

March 2, 1993

John Boucher

St. Louis, Saskatchewan SOJ 2CO

Dear Senator Boucher:

Re: Metis Economic Development Conference March 10/93, Ramada Renaissance Saskatoon, Saskatchewan

We, together with the Government of Saskatchewan have scheduled the above conference for March 10/93 and invite you to attend.

Accommodation has been arranged for you at the Saskatoon Inn and the usual expenses will be covered.

In addition to the draft agenda for March 10th we enclose the following items:

-List of attendees

MSS - White Paper -A Concept Strategy for the Economic Development of Saskatchewan Metis

MNC - White Paper -Economic Development Master Plan

Province of Sask. -Partnership for Renewal White Paper

The above are among the subjects to be discussed at the confernce and you are asked to familiarize yourself with them prior to the conference if such not already the case.

We very much value your knowledge and experience and you are invited to contribute your ideas and points of view throughout the conference.

Please contact writer should you have any questions or are unable to attend.

On Behalf of the Metis Society of Saskatchewan,

ald Morin, President

219 Robin Cres., Saskatoon, Sask. • S7L 6M8 • Bus (306) 343-8285 • Fax (306) 343-0171

#### PROPOSED AGENDA

#### Saskatchewan Metis Economic Development Conference

#### March 10, 1993

Michelangelo Room, Ramada Renaissance Saskatoon, Saskatchewan

| A. <b>M.</b> | 8:00 | Breakfast       | Naples Room - Ramada Renaissance   |
|--------------|------|-----------------|--|
|              | 9:00 | Call to Order   | Mr. Clem Chartier, Acting Executive<br>Director - Metis Society of Saskatchewan<br>and Conference Chairman |
|              |      | Prayer          | Isabelle Impey<br>President, Metis Women of Sask. Inc.<br>Exec. Director, Gabriel Dumont Institute         |
|              | 9:05 | Opening Remarks | Hon. Dwain M. Lingenfelter<br>Minister, Economic Development   |
|              | 9:20 | Opening Remarks | Mr. Gerald Morin, President<br>Metis Society of Saskatchewan   |

9:35 Presentation

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A Concept Strategy For The Economic Development

#### of Saskatchewan Metis

- by -

Mr. Martin L. Klyne President & CEO, SNEDCO on behalf of Metis Society of Saskatchewan

9:55 Question and Answer Period. Re: The above.

10:15 COFFEE

10:30 Presentation

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Province of Saskatchewan

Partnership for Renewal

A Strategy for the Saskatchewan Economy

- by -

Mr. Frank Hart, Deputy Minister Economic Development & Tourism

- 10:50 Question and Answer Period Re: The above.
- 11:10 Presentation

Sask. Indian and Metis Affairs Secretariat

- by -

Mr. Marvin Hendrickson Secretary

- 11:30 Question and Answer Period Re: The above.
- 11:45 Consultation regarding the Morning Presentations
- P.M. 12:00/ LUNCH Naples Room, Ramada Renaissance 1:00

#### Afternoon Session

1:15 Chairperson Mr. Gerald Morin, President Metis Society of Saskatchewan

> Metis Society of Saskatchewan Perceptions Respecting Opportunities and Desired Initiatives for Economic Development in the areas of:

| <u>Forestry</u>       | Delivered by:<br>Mr. Philip Chartier, Treasurer<br>Metis Society of Saskatchewan |          |
|-----------------------|--|----------|
| <u>Mining/Uranium</u> | Delivered by:  |          |
|                       | Max Morin, Area Rep.,  | Northern |
|                       | Region III   |          |
|                       | Metis Society of Saskatchewan  |          |

|      | <u>Gaming</u>        | Delivered by:<br>Mr. Martin L. Klyne<br>Pres. & CEO, SNEDCO<br>on behalf of Metis Society of Saskatchewan |
|------|----------------------|---|
|      | <u>Tourism</u>       | Delivered by:<br>Mr. Art Daniels<br>Executive Asst. to the President<br>Metis Society of Saskatchewan     |
| 2:15 | Open Forum for Discu | ission of Economic Development Initiatives by:  |
|      |                      | MSS Executive<br>MSS Area Representatives<br>MSS Local Presidents<br>MSS Delegates                        |
| 3:00 | Response to Forum    | Mr. Dwain Lingenfelter<br>Minister, Economic Development  |
| 3:20 | Response to Forum    | Mr. Marvin Hendrickson<br>Secretary, Sask. Indian and Metis Affairs<br>Secretariat                        |
| 3:40 | Closing Remarks and  | Summary<br>Mr. Gerald Morin, President<br>Metis Society of Saskatchewan                                   |
| 4:00 | Adjourn              |   |

#### METIS ECONOMIC DEVELOPMENT CONFERENCE

#### MARCH 10TH, 1993

Norman Hansen

Guy Bouvier

Northern Region 11

Western Region 1

Edwin Pelletier

Bruce Flamont

Western Region 11

Western Region 111

Clarence Campeau

Eastern Region 11

Wilbert Desjarlais

Eastern Region 111

#### LIST OF ATTENDEES:

#### <u>MSS Executive:</u>

Gerald Morin, President Philip Chartier, Treasurer Metis Society of Sask. Metis Society of Sask.

Bernice Hammersmith, Secretary Metis Society of Sask.

#### Area Directors:

Robert Mercredi Northern Region 1

Max Morin Northern Region 111

Albert Delaire Western Region 1A

Martin Aubichon Western Region 11A

Lennard Morin Eastern Region 1

Garry Martin Eastern Region 11A

#### Senators:

Vital Morin Northern Region 111

Edward King Western Region 1

Nora Ritchie

John Boucher Western Region 11

#### Local Presidents:

Louis Morin MSS Turnor Lake Local #40

Alex Hamilton MSS Regina Local #1 MSS Saskatoon Local #11 Dennis Langen

MSS Yorkton Local #13

John Carriere MSS Cumber land House Local #42

#### - 2 -

#### <u>Others:</u>

Isabelle Impey, President Metis Women of Sask.

Martin L. Klyne Executive Director SNEDCO Regina, Sask.

Rod Laliberte Business Consultant SNEDCO Saskatoon, Sask.

Clem Chartier Director, Tripartite Metis Society of Sask.

Ron Rivard Executive Director Metis National Council

Dwain M. Lingenfelter Minister, Economic Dev. Second Delegate Metis Women of Sask.

Lyle Bolen Executive Director SNEDCO Saskatoon, Sask.

Dan Pelltier Business Consultant SNEDCO Regina, Sask.

Cathy Lavallee Director, Pathways Metis Society of Sask.

Art Daniels Executive Assistant to the President Metis Society of Saskatchewan

Frank Hart Deputy Minister Economic Development & Tourism

Marvin Hendrickson, Secretary Reg Grosse Sask. Indian and Metis Phoenix Group Affairs Secretariat

# DRAFT

# MÉTIS NATIONAL COUNCIL ECONOMIC DEVELOPMENT MASTER PLAN DISCUSSION PAPER

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Prepared for:

Métis National Council

by

McKay, Rivard & Co. Ltd.

January, 1993

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# **1.0 Introduction**

# **1.1 Purpose of this Report**

The Métis National Council has commissioned McKay, Rivard & Company to develop a Master Plan for economic and business development for the Métis people of Canada. The Master Plan (which will also be referred to as an economic development strategy) will include recommendations for programs and services that would be of economic benefit to the Métis people, estimates of the costs of these programs, and the general steps required to implement these programs and services.

<u>This report should be considered as background to the development of the Master</u> <u>Plan</u>. It establishes the rationale and context for an economic development strategy, and identifies some key issues which should be considered in developing the plan. It does not, however, offer any conclusions as to how such a plan should be developed and implemented.

## 1.2 Rationale for the Master Plan

There have been two meetings (Winnipeg and Ottawa) between government officials and Métis representatives to discuss Métis economic development issues. These meetings led to the conclusion that an effort to produce a Master Plan for economic and business development for Métis should be undertaken. Issues arising in these meetings formed the basis of the terms of reference for the Master Plan.

The primary rationale for preparing the Master Plan is the notion of creating a "level playing field" for Métis. Métis have been accorded the rightful status of an Aboriginal group in the Constitution and were accepted as full partners in the recent Constitutional. However, Métis people have also been denied access to the financial resources and support services afforded other Indian and Inuit peoples.

For over a century, the Métis have endured the same degree of institutionalized racism and cultural genocide as Indian and Inuit peoples, but have had few additional resources by which to strengthen the economic fabric of their Nation. The MNC report entitled <u>Metis and Race Relations</u> (1990) gives a comprehensive discussion of how racism has affected the development of Metis. It also points out that "...the Metis do not only suffer prejudice from the non-Indian, they also suffer prejudice from Indian peoples themselves. This is often caused by the misunderstanding, or lack of appreciation of the culture and history of the Metis."

On the surface, it is convenient to view the development of an appropriate economic development strategy for the Métis in terms of simply duplicating the programs and funding levels currently in place for Indian and Inuit people. However, this strategy may be inappropriate for several reasons. First, the programs and services for other Aboriginal people have not been entirely successful in contributing to economic prosperity. Although certain programs would appear to be relevant, the factors leading to the success of these programs be need to be analyzed and the lessons applied to the Métis. Second it is critical that a Master Pan for economic development reflect the unique social and cultural values of the Métis Nation, just as any parallel initiatives for Indians or Inuit reflect their values.

The challenge of creating a workable and appropriate economic development strategy should be viewed as a process, with both a short and long term time frame. Creating a "level playing field" involves challenges which can be overcome in the short term by identifying and resolving the impediments to effective economic and business development among Métis people. Métis leaders state that progress can be made through conducting bilateral discussions with the federal government which are non-Constitutional in nature and in discussions with individual provinces. Over the long term, however, the challenge of developing an economic development program which fully addresses Métis values and aspirations can only occur in the context of an amended Constitution which entrenches Métis Nation's inherent rights: self-government, control of land and resources, and the determination of its own membership.

In summary, the purpose of this study is to develop a Master Plan for the economic development of the Métis Nation, based on the underlying belief that such a plan is both necessary and feasible. The success of the Master Plan should be measured initially in terms of achieving equity with other Aboriginal Groups in Canada and in terms of realigning the design and delivery of economic programs and services so that these will support and strengthen the cultural identity of the Métis Nation. Some aspects of the Master Plan attempt to answer the question: what can be done now to improve the current situation? However, these interventions must be seen as supporting the longer term imperative of defining appropriate economic institutions, programs and delivery systems consistent with a self-governing Métis Nation in a new, negotiated, constitutional arrangement with Canada.

## **1.3 Objectives of Master Plan**

The objectives of the Master Plan are to: identify the economic needs of the Métis people, recommend appropriate programs and services and the respective funding needs and sources, and outline an implementation plan to achieve the economic and business development initiatives.

#### 1.4 Scope of Study

#### 1.4.1 Geographic Context

The geographic scope of the study includes the four autonomous Métis Nations in Alberta, British Columbia, Manitoba, and Saskatchewan. In order to permit a more comprehensive survey of Métis economic development requirements, the study also extends to the Métis Nation in the Northwest Territories and Ontario. Although Métis in the Northwest Territories and Ontario are not members of the MNC, they have aligned themselves with the MNC for the purposes of Constitutional matters.

#### **1.4.2** Historical Context

The report will restrict itself to reviewing recent and existing economic development initiatives such as the Canadian Aboriginal Economic Development Strategy (CAEDS). There is no attempt to discuss the historical evolution of economic development programs. Many economic development programs and services have a relatively short life for various reasons including program design and changes in the political environment. It is believed that this would not be worthwhile based on the information that would be uncovered and the level of effort that would be required. Similarly, there is no attempt to provide a comprehensive critique of either previous Aboriginal economic development efforts although specific programs are examined where these appear particularly relevant to the Métis.

#### **1.4.3** Economic Development in Context

Development includes growth in the ability of individuals, organizations and institutions to control and direct the process of building a Métis Nation and infrastructure. Thus development is a process involving ongoing learning and adaptation, which contains four inter-related components:

- (1) economic
- (2) social
- (3) cultural and spiritual
- (4) political and organizational

Viewed in this context, economic development is part of a larger process. As Métis leaders have noted, measures to enhance and maintain the economic viability of the Métis Nation cannot be viewed in total isolation from the other components. Of necessity then, the study will also pay some attention to such factors as organizational and human and resource development - two factors which must accompany other economic development initiatives. The increasing development and control of community-based training, employment and educational programs support the goal of Métis self-government and self-determination.

The potential scope for examining other issues that directly or indirectly bear on the effectiveness of the economic development Master Plan is large and complex. Issues such as the family, culture, justice and the environment rank high on the Métis agenda for achieving self-government and self-determination. However, in order to permit the Economic Master Plan to retain a sense of focus, these issues will remain beyond the purview of this study.

For the purposes of this report the objectives of economic development are based on those given for the Canadian Aboriginal Economic Development Strategy including:

- an increase in average levels of earned income;
- an increase in the employment rate;
- a broad base of businesses;
- a labour force that is upwardly, occupationally and geographically mobile;
- development of managerial and entrepreneurial people;
- a reduction of social problems related to migration into urban centres and a reduction of attendant welfare costs;
- an increase in communities that have the capacity to manage their economic futures.

