000 vehicles per day. In the near future, the development will also be home to a financial institution and a call centre, both of which are under negotiation. A Super 8 Motel is also planned, adding another dimension to the services on the First Nation's leased lands. Currently, upwards of \$30 million has been invested in the area, employing more than 80 people.

The First Nation is also developing a commercial fishery. "The negotiations for our fisheries really went great and Millbrook came out in a very good position. But right now, we're going through a learning process," says Cope. This process includes training people, as well as learning more about how the industry operates and how to market the catches.

"We're showing a profit now. All of what we do is community-based and this will be contributing back to other economic development projects on the reserve."

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By reinvesting in themselves, the First Nation has been able to develop its own ventures, including gas stations, convenience stores and commercial properties for leasing. This in turn creates the sort of business climate that attracts new business opportunities, including

well-known franchises; all these features make the leased lands a destination for shoppers.

"We have an economic development committee here working for us, plus we've worked closely with every agency that can possibly help us," says Cope. But the secret of their success remains simple and straightforward. "It comes down to determination, a lot of hard work and proper negotiations."

For more information, contact the Millbrook First Nation Council at (902) 897-9199.

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