Indigenous Economy Committee Report

1. ISSUE

The Indigenous economy has been hit particularly hard by the pandemic due to pre-COVID-19 challenges endemic within this sector and a high reliance on tourism to drive Indigenous economic prosperity. Destination BC reported in 2016 that approximately 401 Indigenous tourism-related businesses were operating in B.C., generating $705-million in direct gross domestic output and creating 7,400 full-time jobs. Additionally, this sector grew substantially above the average tourist growth rate (17.3% over the past three years). However, as with most tourism-related businesses, the Committee has found a nearly 100% drop in Indigenous tourism and Indigenous art sales through the early stages of the pandemic and a continuing slow recovery in the short term.

The pandemic has highlighted the need for the Indigenous economy — its workers, businesses and members — to diversify and increase resilience. To achieve this, challenges associated with infrastructure, upskilling, administration, promotion, resourcing and funding must be met with:

- a continued focus on leveraging the unique arts and culture of Indigenous communities;
- a plan to better integrate Indigenous businesses and the young and growing workforce\(^{28}\) into the broader economy; and
- increased sharing of best practices among Indigenous communities and businesses. For example, the Songhees, Esquimalt and Malahat First Nations and the Native Friendship Centre have successfully developed and promoted hiring programs from within their own communities. This has created an incredibly successful and valuable pipeline of talent for other sectors and governments operating in the region.

The Committee sees economic development as a path to improving the lives of First Nations members. Issues identified in this report will provide for greater economic self-reliance, and in turn, help to address many social challenges. This Committee’s recommendations align with the recommendations from the other taskforce committees to ensure that the Indigenous economy is holistically included in regional planning.

The following actions are implementable in the next 18 months and leverage existing initiatives where possible. They are inclusive and include measurable accountabilities for progress. These actions are aimed not only at shorter-term economic recovery but also in building a more diverse, sustainable and resilient economy for tomorrow.

\(^{28}\) [https://www150.statcan.gc.ca/n1/daily-quotidien/171025/dq171025a-eng.htm](https://www150.statcan.gc.ca/n1/daily-quotidien/171025/dq171025a-eng.htm)
2. RECOMMENDATIONS

Recommendation A: All partners must further incorporate the Indigenous economy into the regional economy.

The separation between the Indigenous and non-Indigenous regional economies results in substantial inefficiencies and an overall lack of inclusivity. To ensure we all have access to — and can build from — each other’s unique strengths, Indigenous businesses must be included in the same economic planning, government funding models and business visibility and accessibility afforded to non-indigenous businesses. For any programs to be successful, this inclusion must be done with Indigenous guidance, direction, and support, as the Indigenous cultural values and mores must be understood by everyone for any successful programs.

The Indigenous Economy Committee recommends:

- **Fund a led-by and made-for regional Indigenous economic development (ED) office** to help curate regional economic opportunities mentioned further in this report. The office would augment and amplify economic activities taken at an individual Nation level and is not intended to supplant existing ED activities that already exist in some Nations. It would provide additional resources to these Nations, while also providing basic level services to the smaller Nations that cannot currently support these services. An example of the need for this office was recently felt when a large capital project for the South Island region was proposed. The project owner wished to include regionally relevant Indigenous input in the project but could not find an appropriate agency to help. Ultimately, the result was far lower economic value flowing to the First Nations through the project and beyond.

- **Ensure effective Indigenous input on procurement.** Currently, many procurement opportunities — public and private — are designed with outcomes for Indigenous communities in mind. For example, a set percentage of all labour or materials to be sourced by Indigenous-run businesses. However, without direct, local input from Indigenous economic agencies, the resulting formulas are often very short term and transactional. A longer view approach would identify strategic local focus areas in advance of project tendering (e.g., youth employment or skills development that can transfer to future projects). This early input in the procurement process would help maximize the long-term sustainable value of the projects to the Indigenous communities.

- **Develop an Indigenous business directory.** The directory would be a clear, efficient means for non-Indigenous businesses and individuals to connect with Indigenous businesses, opportunities and skills. The directory would be created and managed by the First Nations and be relevant to non-Indigenous ways of conducting business, up-to-date, accurate and easy to use.