The study will have a distinct focus on defining economic initiatives and interventions that should form the Master Plan. These will include:

- examining various mechanisms to promote economic development (ie. new institutions, programs, delivery systems, etc.) of Métis people;
- measures to generate wealth and business opportunities from a Métis land base (ie. development of land and resources, co-management arrangements, royalties, etc.);
- determination as to adequate levels and sources of funding.

## **1.5 Report Organization**

Section 2 describes Métis people and Métis political institutions in Canada. The section summarizes Métis history, and provides a cursory overview of demographic and socioeconomic data. In particular, Section 2 poses the questions: how are Métis distinct from other Canadians and other Aboriginal groups? and, what implications does the uniqueness of Metis people hold for an economic development strategy? The purpose of this section is to provide background information to support the rationale for improving Métis economic development programs.

Section 3 reviews the key economic development issues facing the Métis Nation. These issues include long-standing Métis grievances and are closely related to the Constitutional discussions. They also have major implications for both short and long term economic development strategies. The purpose of this section is to reinforce the linkage between Métis economic development and the long term objectives of self-government and self-determination.

Section 4 is devoted to a brief discussion of Aboriginal Economic Development in Canada including the Canadian Aboriginal Economic Development Strategy (CAEDS). While programs for Aboriginal groups are delivered through a variety of programs, CAEDS might well be termed the "flagship" of economic development for Aboriginal people. In some ways, CAEDS reflects a new, more integrated attempt to deliver programs and services more attuned to the needs of Aboriginal people. The effectiveness of CAEDS has been criticized by all Aboriginal Groups. However CAEDS programs appear to have future role in an economic development strategy for Metis, provided that some of the problems can be addressed.

Section 5 examines and, where possible, quantifies the funding levels for programs and services that are <u>exclusively available to Indian and Inuit people</u>. The main purpose of Section 5 is to demonstrate that Métis face substantial inequities in terms of funds and programs offered to them compared to those available to Indian and Inuit people. Section 5 does not endeavour to critique these programs. However, several of the programs currently delivered to Indian and Inuit people would appear to have some relevance to Métis as well.

The purpose of Section 6, which flows from the discussion in Section 5, is to identify the components of Indian and Inuit economic development programs that may be incorporated into a Métis economic development strategy. In particular, Section 6 discusses the role and potential applicability of Community Economic Development Organizations (CEDO's). Among all the available programs currently exclusive to Indian and Inuit people and communities, CEDO's appear to provide a good fit with the economic development needs of Metis and, as such, might form a component of the economic development strategy. Based on discussions with representatives of several CEDO's in Canada, Section 6 addresses some of the factors relevant to the success or failure of CEDO's.

Section 7 provides an inventory and brief analysis of existing economic development programs and services for which Métis are eligible. The purpose of Section 7 is to show

that the programs that are available to Métis also available to other Aboriginal groups and further, that Métis share of funding is almost always below that allocated to Indians and Inuit. Section 7 does not offer a critique of these programs, although it is readily apparent that serious problems do exist. Section 7 does point out, however, that several of the existing programs appear to be relevant to future economic development initiatives by Métis.

Section 8 identifies and organizes the major impediments to Métis economic development. The impediments have been drawn from a variety of written sources as well as from discussions with representatives federal and provincial governments, Aboriginal groups and Métis organizations. The purpose of section 8 is to lay out the major challenges which face the development of an economic development strategy for Métis. Some of the challenges are directly related to the key economic development issues described in Section 3. Other challenges involve: control and responsibility for programs and services; program content and eligibility criteria; cultural factors; organizational development of Métis institutions; and program administration and delivery.

## 1.6 Next Step

The next step in the development of the Master Plan will be intensive consultations with the various groups and individuals who have played or will play a key role in Métis economic development. The intent of these discussions will be to obtain input regarding the nature, range and magnitude of business advisory services, financial services and funding requirements that are necessary to enable Métis people to compete on a "level playing field" with other Aboriginal people and Canadians in general. People will also be asked to comment on administrative mechanisms that they feel would be most appropriate to deliver the required services. The results of these interviews will be used to define the following elements of the Master Plan:

- (1) The nature and scope of programs and services that are required to promote effective Métis economic and business development.
- (2) Methods to strengthen the delivery of development services already provided by existing Métis organizations and institutions, as well as proposals to deliver essential services not yet provided by Métis organization or government agencies.
- (3) The total estimated funding demand for the range of required financial services (equity supplements, direct loans and loan guarantees, venture capital investments), by geographic region and industrial sector. The level and timing of funding required to meet this demand will also be addressed.
- (4) The sources and levels of federal and provincial government and non-government funding for all Aboriginal economic and business development programming, as well

as the existing allocations to Métis made between existing allocations and projected funding demand; funding shortfalls; and the required level and potential sources of new money to meet the estimated shortfall.

- (5) The operating authorities and institutions required to administer and deliver Métis economic and business development services including and any linkages between existing and new authorities.
- (6) An evaluation methodology to measure the results of the MNC Master Plan on an ongoing basis. This methodology will include consideration of both quantifiable and nonquantifiable socio-economic impacts.

An implementation plan and timetable will also be included in the next step in the development of the Master Plan.

# 2.0 The Métis Nation

# 2.1 Brief History of Métis

Reports and documents prepared by the MNC and member Métis Nations in connection with Constitutional discussions have made a point of explaining the history of the Métis Nation in Canada. This history is long and complex; contributions of Métis people as founding members of Canada are significant yet often overlooked or unacknowledged. Relationships between Métis people and non-Métis governments have been disturbing and even tragic. The determination of Métis to flourish as a nation within a nation after more than a century of adversity attests to the strength of Métis culture. It is for these reasons, that a brief history of Métis is provided here as a verbatim excerpt from <u>Backgrounder</u>, by the Métis National Council.

" The Métis emerged as a distinct people and national community in Rupert's Land toward the end of the 18th century. Children of the fur trade, we played a lead role in the fur trade economy and the development of the Northwest. We developed a unique Aboriginal culture and identity: a New Nation on the soil of the New World. We formed a political consciousness, Métis Nationalism, and expressed this nationalism whenever our collective rights were threatened.

At the time of the Hudson's Bay Company transfer of Rupert's Land to Canada in 1869, the Canadian government agents ignored the rights of the Métis majority in the Red River Settlement. When guarantees for our rights to land and self-government were not forthcoming from Ottawa, we acted to safeguard our lives, homes and property. Louis Riel and a Métis Provisional Government took control of the Red River Settlements and entered into negotiations with the government of Canada. These negotiations resulted in Parliament passing the Manitoba Act in 1870, bringing Manitoba into confederation as a province.

With the passing of this legislation, we believed that we had a deal which guaranteed our right to govern ourselves on our land within Canada. The Canadian Government had something else in mind. The provisions for Métis lands in the Manitoba Act, were exercised in such a manner that in ten years, our ancestors in the province of our creation were dispossessed.

Displaced from Manitoba, many Métis moved west and north, joining other Métis communities with the historic Métis homeland such as Batoche, St. Paul, St. Albert, Battleford and Cypress Hills. From these communities we petitioned the federal government for recognition of our land rights and continued to exercise self-government over our affairs. As settlement began to crowd in on us again, we began to fear for our lands, for our culture and for our right to be self determining People. For twelve years, the federal government turned a deaf ear to our petitions. Finally, the decision was made by our people to bring Louis Riel back from Montana to lead our struggle for the constitutional protection of our rights.

Ottawa responded by sending thousands of troops to the prairies to crush our People. The Métis resistance of 1885 ended with the defeat at Batoche and the execution of Riel.

Although the federal government promised to satisfy Métis land claims in the Northwest, the events of Manitoba were to be repeated. Only a few of the Métis remained in possession of their land, the rest were left in abject poverty and despair, dispersed to isolated rural and northern communities or the slums of the new towns and cities. Our reward for daring to stand up and fight for our rights was racism, discrimination, hostility, poverty and injustice.

Despite these conditions, the spirit of the Métis Nation and our quest for a selfgoverning homeland within Canada has never died. Métis Political Associations emerged in Manitoba in the 1880's and in Saskatchewan and Alberta in the 1930's to promote the rights of Métis People. Despite our oppression in the past, our People have fought for Canada in World Wars to protect the People that live in this country. As the political climate changed in Canada in the 1960's, the Métis Political Associations took on a lead role in forging a new place for the Métis People in the new Canadian federation."

#### 2.2 Uniqueness of the Métis

Table 1 outlines some of the primary attributes of the Métis that make them unique to one or more of the other Aboriginal groups. The main implications of these attributes, from an economic development perspective, are recorded in the adjacent column.

#### Table 1

#### Attributes of Metis and Implications for Economic Development

| Attribute   | Implications  |
|---|---|
| 1. No comprehensive understanding of the size, distribution or socio-economic characteristics of the Métis.       | <ol> <li>Need an enumeration before<br/>long-term programs can be<br/>developed.</li> <li>Need to think in terms of<br/>phases.</li> <li>Difficult to accurately estimate<br/>required funding levels.</li> </ol>   |
| 2. Representative organizations are organized<br>on a provincial basis with varying degrees of<br>sophistication. | <ol> <li>Rudiments of a delivery system<br/>are in place in some areas but<br/>not in others, where significant<br/>organizational development is<br/>required.</li> <li>There may be difficulty in<br/>extending services to Métis<br/>living in distant areas (eg. a<br/>Métis in Fernie B.C. would<br/>probably be better off being<br/>served in Calgary rather than<br/>Vancouver).</li> </ol> |
| 3. No land base with the possible exception of Alberta.   | <ol> <li>Focus on non-geographically<br/>based initiatives first?</li> <li>Some Métis organizations (eg.<br/>Saskatchewan) have no<br/>mechanisms for dealing with<br/>land issues.</li> <li>No resource/income/tax base.</li> </ol>  |

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| Attribute   | Implications   |  |
|---|--|--|
| 4. Notwithstanding (1), there are a large<br>number of "urban" Métis - some in so-called<br>communities, others living as private<br>individuals.   | <ol> <li>Programs and services will have<br/>to be adapted as many other<br/>Aboriginal groups are rural and<br/>resource based.</li> <li>Communications could be<br/>difficult.</li> <li>A large array of skills and<br/>experience on which to draw<br/>may exist.</li> </ol>  |  |
| 5. The Métis may already be better integrated<br>into mainstream society than other<br>Aboriginal groups.   | 1. Accentuates importance of<br>education/skills development as<br>many Métis will want to remain<br>mainstream.   |  |
| 6. Métis were only recently recognized as a distinct Aboriginal people (Section 35(2) of the <u>Constitution Act, 1982</u> ), but jurisdictional responsibility has still not been clearly defined. | <ol> <li>Source of government funding<br/>is not clear. The Métis do not<br/>know who to negotiate with as<br/>groups are hesitant to negotiate<br/>with the Métis because<br/>negotiations imply<br/>responsibility.</li> <li>Existing programs and services,<br/>such as INAC, largely exclude<br/>Métis people since recognition<br/>of being distinct is recent.</li> </ol>  |  |
| 7. Many Métis do not self-identify as Métis.  | <ol> <li>Need to ensure that the<br/>financial requirements of<br/>programs are not<br/>underestimated.</li> <li>Métis will need to be<br/>encouraged to self-identify.<br/>Mechanisms will need to be put<br/>in place to deal with<br/>discrimination or persecution to<br/>assure Métis that they will be<br/>supported if they self-identify.</li> <li>There must be an effort to gain<br/>the confidence and trust of all<br/>Métis.</li> </ol> |  |

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| Attribute   | Implications  |
|---|---|
| <ol> <li>No tribal affiliations or strong attachment to<br/>a group.</li> </ol>   | <ol> <li>No strong loyalty to a specific<br/>group or geographic area.</li> <li>Métis have high mobility;<br/>requires clear policies for<br/>program and service eligibility.</li> <li>Obligations/responsibilities of<br/>individuals with regard to<br/>political organizations unclear.</li> <li>Not all Métis belong to Métis<br/>organizations.</li> </ol>                      |
| 9. National Organization has focused primarily<br>on Constitutional issues.   | <ol> <li>No strong central coordinating<br/>mechanism for economic<br/>development.</li> <li>Not all Métis support the MNC<br/>beyond constitutional issues.</li> <li>Varying views of MNC's future<br/>role in economic development<br/>by member organizations.</li> </ol>  |
| <ol> <li>Limited experience with economic<br/>development institutions, especially<br/>Community Economic Development<br/>Organizations, which appear to have<br/>potential role to play in a Métis economic<br/>development strategy.</li> </ol> | <ol> <li>Will need to use outside help<br/>to assist in setting up and<br/>implementing economic<br/>programs and services. Experts<br/>must also help Métis people<br/>become self-reliant so that they<br/>do not require the skills of<br/>outside people.</li> <li>Emphasis on organizational<br/>development.</li> <li>Reinforces role of education<br/>and training.</li> </ol> |
| 11. Not all Métis speak English and some of<br>those that do cannot read or understand<br>the language well.  | 1. The language used in<br>communication may need to<br>include a range of Métis<br>spoken languages including<br>English, Michif, Cree and<br>Dene.  |

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| Attribute   | Implications   |
|---|--|
| 12. Métis experience racism from both Indians<br>and non-Natives.   | <ol> <li>Programs and services will have<br/>to be developed and<br/>implemented with a keen<br/>sensitivity to many Métis'<br/>experience of racism.</li> <li>Assigning Métis individuals,<br/>when possible, for economic<br/>development initiatives will<br/>considerably reduce the<br/>likelihood of large scale racism.</li> </ol>  |
| 13. Métis, as a whole, have a much lower<br>education than the Canadian population.                       | <ol> <li>Some economic development<br/>programs and services must be<br/>geared to the lower educated<br/>population.</li> <li>The majority of the Métis<br/>population are not<br/>entrepreneurially oriented.</li> <li>Increasing the educational level<br/>of the Métis population will<br/>allow the Métis to attain a<br/>greater economic base.</li> <li>Métis educational programs<br/>need to be culturally sensitive<br/>in terms of design, content and<br/>delivery.</li> </ol> |
| 14. Métis pay both personal and business<br>income tax as well as the Goods and<br>Services Tax (G.S.T.). | <ol> <li>The Métis are receiving fewer<br/>programs and services than<br/>other Aboriginal groups and<br/>Canadians relative to the<br/>amount of tax that each group<br/>pays.</li> <li>Métis businesses may be at a<br/>disadvantage when competing<br/>with other Canadian and<br/>Aboriginal businesses.</li> </ol>  |

The information in Table 1 has been derived from various written sources, including publications by the MNC and other provincial Métis organizations, submissions to the Royal Commission on Aboriginal Affairs, research studies, as well as on discussions with Métis representatives. The attributes and resulting implications are not intended to be exhaustive. Their primary value is to ensure that elements of the proposed economic development strategy recognize the fact that Métis are unique.

