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First Nations communities doing what it takes for improved prosperity

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Andrea Gerard Dorie (left), Eileen Meade, Wanda Fontaine and Todd Guimond enjoy a cup of Tim Hortons at the new Sagkeeng First Nation Tim Hortons and Superstore grocery store. First Nations communities are starting to do what it takes for improved prosperity. [Photo Store](#)

A delegate at this week's national conference of the Aboriginal Financial Officers Association (AFOA) in Winnipeg commented that AFOA members represent "the doers" in the communities.

With almost three times as many people this year as there were at the association's inaugural

conference, which was also held in Winnipeg, the event was like a microcosm of aboriginal economic-development progress over the last 15 years.



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Earl Barish, President and CEO of Salisbury House of Canada (JOHN WOODS / WINNIPEG FREE PRESS FILES) [Photo Store](#)

Big business and aboriginal education

The business council of Manitoba, made up of CEOs of the largest companies in the province, speaks out on major policy issues with a commitment to Manitoba's economic growth and community development.

In 2013, at a daylong public debate marking its 15th anniversary, aboriginal affairs in the province dominated the discussion.

The BCM's predominant initiative regarding aboriginal issues is its aboriginal education awards. Over the last 15 years it has helped provide post-secondary bursaries for 1,900 aboriginal students worth more than \$5 million.

Don Leitch, the BCM's president and CEO, said the choice of institution and the program of study is entirely the choice of the student.

But he said last year they noticed a larger proportion of bursary award winners going into business programs and many who wanted to become entrepreneurs.

Unemployment and poverty in aboriginal communities are overwhelming challenges. But important change is occurring.

Allan Munroe, manager of finance of Swampy Cree Holdings Ltd. in The Pas, and the Manitoba chairman of the AFOA, said a lot has happened over that time period.

While there's never a quick fix to vexing problems, Munroe said more First Nations are understanding what it takes to create firmer footing for improved prosperity in the communities.

"The challenges are numerous," he said. "But more communities realize that to achieve success and to get from point A to point B you need a solid financial foundation. Without that, it is tough for communities to move forward. Funding is restricted and the opportunities are just not there."

In B.C. and Alberta large-scale resource industry partnerships with First Nations as well as locally generated tourism, fisheries and other industries are creating much new wealth.

Those opportunities are not as abundant for the 63 First Nations in Manitoba, but there is a strong understanding of the stuff Munroe talks about.

In the grand scheme of things, the development of a 100-seat Salisbury House restaurant in Norway House Cree Nation will not change the lives of the 5,000 people of Norway House.

But as Norway House Chief Ron Evans said, "It is easier to attract (investors) when you can demonstrate you are stable and organized. Getting a franchise with an iconic name like Salisbury House speaks volumes for us."

Norway House is also about to open its second Tim Hortons outlet. Last year, Tim Hortons also opened an outlet at Sagkeeng First Nation.

There are many who believe, like Evans, that with financial accountability and governance structures in place, economic development will follow.

“It is easier to attract (investors) when you can demonstrate you are stable and organized. Getting a franchise with an iconic name like Salisbury House speaks volumes for us’-- Norway House Chief Ron Evans

"That brings smiles to the face of successful business people in the community who say the (aboriginal) community needs more people who want to be entrepreneurs," he said.

Leitch said because of challenging business environments on reserve, there may not be as many role models for young aboriginal people to go into business as there would be in the mainstream.

"That's not to say there is anything wrong with liberal arts or education or nursing degrees," he said. "They are taking that and going back to the communities, and that's great. But we are seeing more who want to pursue business and professional careers. That is such a positive sign."

-- Cash

Earl Barish, president and CEO of Salisbury House, said he would not have negotiated a challenging arrangement 800 kilometres away from his comfort zone in Winnipeg if he did not believe he could succeed.

"Our meetings with Chief Evans and the people from Norway House have been fantastic," Barish said. "It has been first-class working with them. There's a very high level of understanding of what needs to be done. They are doing what's necessary and making it happen."

It will be the first Salisbury House outside Winnipeg -- the company operates 16 restaurants year-round and four additional seasonal locations. It's also the first where Salisbury House has a management agreement and is not the owner, and the first one on a reserve.

Barish sees the Norway House experience as a way for the company to have a broader community impact, including about 40 new jobs on the reserve.

"I need to protect the company and its profitability," Barish, the former chairman of B'Nai Brith Canada, said. "That has to be a significant part of the decision. But it is easier when a part of me says it is a great opportunity for our business to have a positive economic partnership and influence with a First Nation."

At the AFOA conference, serious discussion took place about strategic approaches to economic development, the wisdom of economic-development corporations and the separation of political influence from the business-development side of things.

Important new strategies are available. A member of Fort McKay First Nation, located 60 kilometres from Fort McMurray, Alta., spoke about how the band developed relationships over time with oilsands companies and about the increasing prosperity at the band.

Evans, a former grand chief of the Assembly of Manitoba Chiefs and the co-chairman of the province's mining advisory council, said it is a challenge for First Nations to come up with ways to balance the environmental impacts of the extraction industries with potential economic benefits.

"The only way we can become educated and get the knowledge and awareness is to be at the table to have intelligent, informed discussion," Evans said. "If we just sit outside and not get involved and participate... there is no advantage for the First Nation."

Because of their legal status, First Nations have always had structural challenges in accessing traditional bank financing.

In the second half of 2014, history was made with the closing of a \$90-million bond offering sponsored by an organization called the First Nations Finance Authority (FNFA).

The proceeds from that 10-year bond offering that will pay investors a modest three per cent interest

rate is going to 14 First Nations for roads, water and waste systems, other public infrastructure and business developments on and off reserves.

The FNFA is a sister organization to the First Nations Financial Management Board (FNFMB), created by federal legislation in 2005, which manages a First Nations financial-performance certification program. Bands that achieve that certification qualify for debt financing from the FNFA.

Since the fall of 2011, 47 bands have been certified including two in Manitoba -- Fisher River and St. Theresa Point.

Scott Munro, the director of standards and certification for the FNFMB, said, "Along with our sister organizations, we jointly provide access to capital to First Nations in a way that has never been possible."

Scott Carleton, a finance consultant with Indigenous Financial Solutions, said the creation of this new funding mechanism is significant in the aboriginal finance world.

"It is a fantastic tool for First Nations," he said. "It's like an ISO certification on the financial structure for communities."

Evans said Norway House is working its way through the certification process.

"Again, it's about organization," he said. "If we get their recognition, then it speaks volumes to where we are. Then the people we need to be working with don't have to waste time checking us out."

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