- **Design and launch an Indigenous centralized employment agency.** The committee identified that many local organizations (government and private sector) are very interested in hiring Indigenous workers. However, lack of a clear place to go to attract this talent is slowing the
process and further removing a key under-employed community from the general workforce. An agency would be established to:

- work with Indigenous and non-Indigenous employment agencies and HR departments to share working opportunities and publish them through a digital job board;
- connect with local schools to fill work experience opportunities;
- connect with Indigenous communities to ensure effective visibility is given to the posting;
- provide input to educational institutions to help develop programs and curriculum in areas of greatest need.

This agency could potentially be housed within the Native Friendship Centre(s) where many employment services are already delivered for regional Indigenous members. It could leverage existing digital job boards, such as VIATEC’s job board for the technology community and could be funded, in part, by prospective employers paying a fee to post positions.

- **Create cultural awareness among non-Indigenous businesses.** The committee identified that many Indigenous workers have a difficult time integrating successfully into non-Indigenous businesses. This can be attributed, in some measure, to a lack of knowledge of Indigenous cultural values and their potential impact on business needs. For example, service to Elders and cultural responsibilities are very high priorities. This can sometimes result in work reliability challenges and, ultimately, work performance concerns. However, with proper planning and awareness, these events can be better accounted for and result in a stronger work relationship.

- **Support non-Indigenous businesses who want to incorporate Reconciliation into their work practices through awareness.** Businesses have begun asking how best to do this — and tools need to be delivered to support this journey. Further guidance can be found on the website of the Indigenous-owned digital company Animikii.

Recommendation B: All partners must work together to build infrastructure and business development initiatives.

All businesses need the same conditions, inputs and physical infrastructure to attract investment and thrive in a changing economy. Within the context of First Nations governance, the First Nations Fiscal Management Act provides the means to access pooled borrowing and use property tax dollars for infrastructure financing for very long-term borrowing in the same way that local governments do. The Indigenous Economy Committee recommends the following:

- **Encourage Indigenous businesses to improve their e-commerce capacity.** In alignment with the Retail, Services and Restaurants Committee Report, this committee agrees small businesses need grants, resources and training to scale up digital infrastructure, boost digital capacity to work remotely and build marketing skills to benefit from the expanded customer base that e-

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29 https://www.animikii.com/news/7-ways-to-incorporate-reconciliation-into-your-business
commerce offers. These services need to be provided at low or no cost to encourage participation and deployment.

- **Recognize Indigenous leadership roles in new and existing initiatives.** More Indigenous control over the processes in provincial and federal programs such as WorkBC would help ensure funds are flowing to the priorities established by the First Nations for themselves.

- **Support local delivery of specialized Indigenous financial training programs.** With increased infrastructure and business development efforts, it is critical to ensure local business development skills are available to support and lead this work effectively. The committee recommends the local delivery of courses targeting mid-management Indigenous economic skills development such as The Tulo Centre for Indigenous Economics at Thompson Rivers University, or the Aboriginal Financial Officers Association certification of financial officers to support and lead this work effectively.

**Recommendation C: All partners must work together to promote Indigenous businesses.**

Demand for Indigenous products and services has been severely impacted by the loss of customers and tourists during the pandemic. While Indigenous businesses require unique adaptations, many of the solutions below work hand-in-hand within the complete regional economic context. The Indigenous Economy Committee recommends the following:

- **Include Indigenous businesses in shop-local initiatives.** In alignment with several other Taskforce Committee reports, the Indigenous Economy Committee supports shop/buy/sell local initiatives. The committee further recommends that the Indigenous economy needs to be visible and well-integrated in each of the initiatives, such as ShopLocalYYJ or the Island Good campaign.

- **Develop and fund a marketing campaign for Indigenous businesses and tourism.** This could include videos, promotional materials and an online gallery of photos of goods, services and experiences for inclusion in regional and provincial marketing campaigns and local media outlets.

- **Enhance collaboration among Indigenous communities.** Opportunities for Indigenous communities and businesses to share best practices and strategies will encourage growth. Examples could include building on the Coastal Communities Social Procurement Initiative and continuing forums for inter-community collaboration, such as economic forums.