# 2.3 Métis Political Organizations

The Métis National Council (MNC) is the national representative organization for the Métis people. There are six provincial/territorial Métis organizations that form the member organizations of the MNC including the: Pacific Métis Federation (PMF), Métis Nation of Alberta (MNA), Saskatchewan Métis Society (SMS), Manitoba Métis Federation (MMF), Ontario Métis and Aboriginal Association (OMAA) and the Métis Nation of the Northwest Territories (MN-NWT).

These provincial/territorial organizations are directed by community or regional committees that are in turn *driven by individual Métis*. Thus, the political organization and decision making process of the Métis is a bottom-up or grass-roots approach in building unity and consensus within the Nation.

#### 2.3.1 Métis National Council

The Métis National Council was initially formed in 1983 so the Métis People could adequately be represented at the first First Minister's Conference aboriginal/constitutional affairs on March 15-16, 1983. As the national voice of the Métis People in Canada, the MNC is one of the four National aboriginal representative organizations currently receiving core funding from the Department of Secretary of State. Founded by the three Provincial Métis Associations on the prairies, the MNC has since expanded in membership to take in the regions of the Métis Homeland in British Columbia and Northwestern Ontario. It has represented these regions and the Métis People of these regions at National forums, Conferences, and First Ministers Conferences and will continue to do so.

In 1988, the mandate of the MNC was expanded beyond its original role of mainly addressing constitutional issues. The MNC is now authorized to take initiatives in a range of priority sectors including economic development, establishment of local government regimes, fiscal issues involving Federal and/or Provincial governments and tripartite discussions.

The MNC has a local, provincial and national structure. The local structure can take several forms depending on local conditions, as can its relationship to the provincial structure. The one condition the MNC places on local organizations is that all Métis in the community concerned must be allowed to participate in local meetings, votes and elections.

The provincial and territorial associations are the most important component of the MNC structure and the focus of most political attention. The provincial structure can vary from province to province; however, all associations belonging to the MNC are meant to represent all Métis in the political life of the organization, including the selection of the leadership of provincial associations. All executives in associations belonging to the MNC are meant to to vote. These elections are conducted by secret ballot, at regular intervals (usually 2-3 years) in communities throughout the province or region.

Direct election of provincial executive positions and the secret ballot, with all Métis as eligible voters, have been made conditions of admission into the MNC. It means effectively, that the leadership of provincial associations belonging to the MNC has been as legitimately elected as any premier or politician, and he/she has as much right to claim to speak for his/her constituents as they do for theirs.

The national structure of the MNC is composed of the leaders of each of its constituent provincial and regional associations. Under the principles of MNC's organization, these leaders are for the most part today and will in the future be elected leaders. Collectively, they will guide the destinies of the MNC.

#### 2.3.2 Pacific Métis Federation (PMF)

The PMF was formed in 1986 and has a rudimentary structure and political process. The PMF, compared with the MNA, is relatively new and is primarily limited by its experience and access to resources.

#### 2.3.3 Métis Nation of Alberta (MNA)

The MNA is the oldest provincial Métis organization, formed in 1928 under the original title of the Metis Association of Alberta. It has evolved into a sophisticated political organization with resources to carry out its mandate. The MNA consists of six Zones, each administered by a regional council of the member Locals; each Local sends three representatives to the Zone. Each Zone sends three members to sit on the board of the MNA. A Métis Elder Senate consists of 2 members provided by each of the six zones as well as a chair and co-chair appointed by the president of the MNA.

#### 2.3.4 Saskatchewan Métis Society (SMS)

The SMS consists of 100 Locals within 12 Regions. The Directors of the 12 Regions along with 3 Executive form the Provincial Métis Council.

#### 2.3.5 Manitoba Métis Federation (MMF)

The MMF has a 23 member elected Board consisting of a president, seven vicepresidents, the President of The Métis Women of Manitoba and 2 regionally elected members from each of the seven regions. Regional associations are comprised of member Locals.

#### 2.3.6 Ontario Métis and Aboriginal Association (OMAA)

The OMAA does not restrict its membership to Métis but includes non-status Indians as well. Reflecting the change to its constituency due to the amendment to the Indian Act (Bill-C31), the OMAA now represents 200,000 Métis and Indian people living off-reserves. It is an umbrella organization comprised of 102 affiliated community based Locals and five regional Zones. Each Local is affiliated with both a Zone and directly with the OMAA.

#### 2.3.7 Métis Nation - Northwest Territories (MN-NWT)

The MN-NWT held its first annual general assembly on January 1, 1973. It consists of twelve locals, each with a president. Local presidents form the Territorial Board of Directors of the Association and the executive answerable to the Board.

# 2.4 Demographic and Socio-Economic Information

There is little statistical data available on the Métis in Canada. This is because the Canadian census does not clearly or effectively distinguish Métis from other Aboriginals and Canadians and because of the large number of Métis that will not or have not self-identified as being Métis.

#### 2.4.1 Demographic Information

Table 2 below provides recent estimates of the Métis population in the study area as well as the total membership in Métis provincial and territorial political organizations. For comparison, the Registered (Status) Indian population has also been included in the table. According to the estimates the Métis population in the B.C., Alberta, Saskatchewan, Manitoba, Western Ontario and Northwest Territories is estimated to be over 320,000. This is below the range of MNC estimates of the Métis population in Canada (ie. 400,000 to 750,000). However, even the lower population estimates show that the Métis population in Alberta, Saskatchewan and Manitoba is larger than the population of Status Indians.

Métis organizations are unanimous in their concern that the estimates of the Métis population in Canada are based on incomplete and inaccurate information. Moreover, other data (eg. age structure, population distribution) are also lacking. As noted in Section 3.3 below, the lack of demographic information is a serious impediment to designing meaningful economic development programs and underscores the need for a comprehensive enumeration of Métis people in Canada.

#### 2.4.2 Socio-Economic Characteristics

Data pertaining to Métis socio-economic characteristics is extremely limited. Métis are generally included with other Aboriginal people in terms of broad socio-economic characteristics. Various initiatives in the individual provinces and other surveys more national and scope provide scattered information about socio-economic factors pertaining to Métis. However, the information has not yet been consolidated for this Discussion Paper.

| Jurisdiction  | Estimated<br>Métis Population<br>in Province/<br>Territory | Métis<br>Association<br>Membership<br>Population | Registered<br>(Status) Indian<br>Population<br>in Province/<br>Territory <sup>2</sup> |
|---|--|--|---|
| British Columbia<br>(Pacific Métis<br>Federation)                       | 20,000   | 3,600  | 87,135  |
| Alberta<br>(Métis Nation of<br>Alberta)                                 | 64,000   | 1,300 <sup>1</sup>                               | 63,169  |
| Saskatchewan<br>(Saskatchewan Métis<br>Society)                         | 80,000   | 8,000  | 78,573  |
| Manitoba<br>(Manitoba Métis<br>Federation)                              | 100,000  | 20,000   | 76,793  |
| Ontario<br>(Ontario Métis and<br>Aboriginal<br>Association)             | 50,000²  | 6,500  | 117,152   |
| Northwest Territories<br>(Métis Nation of the<br>Northwest Territories) | 6,500  | 4,500  | 11,856  |
| TOTAL   | 320,500  | 49,000   | 434,678 <sup>3</sup>  |

#### **Table 2: Métis and Indian Population Statistics**

<sup>1</sup> Note that membership began in May, 1991.

<sup>2</sup> Figures are as of December 31, 1991.

<sup>3</sup> Total Registered (Status) Indian Population in Canada is 511,791.

Source: INAC publication "INAC and Canadian Polar Commission 1992-93 Estimates, Part III".

# **3.0 Fundamental Métis Economic Development Issues**

There are three fundamental and interrelated Métis economic development issues: selfgovernment; land base; and, enumeration and registration. The Métis have articulated the need to resolve these issues for more than a century. During the round of provincial consultations in 1991, which accompanied the review of the federal government's constitutional proposals by the Métis, Métis organizations and individuals again brought issues of self-government, a land base and enumeration/registration to the forefront. Each of the three issues is more fully discussed below, both in terms of their relationships to one another as well as to the implications that resolving them have on Métis economic development.

## 3.1 Self-Government

Self-government is the inherent right of Métis to develop their own democratic political institutions to represent the interest of the Métis Nation within the Canadian federation and to manage their social, cultural and economical affairs. The Métis believe that self-government requires formal recognition of Métis institutions. As stated by the Métis Nation of Alberta during the constitutional hearings, Métis self-governing institutions such as justice or loan agencies need to be put into the Constitution. Decisions by a Métis Government would apply only to those Métis who choose to participate in their government's affairs. A provincial executive council elected on a province-wide basis would be empowered to implement legislation through its various departments, such as economic development, social services and housing.

Although self-government would extend to matters far beyond the immediate scope of economic development, in the context of strengthening the economic fabric of the Métis, self-government is seen as being essential to guaranteeing sufficient legal authority and financing to Métis government institutions. These institutions need the jurisdiction and resources to enable them to help Métis business and individuals.

In the absence of an acceptable constitutional agreement, Métis organizations have nevertheless attempted to establish a framework for self-government in tripartite and bilateral discussions. For example, Métis organizations in Alberta, Manitoba have entered into tripartite discussions to examine expanded involvement of Métis organizations in the design and delivery of government programs in the following areas:

- economic development;
- education and training;

- natural resource management;
- housing and family services.

To varying degrees, prototypes for Métis self-governing institutions have been established by the individual provincial Métis organizations. These organizations have attempted to address the ways that Métis self-government would be put into effect given the fact that Métis are geographically distributed in distinct communities as well as in urban areas.

The Métis Nation of Alberta, under the Framework Agreement with the Province of Alberta, represents the most sophisticated effort at developing a form of self-government through bilateral discussions and of bringing a variety of government services to Métis individuals and communities. The Framework Agreement is a legally empowered, consultative mechanism which enables the Métis in Alberta to participate in the decisionmaking process with the province. Under a joint committee, represented by both the Government of Alberta and the Métis Association of Alberta, seven sub-committees comprised of government and Métis representatives have been developed. The subcommittees include:

- \* Forestry, Lands and wildlife;
- \* Education/Advanced Education;
- \* Career Development and Employment;
- \* Family and Social Services;
- \* Economic Development and Trade;
- \* Municipal Government and Housing; and,
- \* Recreation.

As well, special projects related to literacy and Pathways to Success have also been initiated. Through the subcommittees, various working groups have been established to address specific issues. Accompanying the Framework Agreement was a widespread awareness campaign to provide information to Métis people, municipal governments and the private sector.

Staff at the Framework Action Centre in Edmonton are involved in individual project counselling and in large scale projects aimed at the entire Métis population in Alberta. In addition to staff at the Framework Action Centre, Community Development Coordinators in each of the six MNA zones have been designated to handle some of the Framework Activities.

# 3.2 Land and Resource Base

The pursuit of a land base has been a high priority of the Métis since the dispersion of the Métis Nation in 1887. Métis Provincial organizations explicitly call for the creation of a Métis land base within their respective jurisdictions. The role of land and resources is inextricably linked to the case for self-government. As stated by the Manitoba Métis: all issues of concern to Métis people tie in with a land base and self-government.

The Métis want a land base that is collectively owned, is not allowed to be sold, and is maintained in perpetuity as a trust for future generations. The Métis Nation - Northwest Territories has not formally stated that it requires a land base but suggests that the inherent right of self-government does not exclude the concept of a land base. Métis in Manitoba are presently in court establishing land claims because they have been excluded from negotiations by the federal government. Métis have acquired local government-type authority over 8 Métis settlements on 1.25 million acres of land scattered over Alberta. Métis self-government on the land base includes control and direct involvement in economic development activities and initiatives. The Métis in Alberta are presently the only Métis in Canada who have the semblance of a land base.

Apart from the social, cultural and religious significance of establishing a land base, including all natural resources derived from the land, form an important component of an economic strategy for the Métis for two main reasons:

- it would allow Métis to participate in employment and business opportunities surrounding the management and development of the land and its natural resources;
- it would provide a secure and long-term source of tax revenue for a Métis government.

The lack of a land base has had a negative impact on Métis economic development. Provincial governments have leased or sold lands traditionally used by the Métis communities to resource corporations or recreational enterprises. The Métis communities have received little or no benefit from these transactions, and jobs and contracts accrue to non-Métis people.

The Métis have been witnessing a serious depletion of fish stocks, timber and renewable resources in their traditional areas without any opportunity to participate in the management of the resources or receive financial benefits from their use. One example of this is the Freshwater Fish Marketing Corporation, which has placed restrictions on the marketing of surplus coarse fish species in Central Canada.

# 3.3 Enumeration or Registration of the Métis People

The lack of an appropriate enumeration process has hindered the understanding of:

• which persons constitute the Métis people, based on the development of a consensus definition of Métis by Métis;

- the number of Métis living in Canada;
- the spatial distribution of Métis, demographic and other socio-economic statistical information.

While an enumeration would be a snapshot in time of the Métis people, registration would provide an ongoing process with a permanently updated registry of Métis people. The Métis have asserted that an enumeration or registration process should:

- be based on criteria reflecting the shared history and culture of the Métis people;
- use uniform procedures;
- accommodate the mobility of Métis people across provincial boundaries.

Above all, the Métis state that an enumeration or registration process should be designed and conducted by Métis, and that Métis should define the criteria for membership, including:

- self-identification of being a Métis;
- proof of being Métis;
- being accepted as a Métis by the Métis community.

Apart from its role as reinforcing the cultural identity of Métis, enumeration or registration is a crucial step in the Métis economic and business development process and is directly linked to the self-government and land base issues. It would provide information for the Métis, provincial and federal governments to:

- design appropriate strategies and policies;
- plan and deliver programs and services;
- determine the beneficiaries of a self-governed Métis Nation including land claims and eligibility to participate in Métis electoral processes;
- establish baseline indicators which can serve as a basis for evaluating the impacts of economic development programs.

The impact of not being enumerated and the vicious circle that has been created is summarized in a quote taken from a Métis person in the constitutional discussions: "We are excluded from services afforded other Aboriginal peoples because we were excluded from the Indian Act and are not deemed to be a federal responsibility - we have no federal department to plead our case or buy services for us. We are excluded from provincial services because of our Aboriginality. When we argue that we have needs like other Aboriginal peoples, we are challenged to prove it by numbers of cases. We have no statistical database because no agency enumerates us."

Negotiations are currently taking place between the federal government and the MNC for an enumeration or registration process.

## **3.4 Implications**

As long as these issues remain unresolved, the available options to develop and implement a comprehensive, long term economic development strategy for the Métis will be constrained. These constraints become obvious in the discussion of impediments to Métis economic development in Section 8. Nevertheless, the absence of a comprehensive Constitutional agreement should not preclude steps over the near term to advance the economic development of Métis people.

# 4.0 Aboriginal Economic Development in Canada

Aboriginal Economic Development in Canada consists of an array of programs and services that are delivered by federal and provincial agencies. Prior to 1989, the majority of economic development programs for Aboriginal People were implemented through INAC.

As of June 1989, the federal government implemented a new strategy for delivering economic development related programs and services to Aboriginal people. The Canadian Aboriginal Economic Development Strategy (CAEDS), was envisioned as a joint initiative between three federal departments: Employment and Immigration Canada (EIC), Indian and Northern Affairs Canada (INAC), and Industry, Science and Technology Canada (ISTC). The federal government committed \$873.7 million over a five year period to implementing this strategy. These funds are delivered through INAC and ISTC. The programs administered by EIC as a part of CAEDS do not involve an increased allocation of monies for Aboriginal economic development. Rather, the programs have established specific target levels for Aboriginal participation in job and skills development training programs.

An understanding of the CAEDS is important to the development of an economic agenda for the Métis people because it provides the central thrust of the federal government's efforts to Aboriginal economic development. Provincial and other programs are often formed around the CAEDS program, supplementing or expanding programs and services operated under the CAEDS.

The program areas comprising CAEDS along with lead program responsibilities by federal agency are shown below in Table 3. The broad objectives of the CAEDS are:

- 1. Greater Aboriginal participation in the design and control of the delivery of economic development programs and services.
- 2. Strengthening of Aboriginal financial, sectoral and local development institutions.
- 3. Decentralizing program delivery.
- 4. Harmonizing of federal programs.
- 5. Removing barriers within federal programs.
- 6. Increasing the involvement of Canadian business and investment interests.

7. Participation and support from provincial and territorial governments.

# Table 3: CAEDS Programs and Departmental Responsibility

| Canadian Aboriginal Economic Development Strategy: Programs<br>and Lead Program Responsibilities by Department |                 |  |
|--|-----------------|--|
| Business Development ISTC  |                 |  |
| Joint Ventures   | ISTC            |  |
| Aboriginal Capital Corporations  | ISTC            |  |
| Community Economic Development *   | INAC            |  |
| Resource Development *   | INAC            |  |
| Skill Development  | EIC             |  |
| Urban Employment   | EIC             |  |
| Research and Advocacy  | ISTC, INAC, EIC |  |

Note:

ISTC - Industry, Science & Technology

INAC - Indian and Northern Affairs Canada

EIC - Employment and Immigration Canada

\* Exclusively available to Status Indians and Inuit.

# 5.0 Economic and Business Development Mechanisms Exclusively for Indian and Inuit Organizations and Individuals

Over the past century an elaborate system of programs and services has evolved in order to promote economic development among Status Indian and Inuit organizations and individuals. From the perspective of equalizing resources available to Métis, it is important to identify the programs, how they are delivered and what funding level they receive.

Determining the extent to which different programs directly or indirectly contribute to economic development for Status Indians and Inuit people is obvious in some instances. The economic development activity of Indian and Northern Affairs Canada, which has a budget of nearly \$100 million in fiscal year 1992-93, funds Community Economic Development Organizations. In other cases, it is not entirely clear the extent to which different programs can be considered primarily economic in focus. For example, programs which contribute to the organizational development of Indian Bands and improve the physical infrastructure of Indian Reserves are not economic development initiatives per se, but do increase the capacity of the Bands to deliver economic development services. As well, it is often difficult to obtain precise funding amounts for many programs and services.

## 5.1 Indian and Northern Affairs Canada (INAC)

Programs and services under INAC represent more than \$4 billion dollars in expenditures on behalf of Indian and Inuit peoples. Indians and Inuit not only benefit directly from INAC's programs and services, but also benefit from INAC's strong lobbying capability. INAC can provide the lobbying assistance necessary for accessing funds for new programs and accessing programming under the Canadian Aboriginal Economic Development Strategy (CAEDS).

Tables 4a to 4c provides a detailed overview of INAC's budget, beginning with breakdown of the ministry's global budget by major program area. As shown in Table 4a, the total INAC budget was estimated to be \$4.3 billion for the fiscal year 1992-93, an increase of 7.5% over the forecast expenditures in fiscal year 1991-92. Of this total, 3.03 billion or 70.5% of the total budget was allocated to Indian and Inuit Affairs - a program which is comprised of 9 major activities including economic development.

**Total INAC Budget** 

| Table 4a: INAC Budgetary Spending Overview      |                        |  |  |
|---|------------------------|--|--|
|   | Estimates<br>(\$'000s) | Forecast<br>Expenditures<br>(\$'000s)<br>1991-92 |  |
| Program   | 1 <b>992-93</b>        |  |  |
| Indian and Inuit Affairs                        | \$3,029,262            | \$2,809,539                                      |  |
| Northern Affairs                                | \$176,845              | \$104,931  |  |
| Transfer Payments to Territorial<br>Governments | \$1,045,497            | \$1,040,706                                      |  |
| Administration                                  | \$47,731               | \$51,728   |  |
|   |                        |  |  |

Table 4b lists the 9 activities which comprise the Indian and Inuit Affairs program. It is evident that the expenditure estimates for fiscal year 1992-93 are 7.8% higher than forecast expenditures in fiscal year 1991-92 and up more than 19% over actual expenditures in 1990-91. Most of the increase in expenditures can be attributed to the Education, Social Development and Capital Facilities/Community Services Activities. Funding levels allocated to the Economic Development Activity have remained relatively stable in absolute terms since fiscal year 1990-91. However, their relative share of the total Indian and Inuit Affairs program has declined from 3.75% in 1991/92 to an estimated 3.2% in fiscal year 1992-93.

\$4,299,335

| Table 4b: Indian and Inuit Affairs Program Budget by Activity |   |           |                                     |  |
|---|---|-----------|-------------------------------------|--|
|   | Estimates (\$'000s) (\$'000s) Forecast Expenditures |           | Actual<br>Expenditures<br>(\$'000s) |  |
| Activity  | 199 <b>2-9</b> 3                                    | 1991-92   | 1990-91                             |  |
| Self-Government   | \$18,322  | \$17,808  | \$17,752                            |  |
| Comprehensive Claims  | \$70,901  | \$71,693  | \$75,331                            |  |
| Economic Development  | \$97,963  | \$98,484  | \$95,587                            |  |
| Lands, Revenues and Trusts                                    | \$140,330   | \$130,260 | \$84,801                            |  |
| Education   | \$903,317   | \$845,809 | \$762,334                           |  |

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January, 1993

\$4,006,904

| Table 4b: Indian and Inuit Affairs Program Budget by Activity |                        |                                       |  |  |
|---|------------------------|---------------------------------------|--|--|
|   | Estimates<br>(\$'000s) | Forecast<br>Expenditures<br>(\$'000s) | Actual<br>Expenditures<br>( <b>\$'000</b> s) |  |
| Activity  | 1992-93                | <b>1991-92</b>                        | 1990-91                                      |  |
| Social Development  | \$816,311              | \$730,860                             | \$634,190                                    |  |
| Capital Facilities and<br>Community Services                  | \$665,093              | \$622,963                             | \$566,823                                    |  |
| Band Management   | \$269,360              | \$246,648                             | \$231,338                                    |  |
| Program Management and<br>Administration                      | \$47,665               | \$45,014                              | \$64,538                                     |  |
| Total   | \$3,029,262            | \$2,809,539                           | \$2,532,694                                  |  |

Table 4c provides a further breakdown of the economic development activity budget by sub-activity. Among the 7 individual programs, the Community Economic Development and Resource development programs form INAC's program responsibilities under CAEDS.

| Table 4c: Economic Development Activity Budget by Sub-Activity |                        |                                       |   |  |
|--|------------------------|---------------------------------------|---|--|
| Sub-Activity   | Estimates<br>(\$'000s) | Forecast<br>Expenditures<br>(\$'000s) | Actual<br>Expenditures(<br>\$ (\$'000s) |  |
|  | 1992-93                | 1 <b>991-92</b>                       | 1990-91                                 |  |
| CAEDS Programs:  |                        |                                       |   |  |
| Community Economic<br>Development                              | \$70,794               | \$70,839                              | \$73,967                                |  |
| Resource Development   | \$5,313                | \$5,275                               | \$4,746                                 |  |
| CAEDS Programs Subtotal  | \$76,107               | \$76,114                              | \$78,713                                |  |
| Other INAC Programs:   |                        |                                       |   |  |
| Commercial Development   | \$4,217                | \$3,976                               | \$1,941                                 |  |
| Indian Oil & Gas Canada  | \$6,202                | \$6,403                               | \$5,162                                 |  |

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| Total Economic<br>Development | \$97,963 | \$98,484 | \$95,587 |
|-------------------------------|----------|----------|----------|
| Activity Management           | \$7,456  | \$7,174  | \$6,948  |
| Indian Taxation               | \$1,156  | \$1,602  | \$1,121  |
| Research & Advocacy           | \$2,825  | \$3,215  | \$1,702  |

#### 5.1.1 Community Economic Development Program (CED)

As indicated in Table 4c, the CED program is one of the eight key program areas contained within CAEDS. The CED program is divided into two sub-programs: Community Economic Development Organizations (CEDOs) and the Regional Opportunities Program (ROP). With a projected 1992-93 fiscal year budget of \$70.7 million the CED program assists in building the capacity of communities to manage business, employment and resource development programs and services.

# 5.1.1.1 Community Economic Development Organizations (CEDOs)

CEDOs provide Indian and Inuit communities with resources to establish their own economic development programs and services. Financial and technical support are given to CEDOs at the tribal council and community level. CEDOs are directly responsible for the delivery of planning, advisory and extension services for business, economic and employment development in their respective communities.

A specially designated economic development council of a tribal council or band may represent a CEDO. If there is no specially designated group for economic development, then support flows directly to the tribal council or band. Most of the funding through the CED program is used for administration and salaries for economic development programs. In fiscal year 1990-91 the budget for CEDOs was \$51 million or 77% of the CED program. This funding level was maintained for fiscal years 1991-92 and 1992-93. Of the estimated 360 CEDOs in Canada, approximately 290 or 80% are located in the five most western provinces and the Northwest Territories.