**Recommendation D: All partners must work together to provide opportunities for upskilling.**

There is an acute need for upskilling throughout most areas of the Indigenous economy. Pre-COVID, the underemployment level within Indigenous communities was substantially higher than the broader region, even at record-low unemployment. In 2018, B.C.’s Indigenous unemployment rate was 10.2% vs. 4.5% for the non-Indigenous population. Upskilling will provide more family-supporting jobs and wages and carry positive social benefits throughout the community.
Within this broader situation, the Committee has identified a shortage of skilled workers at the mid-management level in First Nation and Indigenous organizations. Participants commented that internal promotion and skills development builds overall capacity and meets the objective of meaningful employment in household sustaining job developments. To create a specific Indigenous leadership program tailored to the development of future Indigenous administration and business leadership, the Indigenous Economic Committee recommends the following:

- **Partner with the companies and government offices that would benefit from First Nation trained staff.** These organizations could provide funding for training and mentorship to new First Nations employees with the understanding that well trained future employees may be the result. The First Nation offices would benefit from funding to support the training and coaching obligations they incur whenever they take on new administrative staff.

- **Develop a regional skills-needs inventory to help identify and close Indigenous skills gaps.** Many local businesses have employee skills requirements that are not visible to the First Nations. A collection of key employment skills opportunities needs to be developed and then viewed through the existing Indigenous population talent pool. The gaps identified will serve as key focus areas for micro-credentialing efforts.

- **Collaborate with training institutions on micro-credentialing.** In alignment with the Education and Training Committee recommendations, this committee sees great benefit in developing micro-credential programs to help build the skills identified from the skills-needs inventory assessment. These programs need to be designed and delivered with and by existing Indigenous leadership to ensure authenticity and situational relevance.

### 3. BACKGROUND

**Rising Economy Taskforce Objective and Benefits**

The Rising Economy Taskforce was established to bring together the South Island’s diverse leadership to create a coordinated economic recovery plan that will:

- create recovery priorities for the region that are most inclusive and maximize positive impacts on the economy;

- identify opportunities for the region that are aligned to federal, provincial and municipal stimulus policies and funding;

- give confidence to our region by demonstrating that recovery efforts are well-coordinated, progressing, and responsive to the evolving situation;

- help coordinate recovery activities for the region by helping stakeholders identify common interests and develop partnerships;
● ensure that the plan informs — and is informed by — broader planning and decision-making activities across government and non-government agencies.

**Sector Committees Objectives**

Each sector experiences unique circumstances, which is why the Rising Economy Taskforce is divided into 11 sector-driven Committees. These Committees will act as primary inputs for the Taskforce’s work. Included in their work are the following key topics:

- Identify opportunities and conducting a situational analysis of their specific sectors for both the short term (recovery) and long term (resilience);
- Provide recommendations to the Rising Economy Taskforce on focused actions that will best position the sectors to survive and thrive;
- Provide recommendations that include ideas, policies and actions, and identifying goals, measures and potential owners of these actions. These will be included in the Regional Economic Recovery Plan;
- Focus recommendations for recovery in the short and mid-term (<6 months) then pivoting to longer-term areas of focus (resilience).

**Indigenous Economy Committee**

The Indigenous Economy Committee serves to represent the First Nations of the South Island region along with the many Indigenous citizens living outside of the Nations. Within this set of communities exists a broad, vibrant and diversified group of businesses and cultural enterprises along well as government and administrative organizations.

While many issues and opportunities are unique to this community, the issues identified by most or all other committees are also felt within the Indigenous economy. To that end, all of the other Committee reports have a bearing on the Indigenous Economic Committee report and vice versa.

**Committee Members**

The Indigenous Economy Committee was selected for its experience, diversity, breadth, understanding of the sector and community leadership. It is made up of the following members:

- Christina Clarke (Co-Chair) CEO, Songhees Nation DevCo
- Jacques van Campen (Co-Chair), Director of Innovation, South Island Prosperity Partnership
- Josh Handysides, CAO, Malahat Nation
- Ron Rice, Executive Director, Victoria Native Friendship Centre
- Jeff Ward, CEO, Animikii Indigenous Technology
- Carol Anne Hilton (Advisor), CEO, Indigenomics Institute

Additionally, all Chiefs of the local Nations were invited to attend and comment on the work of the committee throughout its many sessions. Many people, including Chief Ron Sam (Songhees), Chief Russ Chipps (Scia’new) and Chief Rebecca David (Pauquachin), gave direct feedback and direction to help assist and guide the discussions.

**Summary of Process and Research Findings**

The Indigenous Economy Committee was struck on May 28 and met four times over the following two months. The Committee customized the Situational Analysis Survey and administered the survey to key community and industry respondents. The Committee reviewed and analyzed the survey results and used future-casting workshops to identify the recommendations, ideas and actions highlighted in this document.

*To request a copy of the survey findings, please contact South Island Prosperity Partnership at office@southislandprosperity.ca.*