A variety of economic development programs and services were found to be provided by these organizations. Although there is no standard set of programs and services offered by all CEDOs, there are many similarities between CEDOs. The use of funds by a CEDO is at the discretion of the CEDO and is not dictated by the INAC. Consequently, each CEDO has developed its own set of priorities according to the wishes of the community, location, and specific constraints and opportunities. In discussions held with representatives of CEDOs it was evident that while there was ample scope for more development work, limited resources made it impossible to pursue other projects. The following programs and services were are generally characteristic of CEDO's:

#### (a) Business Loans and Equity Financing:

While some CEDOs make direct loans, loan guarantees or equity financing it is apparent that most of them rely on other institutions such as Aboriginal Capital Corporations for these services. Some CEDOs provide an equity contribution that allows the applicant to leverage funds from other sources. For example, a CEDO may provide the applicant with equity so that the applicant may then apply to the Aboriginal Business Development Program for further assistance.

A CEDO may also separate its activities between new and existing businesses. Norway House in Manitoba, for example, will provide assistance to an existing business but the loan or equity contribution is 100% repayable. For a start-up business, the contribution is only 50% repayable with no payments or interest in the first year and no payments but interest at the prime rate in the second year.

#### (b) Business Advisory Services:

Many CEDOs provide their clients with business consulting services. Assistance includes the preparation of feasibility studies, business plans and opportunity analysis studies. The preparation of funding applications for government programs as well as for commercial institutions are key services of many CEDOs. Hence, these activities can complement ISTC's ABDP and assist clients in obtaining funding from this program

#### (c) Training and Skill Development:

Many CEDOs have some training programs, however, funding for CEDOs is typically not directed to training initiatives. Funding for training, job and life skill development usually flows from Employment and Immigration Canada or other government agencies. Job placement services may also be included in the range of services provided.

#### (d) Special Project Fund:

These funds are designed to be used when other sources of funding, such as CAEDS, are not available or readily accessible. An example of special project funding is provided by the Inuvialuit Development Corporation, which funds the prefeasibility studies of earlier projects which, for either political or economic reasons, had previously been considered inappropriate. Reasons for projects requiring special funding could include ineligibility under given program criteria or the excessive length of time required to go through a complicated application and reimbursement process.

#### (e) Miscellaneous Initiatives

Some CEDOs use the Canadian Executive Services Organization (see Section 7.3.2) for business advisory and some training services.

Some CEDOs publish a newsletter that could include information on available programs and services and the CEDO's activities and budget. As well as being a communication tool, the newsletter reduces people's suspicion of a CEDO's activities and makes them more receptive to its programs and services.

# 5.1.1.2 Regional Opportunities Program (ROP)

ROP is the second component of the CED program. In fiscal year 1990/91 the ROP program had a budget of \$15,273,400, or 23% of the CED program. This program provides the means to take advantage of region-wide economic development opportunities. This is accomplished through the establishment or purchase of sectoral development advisory and extension services, participation in federal-provincial economic agreements and through levering access to federal sector department programs and services. ROP funds policy research, innovative pilot projects and also provides most of the financial support given to Sectoral Development Institutions (SDIs). The SDIs provide training, advisory and extension services to Aboriginal communities and individuals in a variety of sectors, including trapping, forestry, fisheries, agriculture, tourism and arts and crafts. The negotiation of provincial tree farm and timber sale permits is an example of an activity carried out by the SDIs.

# 5.1.2 Resource Development Program (RDP)

The RDP is also one of the eight key program areas contained within the Canadian Aboriginal Economic Development Strategy. The Resource Development Program works with Indian and Inuit communities and their regional Sectoral Development Institutions to define their resource and tourism policies, strategies and priorities.

INAC supports the development of sustainable resource management capacity on reserves. It assists communities to benefit from resource-based business and employment opportunities in the forestry, wildlife, agriculture, minerals, oil and gas, and fishery sectors. Activities include technical assistance to manage on-reserve resources, coordinating activities with other relevant federal departments and negotiations including obtaining access to off-reserve resources and developing cooperative management arrangements with neighbouring jurisdictions.

As part of RDP, INAC also administers the Resource Access Negotiations (RAN) program. The RAN program provides financial support to Indian and Inuit organizations to:

- negotiate access to develop nearby (off-reserve) resources;
- attract commercial investment in developing community-owned resources;
- establish agreements with developers of large-scale projects that offer business and employment opportunities.

Expenditures for the RAN program in fiscal year 1990/91 were \$1,636,200.

#### 5.1.3 Commercial Development Program (CDP)

This program provides guaranteed backing for unincorporated Aboriginal Band businesses on reserves seeking aid from approved lending institutions. It provides lenders with security not available to them under Section 89 of the Indian Act. Under CAEDS, INAC's loan activities are rapidly decreasing as responsibility for these economic development functions now being are transferred to Industry, Science, and Technology Canada and Aboriginal Capital Corporations. In late 1990 INAC's direct loan portfolio consisted of approximately 1000 accounts valued at \$29 million (principal only) of which approximately 700 accounts or \$20 million was to be sold or contracted to Aboriginal lending associations. As of late 1990 the following funding authority levels were in effect:

#### Table 5

| Program                | Total Authorized<br>Funding Level | Funds Available<br>Immediately |
|------------------------|-----------------------------------|--------------------------------|
| Indian Loan Guarantees | \$60 million                      | \$30 million                   |
| Indian Direct Loan     | \$64 million                      | \$38 million                   |
| Inuit Direct Loan      | \$7 million                       | \$5 million                    |

# Funds Authorized and Available under the CDP

#### 5.1.4 Other INAC Programs Related to Economic Development

INAC supports economic development for Status Indians through exercising statutory responsibilities and providing a range of other programs and services that occur outside of the CAEDS. In some cases, the statutory responsibilities, programs and services clearly contribute to economic development. In other cases, the economic development benefits occur indirectly (eg. through the improvement of community infrastructure).

# 5.1.4.1 Indian Oil and Gas Canada (IOGC)

IOGC is responsible for promoting oil and gas exploration, development and production on reserves through its administration of the Indian Oil and Gas Act and the Indian Oil and Gas Regulations. IOGC provides such services as determination of hydrocarbon potential; leasing and administration of oil and gas rights; ensuring fair, market-based prices and equitable production; revenue and production forecasting and revenue collection and verification.

# 5.1.4.2 Mining and Forestry

INAC ensures that resource-related statutory and fiduciary responsibilities to Indian people are met. INAC maintains on-reserve resource inventories in relation to departmental responsibilities for administering the Indian Timber Regulations and the Indian Mining Regulations under The Indian Act.

A major activity that was completed in 1990 was a mineral inventory analysis. This study, distributed to all Indian bands, was 18,000 pages in length and provided information, including an inventory, on the mineral potential of Indian reserves. The major goal of the study was to provide Indian communities with information on the mineral potential of their reserve lands for community and economic development planning. INAC is following up this study by providing information and support to communities related to the exploration, development and production of these resources.

INAC works with Forestry Canada (FORCAN) in administering its responsibilities under the Indian Timber Regulations. FORCAN assists Bands in the preparation of three levels of inventory information: reconnaissance (estimate of species), management (a more detailed inventory) and operations (small areas with a high level of detail).

# 5.1.4.3 Indian Taxation Advisory Board (ITAB)

ITAB provides advisory services to First Nations in the areas of property taxation, income tax, sales tax and customs duties. Mediation services are provided as required between First Nations governments and other parties.

#### 5.1.4.4 Other Programs and Services

In addition to the programs and services offered under the Economic Development Sector initiatives, INAC also supports Indian and/or Inuit programs in the following sectors:

#### Self-Government:

Policy Directorate: develops policy and provides advisory and technical assistance in support of community-based and sectoral self-government negotiations as well as research and related activities.

Constitution, Legislation and Federal Provincial Relations: represents the federal government in delegations such as the United Nations Working Group on Indigenous Populations; funds constitutional activities of Aboriginal organizations; facilitates communication between provincial and federal government departments and assists in tripartite negotiations.

Community Negotiations and Implementation: responsible for negotiating and implementing community self-government.

<u>Indian Services:</u> provides funding and services for education, social development, housing, community infrastructure and band management for Indians across Canada, and the Inuit of northern Quebec and Labrador.

<u>Lands</u>, <u>Revenues and Trusts</u>: is responsible for the government's legal obligations in matters regarding Indians and lands reserved for Indians.

<u>Policy and Legislation:</u> mandate is to improve the development and coordination of departmental (INAC) policies, legislation and strategic planning.

# 5.2 Employment and Immigration Canada (EIC)

Although Métis are not explicitly excluded from EIC programs and services, there are certain factors that implicitly exclude them. For example, EIC's main focus is on rural areas. Large numbers of Métis are located in urban areas where they experience the same devastating conditions as those in rural areas: high levels of unemployment, lack of access to resources and isolation from opportunities.

#### **5.2.1** Community Futures

The community futures program is part of the Canadian Jobs Strategy. With a \$150 million budget, Community Futures is not limited to human resource development, but includes business assistance programs as well.

The Community Futures program is directed toward <u>non-metropolitan</u> and smaller communities in crisis, communities with serious, often long term employment problems resulting in serious lack of employment generating economic activity and diversity. There are frequent instances of funds from the program being allocated to specific Indian Reserves. However, Community Futures is not accessible by the Métis since program eligibility is based on a community or set of communities comprising a labour market area.

It has been suggested that the community future model would be "interesting" to use in urban areas, however, this cannot be done under existing program criteria.

# 5.2.2 Social Assistance Recipient Agreement

EIC and INAC have, in response to CAEDS and input from Indian communities, formed a Social Assistance Recipient Agreement (SAR). Under the agreement, <u>Reserve</u> residents on social assistance who meet EIC eligibility criteria can use their social assistance funds, in combination with EIC training funds, to acquire skills needed to qualify for employment. This training can include literacy classes or other upgrading needed to qualify for skills training courses. The training is arranged, managed and, when possible, delivered by Indian delivery agencies. The agreement does not include new funding as funding is obtained by diverting passive social assistance funds to pro-active training projects thus increasing training activities in Indian communities.

# 5.2.3 Treaty Seven Business Development Centre (TSBDC)

The TSBCD provides business management services and loans of up to \$75,000 per venture. It also administers the Self-Employment Incentive Program for unemployed area residents where clients can start their own businesses and receive a monthly allowance for the first year to assist with living costs. The applicant and business must be located in the Treaty Seven business development region.

# 5.3 Revenue Canada

Indians living on a reserve do not pay personal income tax and Indian businesses located on reserve do not pay business income tax. Both of these groups are also not responsible for paying the Goods and Services Tax (GST).

# 5.4 Provincial Indian and/or Inuit Economic Development Programs

Most provincially funded and/or delivered programs and services are either available to all provincial residents or are available to all Aboriginals. These programs are discussed in a later section. The exception is Saskatchewan which has broken its Aboriginal economic development initiative into two programs which together encompass all Aboriginal people.

#### 5.4.1 Saskatchewan - Indian Economic Development Program

The Government of Saskatchewan through its Indian and Métis Affairs Secretariat has administrative and fiscal responsibility for the Indian Economic Development Program. The purpose of the program is to assist Indian people at the community level to become more economically self-sufficient through the creation and expansion of viable businesses. The 1992/93 budget for this program is \$1,095,000 and is fully financed by the provincial government.

The program provides grants of up to \$25,000 for a Band, Band Development Corporation, Tribal Council Development Corporation or Indian Institution and up to \$10,000 for individuals. The grant must represent less than 50% of the total costs of the project. The applicants contribution must be at least 20% of the project cost and must include at least a 10% cash contribution. The grant can be used for working capital and start-up costs in addition to capital costs.

# 5.5 Conclusions

The foregoing section has documented a range of programs and services from which Métis are excluded. Further information regarding funding levels for some of these programs is still forthcoming and the intention is to include this information in a subsequent report.

# 6.0 Analysis of Economic and Business Development Mechanisms Exclusively for Indian and Inuit Organizations and Individuals

The foregoing section has identified programs "exclusive" to Status Indians and Inuit and begun the process of quantifying the funding levels. One approach to establishing a Métis economic development program would be to extend these programs to the Métis along with an enriched level of funding. However, there are at least two difficulties with this approach. First, the aforementioned programs are not necessarily structured or delivered in the most effective manner possible. Second, as noted in section 2.0 above, the Métis have a number of distinct attributes which need to be considered in the design of an economic development strategy. Part of the challenge in developing an economic development strategy for Métis people is to extract the useful elements from Indian and Inuit programs and tailor these to meet the unique characteristics of the Métis.

The purpose of this section is to examine the economic and business development mechanisms available exclusively to Status Indian and Inuit in terms of which mechanisms which may be applicable to the needs of the Métis. Based on input from Métis people during the provincial consultation programs held in connection with the Constitutional proposals, it is evident that several types of programs and services available to Status Indians and Inuit aim to achieve economic development objectives which many Métis share. For example, programs and services exclusive to Status Indian and Inuit include measures to:

- promote community-based economic development;
- undertake resource analysis of a land base;
- improve resource management;
- initiate commercial development of a land base;
- perform sectoral and regional economic opportunity analysis;
- design and implement training, education and skill development programs;
- undertake organizational development.

To varying degrees, all of these measures reflect the needs of Métis people and communities. However, among the current programs CEDO's appear to stand out as warranting particular attention. The following section provides a closer analysis of why CEDO's seem relevant to the Métis and outlines some of the key success factors and problems that CEDO's face. The other initiatives and experiences of Indian and Inuit programs and services that may provide useful insights in the development of a Métis economic strategy will be discussed in a later report.

# 6.1 CEDO's

Among the programs currently available to Indian and Inuit people, CEDO's warrant particular attention for three reasons. First, CEDO's are specifically targeted economic development initiatives which have readily defined budgets. From the perspective of creating a level playing field, the budgetary allocations to the CEDO program can provide a baseline from which to determine a more equitable allocation of funds to Métis economic development. Currently, INAC contributions to CEDO's total more than \$50 million annually. Second, CEDO's embody a decentralized, community-based approach which many Métis appear to find appropriate, based on various written reports which outline Métis perspectives on economic development. Third, CEDO's are reported to have had some success in urban areas, which is of interest as many Metis live in larger cities.

#### 6.1.1 Characteristics of Successful CEDO's

In order to assess the factors which contribute to "successful" CEDO's telephone interviews were conducted with senior representatives of the following CEDO's:

- Touchwood, File Hills, Qu'Appelle Tribal Council: Fort Qu'Appelle, Saskatchewan
- Sto:Lo Nation Society: Sardis, British Columbia
- Innuvalit Regional Corporation: Inuvik, Northwest Territories
- Southeast Resource Development Corporation: Winnipeg, Manitoba
- Norway House Band: Norway House, Manitoba

The CEDO's were selected in order to provide a sampling of organizations from across western Canada. As well, according to provincial representatives of INAC, these particular CEDO's were also considered to be relatively effective in fulfilling their mandates.

The general consensus among the respondents was that those CEDO's that were successful in fulfilling their mandate had the following attributes:

#### 1) Strong Board of Directors:

Respondents sated that a strong and active Board of Directors was essential. A strong Board of Directors is characterized by members who:

- have a vision of where they want the organization to go and how it is going to get there;
- represent a cross-section of people with different skills and expertise;
- are committed to the success of the organization.
- can communicate and instill the vision throughout the organization;
- can recruit and hire high quality staff and management and ensure that personnel have access to adequate training;

#### 2) <u>Clear Mandate:</u>

Respondents suggested that successful CEDO's had a clear mandate which established the purpose of the organization and minimized conflict arising from misunderstandings.

3) <u>Strategic Plan:</u>

Respondents stressed the value of having a logical, easily understood and consistent strategic plan. Such a plan would guide the organization by establishing priorities, providing guidance as to how the goals and objectives of the organization would be attained, and setting indicators to comparing target results with actual results.

4) Explicit Accountability and Reporting:

Respondents said that successful CEDOS must ensure that persons responsible for the allocation and distribution of funds report to the community on the use of the funds and be accountable for these decisions.

5) <u>Commitment to Seeking and Incorporating Input from the Community:</u>

Respondents stated that CEDO's are successful only if the services and programs reflect to the needs and concerns of the community as perceived by the community itself. In that regard, a commitment to incorporating community input in the design of programs is considered critical. Through participate in the process, clients are more likely to have confidence in the programs and hence more likely to use the available services.

#### 6) <u>Clear Policies:</u>

Policies provide useful guidelines in decision making and help to keep the organization "on track". These policies need to be communicated to the community, consistent and written clearly and simply.

#### 7) Strong Financial Capacity and Capability:

The organization must be run in a cost effective manner that maximizes the use of funds for achieving the program objectives and not spending excess funds on administrative and other functions that are not of direct benefit. For most CEDO's the ability of the organization to leverage money from other sources is also important as it maximizes the use of the CEDO's limited capital.

#### 8) <u>Separation of Business from Politics:</u>

In an environment of economic development, a decision making process that is insulated from strong political influence is believed more likely to serve the interests of the people.

#### 6.1.2 Problems Affecting CEDO's

In general, problems affecting CEDO's related to one or more of the factors described above in section 6.1.1. However, several potential problems emerged as being of particular concern.

The separation of politics from the decision making process is one issue that continually surfaces in the discussion of problems affecting CEDO's, particularly concerning the allocation of funds. If political considerations find their way into the decision making process then there is no assurance that funds and services will be directed to projects that justify assistance based solely on business merits. The problem that arises is that the success or failure recipient businesses becomes a matter of chance. Decisions that are not perceived to be based on criteria that apply to all applicants equally will also harm the credibility of the program.

Another major problem surrounds the expertise of the CEDO's management and staff, both of which must be qualified and appropriately trained to both manage the project and to deliver its programs and services. Respondents stated that there are presently a number of economic development officers from Indian CEDO's who lack the appropriate training. Respondents provided examples of CEDO personnel who were unable to properly complete project application forms and who provided inaccurate business advisory and planning services. Without adequate attention to the critical "success" factors, CEDO's are subject to failing. Such failure might be financial in nature when, through a series of inappropriate decisions, the organization simply runs out of money and is unable to support community development efforts. Another example of failure would occur when the CEDO's programs are not used by the community, either through flaws in program design or an ineffective delivery system. In any case, the consensus of respondents was that successful CEDO's do not simply happen as a matter of course.

# 7.0 Economic Development Programs and Services for Aboriginals that Include Métis or are Targeted Exclusively at Métis

The following section provides an inventory of various federal, provincial and other (eg. administered by non-profit organizations) economic development programs which are currently accessible to Métis individuals and organizations. Where information is available, funding levels associated with each program are provided.

In general, most of the federal economic development programs available to Métis by the federal government are delivered under the auspices of CAEDS. As noted earlier, several of the CAEDS programs, including the INAC - administered Community Economic Development and Resource Development Programs, are available only to Indians and Inuit. CAEDS programs such as the Aboriginal Business Development Program, delivered by Industry, Science and Technology are targeted to Métis as well as to other client groups. Hence, these programs are not exclusive to Métis. In fact, the research did not uncover any federal programs that were directed exclusively to Métis.

The review of provincial and territorial economic development programs produced a similar pattern: few programs are targeted exclusively to Métis. There are isolated instances of programs which do focus on Métis, such as the business development programs administered by the Indian and Métis Affairs Secretariat in Saskatchewan.

# 7.1 Federal Programs

# 7.1.1 Industry of Science, Technology Canada (ISTC)

ISTC administers three CAEDS programs: Aboriginal Capital Corporations (ACC's), Aboriginal Business Development Program (ABDP), and Joint Ventures. From a Métis perspective, the ISTC programs - particularly ACC's and the ABDP, form the most obvious and direct linkage to economic development programs and services.

# 7.1.1.1 Aboriginal Capital Corporations (ACC)

Aboriginal Capital Corporations (ACCs) are small, regional commercial lending institutions. ACC's make loans to small and infant Aboriginal enterprises which may have difficulty in obtaining financing from other lending sources. ACCs are owned by either tribal councils, Aboriginal provincial associations, or by the Aboriginal people within a given geographic area. Based on their ownership and location, ACCs serve a specific geographic

region, Aboriginal group and may be oriented to a specific industry sector, such as agriculture or fishing.

ACCs are "developmental" lenders, taking an active interest in the success of their clients and supporting them with advice and flexible loan terms. Presently there are 40 ACC's in operation across Canada. These have a total capitalization of \$189 million.

The following Table provides the name and capitalization of the 14 ACC's that include Métis as among the eligible loan recipients.

#### Table 6

# Name and Capitalization of ACC's Accessible to Métis

| Aboriginal Capital<br>Corporation (ACC)                        | Type of<br>Services                          | Groups Serviced                            | Federal<br>Government<br>Funding |  |
|--|--|--|----------------------------------|--|
|  | British Co                                   | olumbia                                    |                                  |  |
| All Nations Trust<br>Corporation (ANTCO)                       | Loans,<br>Guarantees,<br>Equity<br>Financing | All B.C.<br>Aboriginals                    | \$6,750,000                      |  |
| Tale'awtxw (Coast<br>Salish) Aboriginal<br>Capital Corporation | Loans,<br>Guarantees                         | Métis, Status and<br>Non-Status in<br>B.C. | \$7,700,000                      |  |
| British  | \$14,450,000                                 |  |                                  |  |
|  | Alberta                                      |  |                                  |  |
| Apeetogosan (Métis)<br>Development Inc.                        | Loans,<br>Guarantees                         | Métis and Non-<br>Status                   | \$8,800,000                      |  |
| Apeetogosan Equity<br>Fund                                     | Revolving<br>Equity Fund                     | Métis and Non-<br>Status                   | \$1,915,000                      |  |
| Apeetogosan Consulting<br>Services                             | Business<br>Advisory<br>Services             | Métis and Non-<br>Status                   | \$996,000                        |  |
| Settlement Investment<br>Corp.                                 | Loans,<br>Guarantees                         | Settlement Métis<br>of Alberta             | \$4,220,000                      |  |

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| Aboriginal Capital<br>Corporation (ACC)              | Type of<br>Services                                       | Groups Serviced          | Federal<br>Government<br>Funding |  |  |
|--|---|--------------------------|----------------------------------|--|--|
| Al   | Alberta Sub-total   |                          |                                  |  |  |
|  | Saskatel  | newan                    |                                  |  |  |
| SaskNative Economic<br>Development Corp.<br>(SNEDCO) | Loans,<br>Guarantees,<br>Business<br>Advisory<br>Services | Métis and Non-<br>Status | \$5,500,000                      |  |  |
| SNEDCO Equity Fund                                   | Revolving<br>Equity Fund                                  | Métis and Non-<br>Status | \$1,915,000                      |  |  |
| SaskNative Consulting<br>Services                    | Business<br>Advisory<br>Services                          | Métis and Non-<br>Status | \$1,090,000                      |  |  |
| Saska  | \$8,505,000   |                          |                                  |  |  |
|  | Manit   | oba                      |                                  |  |  |
| Manitoba Métis ACC                                   | Loans,<br>Guarantees                                      | Métis and Non-<br>Status | \$8,242,160                      |  |  |
| Mar  | \$8,242,160   |                          |                                  |  |  |
|  | Ontai   | rio                      |                                  |  |  |
| OMAA Development<br>Corp.                            | Loans,<br>Guarantees,<br>Business<br>Advisory<br>Services | Métis and Non-<br>Status | \$5,500,000                      |  |  |
| OMAA Development<br>Corp.                            | Revolving<br>Equity Fund                                  | Métis and Non-<br>Status | \$1,915,000                      |  |  |
| On   | tario Sub-total   |                          | \$7,415,000                      |  |  |
|  | Northwest To  | erritories               |                                  |  |  |

| Aboriginal Capital<br>Corporation (ACC) | Type of<br>Services   | Groups Serviced | Federal<br>Government<br>Funding |
|---|-----------------------|-----------------|----------------------------------|
| NWT Métis<br>Development Corp.          | Direct<br>Investments | Métis           | \$2,760,000                      |
| NWT Métis-Dene<br>Development Fund      | Loans,<br>Guarantees  | Métis and Dene  | \$4,700,000                      |
| Northwest Territories Sub-total         |                       |                 | \$7,460,000                      |
| Tot                                     | al of all ACC's       |                 | \$62,003,160                     |

The total capitalization of the 14 ACC's accessible to Métis is \$62 million compared with a capitalization of \$189 million for all of the ACC's in Canada. It is important to note that 2 of the 14 ACC's accessible to Métis, with a total capitalization of over \$14 million, are also accessible to Status Indians. <u>Only 2 ACC's in Canada, with a total capitalization of \$7 million, are available only to Métis.</u> The All Nations Trust Corporation in B.C., which began to serve Métis in early 1992, has few funds available.

#### Table 7

| ACC by Eligibility   | Number | Capitalization |
|--|--------|----------------|
| Accessible to Indians and Inuit only                                 | 26     | \$127,000,000  |
| Accessible to Métis only   | 2      | \$7,000,000    |
| Accessible to Métis and either Status,<br>non-Status Indians or Dene | 12     | \$55,000,000   |
| Total  | 40     | \$189,000,000  |

#### Number and Capitalization of ACC's - by Eligibility

# 7.1.1.2 Aboriginal Business Development Program (ABDP)

ABDP provides financial and developmental assistance to Aboriginal entrepreneurs and communities for business ventures. The program can provide assistance to cover the complete business development process including business planning, capitalization, and project follow-up requirements.

Under ABDP, ISTC provides capital contributions to Métis, Non-Status Indians, and Status Indian individuals, groups or other entities that are majority owned by Aboriginal people. Services include the following:

- contributions (generally 30% to 40%) to capital costs and infrastructure development associated with establishing, expanding or modernizing a commercial business;
- 60% marketing costs;
- 75% of business plan development;
- 90% of developmental pilot projects.

# 7.1.1.3 Joint Ventures Program

This program is designed to encourage Aboriginal entrepreneurs to enter into business with non-Aboriginal private sector partners. In addition to the financial benefits, this "partnering" is designed to help Aboriginal entrepreneurs acquire managerial skill and expertise.

# 7.1.2 Employment and Immigration Canada (EIC)

EIC is the lead agency for implementing two components of CAEDS: Skill Development and Urban Employment.

#### 7.1.2.1 Skill Development

This component of CAEDS aims to build management and vocational skills to be used for Aboriginal businesses and employment in the labour force. This is done by acquiring management training through community colleges or other training institutions. Financial assistance is available to develop management training courses for Aboriginal people and may be available to Aboriginal entrepreneurs who may need help in acquiring specific skills and adequate resources to start up an enterprise.

# 7.1.2.2 Urban Employment

This is a joint EIC/provincial effort in co-operation with municipalities and local Aboriginal groups to meet the special training needs of unemployed and under-employed Aboriginal people in urban areas. It is aimed at developing effective training and placement systems to help Aboriginal people obtain jobs in mainstream urban economies.

#### 7.1.2.3 Canadian Jobs Strategy

The Canadian Job Strategy (CJS) comprises selective labour market interventions focused on clients with the greatest needs. The CJS focus has two dimensions: assistance for selected high priority clients and equitable participation by members of special groups. The CJS consists of six elements:

- <u>Job Development:</u> subsidizes employers to train and give on-the-job experience to individuals who are long term unemployed;
- <u>Job Entry:</u> assists coordinators with operating and training costs to provide on and offthe-job training to those entering the workforce;
- Skills Shortages: provides training in skills that are in short supply;
- <u>Skill Investment:</u> assists people whose jobs are threatened due to technological or market change;
- <u>Innovations:</u> funds pilot projects aimed at creative solutions to labour market problems;
- <u>Community Futures:</u> assists communities with labour market adjustment problems or with economic restructuring challenges. Subsidizes small business (employment) projects developed by the communities themselves

EIC does not have a separate Aboriginal program or budget. It sets Aboriginal participation targets at national, regional and district levels. In 1990-91 EIC spent more than \$152 million, or 8% of its budget, to provide training and employment services to approximately 23,000 Aboriginal clients under CJS.

According to EIC, the success of the CJS for Aboriginal people, as measured by further training or employment, remains about half the average for non-Aboriginal people. Aboriginal participation rates appear to be dropping in certain CJS programs despite the needs of the labour force. EIC further reports that many Aboriginal people do not access the services offered by local Canada Employment Centres (CEC'S). It is speculated that this reluctance on the part of Aboriginal people stems from their uncertainty about the attitude of local CED personnel toward Aboriginal people.

#### 7.1.2.4 Pathways to Success

The Pathways to Success Program emerged following a review of EIC's policy, program and service relationship with Aboriginal people. This review examined some of the difficulties Aboriginal People had in accessing EIC's programs and made recommendations to address problems such as:

- limited duration of certain training programs;
- limited access to the Community Futures Program;
- exclusion of literacy training from CJS programs.

A working group consisting of representatives from Aboriginal Organizations, including the MNC, developed partnership principles intended to ensure that Aboriginal human resource development activities are delivered, managed and controlled by Aboriginal people in partnership with EIC. In that regard, the Working Group determined that local Aboriginal boards would be empowered to set employment and training priorities and determine the funding of local training/employment projects. Regional and national management boards would be responsible for evaluating, policy development and budgeting. Local and regional Aboriginal boards were in place for the 1991-92 fiscal year.

# 7.1.3 Multi-Departmental

# 7.1.3.1 Research and Advocacy

This component of the CAEDS is administered and delivered by all three federal departments involved in the CAEDS. Its aim is to promote Aboriginal employment and business development through the dissemination of information to the public, promotion of constructive ideas, and representations to those in a position to contribute to progress. Research and advocacy can be separated as follows:

<u>Research:</u> activities include the inquiry into all aspects of Aboriginal economic development.

<u>Advocacy:</u> goal is to create a supportive economic environment for Aboriginal economic development and to increase employment, commercial and resource development opportunities in the broader economy. Advocacy includes innovative communications projects where significant impacts on Aboriginal economic activities could result from targeted promotion or communications to specific organizations or opportunities, major resource companies, employment equity employers, and large public sectors employers.

# 7.1.4 Secretary of State

The Secretary of State provides funding for Friendship Centres. It also funds Aboriginal organizations which provide advisory or program service to off-reserve, non-status and Métis people.

# 7.2 **Provincial and Territorial Programs**

#### 7.2.1 British Columbia

#### 7.2.1.1 First Citizen's Fund (FCF)

The primary objective of this fund is to enhance Aboriginal economic development through start-up, expansion and/or upgrading of Aboriginal businesses. To be eligible the applicant must be a Status Indian, non-Status Indian or Métis who currently resides in British Columbia or be an Aboriginal organization where at least 51% of the owner/operators are Aboriginal who currently reside in British Columbia. Assistance is in the form of a loan up to \$75,000 with a deferred contribution component. Upon repayment by the borrower of principal and interest on the full loan until 50% of the total remains, the FCF will make a contribution to extinguish the remaining 50% provided the loan was repaid according to the repayment schedule.

The FCF also operates a bursary program that will loan Aboriginals money to further their education.

#### 7.2.2 Alberta

# 7.2.2.1 Northern Development Subsidiary Agreement (NDSA)

The NDSA provides financial contributions to:

- support Métis Settlements and Band Councils to hire regional economic planning and development Staff and to undertake research on specific economic development activities;
- Community Development Corporations and Associations in remote areas to undertake commercial profit-oriented ventures;
- Métis Settlements and Band Councils to access vocational training, business training and hands-on business expertise to assist with introducing business and employment support initiatives.

NDSA provides funding to applicants who have identified all other sources before applying. Eligible applicants include Northern Métis settlements and Band Councils, Community Development Corporations and Associations. The project must be located in Northern Alberta.

#### 7.2.2.2 Business Counselling and Development (BCD)

Under the auspices of Alberta Economic Development and Trade, BCD provides business counselling specifically to Aboriginal Entrepreneurs who are in new or expanding businesses, who are experiencing difficulty or who want to improve their present operation. Services are provided in coordination with the Northern Development Subsidiary Agreement, "Aboriginal Business Network Coordinators" in the Peace River and St. Paul Regional Offices. The program is not restricted to Métis but includes all Aboriginal people and organizations.

Métis settlements are eligible for the program. However, it would appear that selfidentifying Métis communities in urban areas are not eligible.

#### 7.2.2.3 Native Venture Capital Company Limited (Alberta)

The Native Venture Capital Company Ltd. (NVCC) is 70% owned by the private sector and 30% owned by Alberta Economic Development and Trade. NVCC assists entrepreneurs to develop business ideas and will invest as a shareholder in an enterprise until pre-determined economic goals are achieved. Normally, NVCC will invest up to 50% of equity or debt capital to a maximum of \$300,000 in each company. The enterprise must operate in Alberta and be controlled by Métis, Status Indians or Non-Status Indians. Where majority control is not held by one of the aforementioned groups, the business must be of significant benefit to Native Albertans.

#### 7.2.3 Saskatchewan

#### 7.2.3.1 Métis Business Development Program

The Government of Saskatchewan through its Indian and Métis Affairs Secretariat has administrative and fiscal responsibility for the Métis Business Development Program. The purpose of the program is to assist Métis people at the community level to become more economically self-sufficient through the creation and expansion of viable businesses. The 1992/93 budget for this program is \$540,000 and is fully financed by the provincial government. This program is very similar to the province's Indian Economic Development Program (see Section 5.4.1) with the main difference being that the Indian program receives more than twice the funding as the Métis program.

The program provides grants of up to \$25,000 for a Métis Development Corporation/Institution and up to \$10,000 for individuals. The grant must represent less than 50% of the total costs of the project. The applicants contribution must be at least 20% of the project cost and must include at least a 10% cash contribution. The grant can be used for working capital and start-up costs in addition to capital costs. Applicants are required to complete a business plan, market analysis and other relevant supporting documentation related to the business. Final Ministerial and/or Cabinet approval is required before the funds are released.

#### 7.2.4 Manitoba

There are no known economic development programs or services administered by the province of Manitoba that are aimed exclusively at Aboriginals.

#### 7.2.5 Ontario

#### 7.2.5.1 Native Small Business Centres Program (NSBC)

This \$2.3 million program assists non-profit Aboriginal community organizations (Indian Bands, locals of the Ontario Métis Aboriginal Association or Ontario Native Women's Association, or a local development corporation) to develop specific economic infrastructure projects across Ontario. NSBC will assist with the development of small business centres and business parks as a component of a community's overall economic development strategy.

#### 7.2.5.2 Ontario Aboriginal Economic Development Initiative

This program is currently being developed and is being designed to encourage and promote Aboriginal economic development throughout Ontario. The objectives of the program are to:

- support Aboriginal groups in meeting their specific economic goals towards economic self-reliance;
- to assist Aboriginals access existing economic development resources in the public and private sectors;
- to evaluate and develop the capacity of the members of the Ontario Federation of Indian Friendship Centres and the Ontario Native Womens' Association to participate in economic activity;
- to make maximum use of the available funding to the maximum number of Aboriginal people;
- to design a regionally appropriate distribution of resources.

### 7.2.5.3 Ontario Organizational and Human Resource Development Initiative

The objectives of this initiative are to:

- build/strengthen human resource capacities for economic business development within organizations;
- to broaden and increase the depth of the human resources base in organizations implementing self-government;
- to strengthen the abilities of organizations to respond to economic issues related to the constitution and the Statements of Political Relationship;
- to increase the capacity of Aboriginal Capital Corporations to develop and deliver services to the Aboriginal business community.

#### 7.2.6 Northwest Territories

Economic development programs in the Northwest Territories are administered by the Department of Economic Development and Tourism and operate with an annual budget of approximately \$3 million. There are no economic development programs or services that are available exclusively for Aboriginals. The department, however, tries to encourage development in small, remote communities. Outside of Yellowknife, approximately 90% of the population is believed to be Aboriginal. A large proportion of the programs and services, therefore, are accessed by Aboriginals and furthermore implicity encourage Aboriginal involvement through their aim at outlying communities. It was, therefore, decided to include the following programs and services in this report even though they are not exclusively aimed at Aboriginals.

In order to help prioritize its allocation of funds and to achieve it goals of assisting lesser-developed communities it has divided communities in the NWT into 3 groups. A community is placed into a group after evaluating several factors including the community's size, unemployment rate and per capita income. Each of the three groups has different thresholds for program eligibility or for the level of assistance that can be provided. Most of the government's programs use this classification method.

# 7.2.6.1 Business Credit Corporation

The Business Credit Corporation provides term business, contract security loans and loan guarantees when a business is unable to secure commercial financing, or if it is located in a community without easy access to commercial financing. Eligibility criteria include a 10% equity requirement and the operation of the business within the NWT.

#### 7.2.6.2 Business Development Fund

The Business Development Fund provides both repayable and non-repayable contributions for: capital investments, opportunity identification, market and product development, business skills development and business relief.

The fund also provides a venture capital financial contribution to investors. Contributions are limited to 30% of the total venture capital investment to a maximum of \$150,000 and a minimum of \$15,000.

#### 7.2.6.3 NWT Development Corporation

The mandate of the NWT Development Corporation is to: (1) create jobs and income opportunities for residents through the creation and operation of businesses in less developed communities and; (2) create and operate businesses that diversify the overall economy of the NWT. Businesses wholly owned by the Corporation can be operated at an initial loss and, if benefits warrant, at a continuing preset subsidy. The Corporation can also enter into joint ventures with the private sector if there is insufficient equity to develop a profitable business.

# 7.3 Non-Profit Organizations

# 7.3.1 Canadian Council on Native Business (CCNB)

CCNB's mission is to "assist Métis and other Aboriginal people develop economic selfsufficiency through access to the opportunities of business enterprise and education and to assist the private sector in establishing a constructive and mutually beneficial relationship with Native people." Its support includes the development of managerial and entrepreneurial skills in Aboriginal people. CCNB provides three services including: work placement in host companies; access to business expertise through networking, conferences, seminars, and business publications; and, career assessment, counselling, planning and access to management careers. The organization is mostly funded through corporate and individual memberships and donations. It has offices in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

# 7.3.2 Canadian Executive Service Organization (CESO)

CESO is a non-profit organization that operates the Canadian Native Program. This program is funded by INAC, ISTC and several provincial and territorial agencies, however, most of its funding comes from INAC. Métis, Status Indian and Non-Status Indian groups and individuals are all eligible but since the majority of funding is provided by INAC most of the funds are earmarked exclusively for work with status Indians and Inuit. Therefore, CESO has not been able to regularly provide its services to Métis except in Alberta where some provincial funding is available for Métis people.

One of the organization's objectives is to promote, in an apolitical way, the economic and social growth and well-being of Canadian Native people. They do this by providing volunteer consultants with technical, professional and managerial expertise to requesting industries, organizations and government departments. The volunteer consultants act as advisors, encouraging and stimulating problem-solving capabilities of the organizations and individuals they help. Consultants can also provide advisory services to identify economic development opportunities, determine project feasibility and solve business-related problems.

### 7.3.3 First Nations Resource Council (FNRC)

FNRC is a non-profit federal society that promotes Aboriginal self sufficiency through providing consulting services. FNRC hires graduate students from universities who work with Indian Bands to set up an economic structure. Counsellors are also available to provide business and legal advice. The program is available to certified Métis or Aboriginal organizations; individuals are not eligible.

# 8.0 Impediments to Métis Economic Development

# 8.1 Introduction

In Section 1.4 earlier in this report, the objectives of economic development were defined by:

- an increase in average levels of earned income;
- an increase in the employment rate;
- a broad base of businesses;
- a labour force that is upwardly, occupationally and geographically mobile;
- development of managerial and entrepreneurial people;
- a reduction of social problems related to migration into urban centres and a reduction of attendant welfare costs;
- an increase in communities that have the capacity to manage their economic futures.

The purpose of this section is to outline some of the major impediments that face Métis people in their effort to achieve these objectives. The information is based on discussions with federal and provincial government officials, economic development program officers, the Rudnicki study, a literature review of MNC and provincial Métis association documents and discussions with representatives of Métis political organizations and economic institutions. The discussions have yielded a host of concerns and criticisms about the current inequities and ineffectiveness of existing programs. However, for the purpose of this discussion paper only six main categories of impediments have been touched upon, including:

- 1. <u>Inequities in funding.</u>
- 2. Lack of control and responsibility.
- 3. <u>Inappropriate content and eligibility criteria.</u>
- 4. <u>Ineffective administration and delivery.</u>
- 5. <u>Cultural and Political Factors affecting Metis and their Institutions</u>

#### 6. Other factors

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It is important to note that there are other issues that also form fundamental impediments to economic development. The lack of a comprehensive constitutional agreement between the Métis Nation and the government of Canada is an overriding impediment. Until this is resolved, it will be difficult to implement an economic development strategy in a comprehensive fashion. The historical pattern of discriminatory legislation, racism and continuing threats to cultural identity are further impediments, as are the lack of education and skills development programs.

# 8.2 Impediments to Economic Development

#### 8.2.1 Inequitable Allocation of Funds for Economic Development

The foregoing discussions have shown that there is a wide disparity in the scope of economic development programs, services and funds available to Métis compared other Aboriginal groups - a fact which is already well known to Métis. However, it is the size of this inequity which is most noteworthy.

First, there is a total of \$76 million in INAC's estimated budget for economic development activities for Indians and Inuit under CAEDS (including the Community Economic Development and Resource Development Programs). As the programs which these funds support exclude Métis, \$76 million forms part of the funding required to provide "a level playing field."

However, there are other obvious shortfalls. Funds for Aboriginal Capital Corporations, provided by the ministry of Industry Science and Technology shows that a total capitalization of \$189 million has been provided to Aboriginal Capital Corporations. Of this total, 67% of the funds (\$127 million) are exclusively for Indians and Inuit, 29% (\$55 million) are for Metis, and one or more of either Status Indians, Non-Status Indians or Dene, while only 4% (\$7 million) are exclusively for Métis. If it is assumed that about half the \$55 million shared by Metis and other groups is effectively available to Métis, then the total ACC funds for Métis total about \$34.5 million. Compared to the funds available to Indians and Inuit, this is a shortfall of about \$92.5 million. When this is added to INAC's contribution to CAEDS, the total shortfall for Metis amounts to about \$164 million.

# 8.2.2 Control and Responsibility

Often, impediments to economic development are related to the fact that Métis are restricted from accessing some of the existing economic development programs and, more importantly, have little or no control in designing and delivering programs.

#### 8.2.2.1 Lack of Métis Control

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Métis, along with other Aboriginal groups, lack control over the programs and services that are designed to aid their economic development. This includes the ability to initiate and introduce programs, coordinate inputs in the evolution process and to implement and monitor the resulting initiatives. The Métis assert that they must have control over their programs and services, a fact which was readily apparent in the consultations held throughout western Canada during the Constitutional hearings. Control of economic development programs is consistent with the Métis goal of self-government.

#### 8.2.2.2 Jurisdictional Issues

Failure on the part of the federal government to accept responsibility for Métis has made it difficult to develop a comprehensive strategy. Programs in different provinces have typically operated to different standards and have been fragmented in their approach with the result that gaps develop.

Provinces are not obligated to reinforce federal initiatives and frequently fail to do so because of coordination problems, limited resources and different development concepts, priorities and procedures. Provincial economic programs are usually structured to provide universal access and thus it is difficult for them to effectively and efficiently administer programs aimed at specific groups. In this context, Métis are simply classified as individuals with low socio-economic status. By contrast, exclusive federal responsibility for Indians and Inuit makes it <u>potentially</u> easier to address a broad range of inter-connected problems.

The government of Alberta is an exception. Alberta has assumed some responsibility to the Métis people in their province. In December 1987 a framework agreement was signed between the Métis Nation of Alberta (MNA) and the provincial government of Alberta. The Agreement, the first of its kind in North America, signalled the Alberta government's commitment to assisting the MNA in achieving its primary goals of selfsufficiency and self-determination. It is a legally empowered, consultative mechanism that enables the Métis people to participate in the decision-making process in a meaningful way and includes the funding necessary to make work. Through the agreement the MNA can play a much more active role in joint planning and initiation of it's own policies, priorities, programs and services. The MNA and the Alberta government are, for the first time, working together as equal partners with the common goal being the betterment of all Métis in the province.

Despite the success in Alberta, similar progress has not occurred in the rest of Canada.

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# 8.2.3 Program Content and Eligibility Criteria

Many economic development initiatives have been narrow in scope. They have not addressed the full range of needs of the Métis people in terms of project size and type of assistance required. For example, there are Métis who need funding to develop businesses centred around seasonal activities such as trapping, logging and fishing or around a business such as farming. These people are often excluded from most programs and services either directly through eligibility criteria or indirectly because they lack the resources, information or support to access the programs. Other Métis individuals or groups are interested in building larger businesses that are more focused on growth and expansion than a lifestyle business. This group has different needs and expectations than the lifestyle business owner. In short, the funding needs, conditions and expectations for Métis can be variable, and economic programs and services must reflect and address these variations.

# 8.2.3.1 Discrimination Against Self-Identifying Urban Métis Communities

Some economic development programs, such as the Business Counselling Program in Alberta, are available to Métis settlements and Métis individuals. However, self-identifying Métis communities in urban areas are not included. Even programs that are restricted to Métis, such as the Alberta Settlement Investment Corporation, require that the qualifying person be a member of a Métis settlement to gain access to business loans.

# 8.2.3.2 Inflexibility and Slowness

It is not unusual that business decisions and commitment by the applicant must be made relatively quickly. Programs and services must be able to respond to this need by processing requests, appraising projects and deciding how and when assistance will occur in a timely manner, before the business opportunity is lost. This is a chronic complaint associated with the Aboriginal Business Development Program, which is considered to be intimidating, cumbersome and overly bureaucratic.

# 8.2.3.3 Equity Constraints

The fact that federal programs such as the ABDP can require the applicant to contribute a minimum of 10% equity is viewed by many people as being a serious constraint on economic development. A significant portion of potential Métis applicants do not have access to such equity. By contrast, some Indian and Inuit applicants can frequently overcome the impediment of providing 10% equity because Bands or Tribal Councils can use funds received from the federal government to support ventures by supplying the applicant with the necessary equity to be eligible to access government programs.

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#### 8.2.3.4 **Programs Oriented to Entrepreneurs**

The majority of economic development efforts are directed toward persons with an entrepreneurial orientation. Many Métis either lack the motivation, interest or desire to be entrepreneurs. As many of their fellow Canadians, Métis require access to programs which will enhance their ability to get jobs. Economic development initiatives must also be extended to those individuals who are not entrepreneurs but who can contribute to building an economic base.

# 8.2.4 Administration and Delivery

#### 8.2.4.1 Lack of Input from Métis

The administration, delivery and development of programs requires input from the intended beneficiaries. The general consensus of Métis leaders from across western Canada is that CAEDS, the "flagship" of Aboriginal economic development in Canada, is essentially irrelevant to the needs of Métis. There is evidence that suggests, for example, that many CAEDS officials rarely visit Métis regions, if at all, and hence lack first-hand insight into Métis economic needs and conditions.

### 8.2.4.2 Information and Delivery Support

Building awareness and providing information on programs, services and organizations has not been aggressively pursued even though it is critical to the effectiveness of an initiative. Evidence suggests, for example, that many of the CAEDS strategies have not been as successful for the Métis people as for other Aboriginal groups because of the low awareness levels of the availability and accessibility of the programs and services.

The delivery system for programs and services, which includes navigating through the administrative system well as being a source of information, is not well developed for Métis. Information seminars, counselling and support services that are available to other Aboriginal people have not been provided to Métis on a widespread basis. For example, the Métis do not have a solid network of External Delivery Agents as compared with Indian people.

# 8.2.4.3 Biases in Allocating Funds

Decisions within development programs can be biased in their distribution of funds between groups. Evaluation criteria are typically not clearly defined, maintained or disseminated among applicants. As a result, many decisions are subjective and consequently the process is not viewed as being fair decision making. Furthermore, there is no appeal process and therefore unsuccessful applicants do not have any means of reproach.

#### 8.2.4.4 Piecemeal Programs

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Economic development initiatives that are not comprehensive in scope are generally ineffective in achieving their goals. It is of limited use, for example, to only provide an equity contribution to a new business without any support in business planning, implementation or assistance through the start-up phase.

#### 8.2.5 Métis and their Institutions

#### 8.2.5.1 Reluctance to Self-Identify

The reluctance of Métis to avail themselves to even the current range of economic assistance programs is an impediment to economic development. The personal experiences and history of many Métis lead them to not self-identify for fear of persecution. The lack of economic and social bases contribute to a sense of inferiority, low self-esteem and lack of self-worth. Furthermore, many Métis are sceptical about the usefulness and accessibility of programs and services.

# 8.2.5.2 Limited Organizational Capacity and Capability

In a meeting with the federal minister responsible for Métis affairs in 1989, the MNC stated its organizational development and that of its provincial affiliates remained in an embryonic stage due to lack of resources. Discussions with the MNC and with the Provincial Métis organizations suggest that little has changed in this regard: the national and provincial organizations are stretched beyond their administrative and managerial capacity. Discussions with various Métis groups and observations of these groups suggest that most of them are challenged to manage the activities they are presently involved in and to deal with all of the inquiries that they receive. Consequently there is a lack of awareness and experience related to economic development although many of the constitutional issues are indirectly tied to economic development.

Métis in most provinces have no community economic development organizations, even though nearly 400 Aboriginal CEDO's are operating throughout Canada.

# 8.2.6 Education and Training

This subject could easily be the subject of a separate document. However, in the context of economic development impediments, it is evident that Metis are limited from obtaining education and skills training that might better equipment them to take advantage of economic development opportunities. According to a survey by the University of Manitoba Research Ltd., 55% of the Métis people have only reached grade nine, compared with 20% for other Canadians. Métis employment is concentrated in areas of traditional skills such as fishing, forestry and trapping where a high educational attainment is not mandatory.

There are typically no funds designated specially for Métis education. Métis must usually compete with the general population for scholarships, bursaries, grants and loans. Métis, especially those living in rural areas, lack adequate access to the benefits of federal funds directed toward education (eg. Secretary of State through the Canada Student Loans Program). Those Métis that lack the financial resources to pay tuition are even less able to afford the costs associated with staying in a residence far from their local communities.

#### 8.2.7 Other Impediments

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#### 8.2.7.1 **Poor Access to Resource Sector Employment Opportunities**

In areas where resource developments are occurring in traditional Métis areas there are no provisions for hiring or training of Métis. Specific instances of this impediment have been provided by Métis in Alberta.

#### 8.2.7.2 Remoteness of Some Communities

Some Métis communities are located a considerable distance away from mainstream business services and products. These communities are impeded by their lack of ability to physically access commercial banking facilities and professional services that are needed to start and run a successful business.

# 8.3 Conclusions

A total of \$164 million in federal economic development funds is readily identified as being available to Indian and Inuit but not to Métis. This amount is considered to be extremely conservative. It does not account for the fact that INAC also provides a variety of other financial support programs and services to Status Indians and Inuit which, to varying degrees, have a economic development component. It does not consider other incentives and benefits provided to Indians and Inuit that are difficult to translate into monetary terms. It does not include programs and services intended to provide for education, skills training and community development.

Despite the large discrepancy in terms of financial assistance, comments by many Métis leaders and their constituents suggests that impediments to economic development relate to much more than simply a lack of money. The general consensus that seems to emerge is as follows: in order for economic development impediments to be removed, it is essential that the responsibility for the design, administration and delivery of programs and services be in the hands of Métis people and their various political and economic, human resource and social development institutions. In turn, these institutions must also be afforded the resources to develop in house expertise in designing and delivering programs and services. C

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# 9.0 SUMMARY AND NEXT STEPS

Thus far, this discussion paper has:

- established the rationale and context for economic development;
- reviewed some of the factors which make the Métis nation unique and suggested the implications that these factors might have on developing an economic development strategy;
- reviewed the existing array of programs available to Indians and Inuit exclusively:
- examined those programs for which Métis people are eligible;
- analyzed some programs available to Indians and Inuit which might be applicable to an economic development strategy for Métis; and,
- presented some key impediments to achieving economic development. issues which should be considered in developing the strategy.

This discussion paper does not offer any conclusions as to how an economic development strategy might be developed and implemented. Discussions with Métis leaders and the review of existing information suggests that there exists among the Métis community a wide range of ideas as to how economic development might be achieved. The next challenge is to knit the ideas from Métis leadership at the national and provincial levels into an economic development strategy that reflects the values and priorities of the Métis Nation.